European International University, EIU-Paris

Doctoral Thesis

Title:

A Study of Leadership Style Analysis Using The Enneagram Personality Types Assessment For Micro, Small & Medium Enterprise (MSME) Business Leaders in Indonesia

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In Partial Fulfillment of the Requirements for the Degree of Doctor of Psychology (Psy.D.) in Leadership and Industrial Organizational Psychology

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DECLARATORY OR AUTHORSHIP STATEMENT

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ACKNOWLEDGEMENT

This doctoral thesis becomes a reality with the kind support and help of many individuals. I would like to extend my sincere thanks to all of them.

At first, I would like to express my gratitude towards my great family for the motivation and encouragement which helped me in completion this research. My father Jurianto, my mother Aminah, also my sister Vita and my young brother Ardhi.

I would like to acknowledge and give my warmest thanks to my supervisor, Dr. VB. Kumaresan Balasubramanian and Prof. Dr. Edward Roy Krishnan who made this work possible. Their guidance and advice carried me through all the stages of writing my research, thank you sir.

To Saskia, partner and support system. Thank you for your presence.

To all friend, colleague and others who in one way or another shared their support, either morally, financially and physically, thank you.

Finally, I would like to thanks to myself, for all the struggle and enjoyment the process with happiness day by day. Congratulations, we did it.

ABSTRACT

This study explores the relationship between Enneagram personality types and leadership styles among micro, small, and medium enterprise (MSME) leaders in Indonesia, focusing on how personality-driven leadership impacts business performance. Utilizing the Enneagram Personality Types Assessment and the Leadership Style Questionnaire, the research examines the distribution of personality traits across MSME leaders and analyzes their correlation with transformational, transactional, participative, and autocratic leadership styles. The findings demonstrate that specific Enneagram personality types, such as Type 3 (The Achiever) and Type 6 (The Loyalist), are closely linked to transformational and transactional leadership behaviors, respectively, which significantly influence business outcomes including innovation, operational efficiency, and employee satisfaction.

The study highlights the importance of adaptability and emotional intelligence in leadership effectiveness, particularly in the dynamic and resource-constrained environment of MSMEs. By understanding their personality traits, leaders can tailor their leadership approaches to meet the specific demands of their businesses, enhancing both team performance and long-term business success. Additionally, the research underscores the need for personalized leadership development programs that integrate personality assessments to help MSME leaders leverage their strengths and address potential challenges.

This study contributes to the field of leadership studies by expanding the use of the Enneagram framework within leadership research and offering practical insights into how personality-driven leadership behaviors can be harnessed to improve MSME performance. Recommendations for future research include the exploration of longitudinal leadership studies, cross-cultural comparisons, and the role of emotional intelligence in enhancing leadership effectiveness.

Keywords: ***Leadership, Enneagram, Personality Types, Assessment, Business***

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CHAPTER 1: INTRODUCTION

1.1 Background of the Study

The rapid growth of Micro, Small, and Medium Enterprises (MSMEs) has positioned them as critical contributors to the economic development of many nations, including Indonesia. According to the Ministry of Cooperatives and SMEs, MSMEs in Indonesia account for approximately 60% of the national GDP and provide employment to over 97% of the workforce (Ministry of Cooperatives and SMEs, 2021). Despite their economic importance, MSMEs face significant challenges in sustaining growth, improving productivity, and maintaining competitiveness in both domestic and international markets (Tambunan, 2019).

One of the key factors influencing the success or failure of MSMEs is leadership. Leadership within MSMEs is unique compared to large corporations due to the distinct organizational structures, the resource constraints, and the leadership styles required to navigate smaller-scale business environments (Burns, 2017). Research in leadership styles has evolved significantly over the past few decades, highlighting various theories and models such as Trait Theory, Behavioral Theory, and Transformational Leadership (Northouse, 2021). However, there remains a lack of focus on how leadership styles specifically apply to the context of MSMEs, particularly in developing countries like Indonesia.

The Enneagram Personality Types Assessment offers a novel approach to understanding leadership. The Enneagram model, which divides personalities into

nine distinct types, has gained attention in organizational studies as a tool for identifying leadership potential and improving management effectiveness (Riso & Hudson, 1999). Each Enneagram type possesses unique traits that can influence leadership behavior, decision-making, and interpersonal relationships (Daniels & Price, 2009). The application of this model in leadership studies has predominantly focused on larger organizations, leaving a gap in its application to MSME leadership contexts (Upton, 2015).

This study aims to address the gap by exploring how the Enneagram Personality Types Assessment can be utilized to analyze leadership styles among MSME leaders in Indonesia. By understanding the personality profiles of these leaders, this research seeks to uncover the relationship between personality and leadership effectiveness, providing insights into how MSMEs can enhance their leadership development practices. Moreover, the study will contribute to the limited body of knowledge on leadership within the MSME sector, particularly in developing economies.

1.2 Problem Statement

Leadership plays a pivotal role in the success of Micro, Small, and Medium Enterprises (MSMEs), as it directly influences decision-making, employee performance, and organizational growth (Burns, 2017; Northouse, 2021). In Indonesia, where MSMEs account for a significant portion of the national economy, leadership challenges are magnified due to limited resources, evolving market demands, and competitive pressures (Tambunan, 2019). Despite the critical need

for effective leadership, there is a scarcity of research that specifically examines the leadership styles of MSME leaders in Indonesia, leaving many enterprises without a clear framework for leadership development.

The Enneagram Personality Types Assessment offers a robust framework for understanding personality and its influence on leadership behaviors (Riso & Hudson, 1999). While the Enneagram has been applied extensively in leadership studies, the majority of this research has focused on large corporations, and there is limited empirical evidence regarding its application within MSMEs (Upton, 2015). This gap in research presents a challenge for MSMEs in Indonesia, as they lack tailored leadership models that consider the unique dynamics of their business environment.

Furthermore, existing leadership studies often overlook the nuanced relationship between personality and leadership effectiveness in smaller enterprises. Traditional leadership theories, such as Trait Theory or Transformational Leadership, may not fully capture the complexities of leadership in MSMEs (Northouse, 2021). As a result, MSME leaders may struggle to align their leadership style with their personality traits, potentially limiting their ability to lead effectively.

This study seeks to address the following problem: How can the Enneagram Personality Types Assessment be used to analyze and improve leadership styles among MSME business leaders in Indonesia? By examining the relationship between personality and leadership effectiveness, this research aims to fill the

existing knowledge gap and provide MSME leaders with practical insights for enhancing their leadership capabilities.

1.3 Research Questions

This study is guided by the overarching aim of exploring the relationship between leadership styles and the Enneagram personality types among MSME business leaders in Indonesia. To address this aim, the following research questions have been formulated:

1. What is the distribution of Enneagram personality types among MSME business leaders in Indonesia?

   This question seeks to understand the prevalence of various Enneagram types among MSME leaders, providing a foundational understanding of their personality profiles.
2. What leadership styles are most commonly exhibited by MSME business leaders based on their Enneagram personality types?

   This question focuses on identifying patterns of leadership behavior that align with specific Enneagram types, helping to clarify how personality influences leadership approaches.
3. Is there a significant correlation between Enneagram personality types and leadership effectiveness in MSMEs?

   This question aims to explore whether certain Enneagram types are associated with more effective leadership styles in the MSME context, based on performance indicators or leadership outcomes.

4. How do leadership styles, as informed by Enneagram personality types, affect the performance and success of MSMEs in Indonesia?

   This question examines the practical impact of leadership styles on business outcomes, particularly in terms of MSME growth, employee engagement, and overall organizational success.

5. How can the Enneagram Personality Types Assessment be utilized as a tool for leadership development in MSMEs?

   This question aims to provide actionable insights for MSME leaders and policymakers on how the Enneagram model can be integrated into leadership development practices to enhance organizational effectiveness.

1.4 Objectives of the Study

The primary objective of this study is to explore the relationship between leadership styles and Enneagram personality types among MSME business leaders in Indonesia, with the goal of providing insights that can inform leadership development and organizational effectiveness. Specifically, the study aims to:

1. Identify the distribution of Enneagram personality types among MSME business leaders in Indonesia.

   This objective seeks to provide a comprehensive understanding of the personality profiles of MSME leaders by analyzing the prevalence of each Enneagram type within the sample population.

2. Examine the leadership styles exhibited by MSME business leaders based on their Enneagram personality types.

This objective aims to map the relationship between specific Enneagram types and leadership behaviors, offering insights into how personality influences leadership approaches in the MSME context.

3. Analyze the correlation between Enneagram personality types and leadership effectiveness in MSMEs.

   The study will assess whether certain personality types are linked to more effective leadership, thereby identifying traits that contribute to leadership success in MSMEs.

4. Evaluate the impact of leadership styles, informed by Enneagram personality types, on the performance and success of MSMEs in Indonesia.

   This objective focuses on understanding how leadership behaviors, as influenced by personality, affect key business outcomes such as growth, employee satisfaction, and organizational sustainability.

5. Develop practical recommendations for utilizing the Enneagram Personality Types Assessment as a tool for leadership development in MSMEs.

   The final objective is to provide actionable strategies for MSME leaders and policymakers on how the Enneagram can be integrated into leadership training and development programs to enhance leadership effectiveness and business performance.

1.5 Significance of the Study

This study holds significance both in theoretical and practical terms, contributing to the fields of leadership studies, personality assessment, and MSME management. The key contributions are outlined as follows:

Theoretical Contributions:

The study contributes to the body of knowledge on leadership within the MSME sector, particularly in the context of developing countries such as Indonesia. Existing leadership theories often focus on large organizations, leaving a gap in understanding leadership dynamics in smaller enterprises. By applying the Enneagram Personality Types Assessment, this research provides a novel lens through which leadership styles in MSMEs can be analyzed, expanding the theoretical frameworks that link personality to leadership effectiveness (Riso & Hudson, 1999; Upton, 2015).

Additionally, this study enriches the literature on personality typologies and their influence on leadership by providing empirical evidence of how Enneagram personality types align with leadership behaviors in MSMEs. This can serve as a foundation for further research on personality-driven leadership models in small and medium-sized enterprises (Northouse, 2021).

Practical Contributions:

For MSME business leaders, this research provides actionable insights into how personality traits, as measured by the Enneagram model, can influence leadership styles and organizational outcomes. By identifying personality-driven leadership

strengths and weaknesses, MSME leaders can adopt more tailored and effective leadership approaches that align with their personal traits and the needs of their business.

The study also offers practical recommendations for integrating the Enneagram Personality Types Assessment into leadership development programs. This can help MSMEs build leadership capacity, improve decision-making, and enhance business performance, especially in a resource-constrained environment (Burns, 2017).

Policymakers and stakeholders involved in MSME development will benefit from the study's findings, as it offers new insights into how leadership training and development programs can be customized based on personality assessments. This could lead to more effective leadership development strategies that align with the unique challenges faced by MSMEs in Indonesia.

Contribution to MSME Leadership in Indonesia:

In the context of Indonesia, where MSMEs play a crucial role in driving economic growth, understanding leadership at this level is vital for sustaining the sector's contribution to the national economy (Tambunan, 2019). This study addresses the gap in leadership research specific to the MSME sector in Indonesia and offers culturally and economically relevant insights for enhancing leadership effectiveness.

In summary, this study not only advances the academic understanding of leadership and personality in MSMEs but also provides practical tools for MSME leaders and policymakers to improve leadership development and organizational performance.

1.6 Scope and Limitations

Scope of the Study:

This study focuses on analyzing the leadership styles of Micro, Small, and Medium Enterprise (MSME) business leaders in Indonesia through the lens of the Enneagram Personality Types Assessment. The scope of the research is defined by the following aspects:

Population and Context:

The study is geographically limited to MSMEs operating in Indonesia, with an emphasis on understanding the leadership styles of their business leaders. Given the unique economic and cultural context of Indonesia, the findings will primarily apply to MSMEs within this setting. However, the theoretical implications may be generalized to other developing economies with similar MSME dynamics.

Leadership and Personality Assessment:

The Enneagram Personality Types Assessment is used as the primary tool to evaluate the personality traits of MSME business leaders, linking these traits to their leadership styles. Other leadership assessment tools are referenced for comparison purposes, but the main focus remains on the Enneagram model (Riso & Hudson, 1999).

Methodology:

The study employs a mixed-methods approach, combining both quantitative and qualitative data to analyze leadership styles and personality types. Quantitative data

will be gathered through surveys measuring Enneagram types and leadership effectiveness, while qualitative data will be collected through interviews and case studies with MSME leaders.

Limitations of the Study:

Despite its contributions, the study faces several limitations that must be acknowledged:

Geographic and Cultural Specificity:

The research is limited to MSMEs in Indonesia, which may affect the generalizability of the findings to other regions or business sectors. Cultural factors specific to Indonesia, such as leadership norms influenced by collectivist values, may not be fully applicable in other countries (Hofstede, 2011).

Self-Reporting Bias:

The reliance on self-reported data from MSME leaders in both the Enneagram personality assessment and leadership style evaluations introduces the potential for bias. Leaders may unintentionally provide answers that they believe are more socially desirable or aligned with perceived leadership norms, rather than accurately reflecting their actual behaviors (Podsakoff et al., 2003).

Sample Size and Representation:

Due to the practical constraints of time and resources, the sample size may be limited, potentially affecting the statistical power of the study. While efforts will be made to ensure a representative sample of MSME leaders across different sectors,

the findings may not fully capture the diversity of leadership styles within the broader MSME landscape.

Complexity of Leadership-Performance Relationships:

The study aims to identify correlations between Enneagram personality types and leadership effectiveness, but it is important to recognize that leadership success is influenced by numerous external factors, including market conditions, team dynamics, and industry trends (Burns, 2017). As such, personality traits alone may not account for all variations in leadership effectiveness within MSMEs.

Limited Research on Enneagram in MSMEs:

While the Enneagram has been widely studied in organizational and leadership contexts, its application within MSMEs remains underexplored. This limits the availability of comparative research and literature, which could provide additional insights or validation of the findings (Upton, 2015).

1.7 Definition of Key Terms

To ensure clarity and consistency throughout the study, the following key terms are defined based on their relevance to the research:

1.7.1 Leadership Style

Leadership style refers to the behavior, approach, and strategies employed by leaders to guide, motivate, and manage their teams toward achieving organizational goals. Leadership style encompasses various dimensions such as decision-making,

communication, and relationship-building, which can be influenced by the leader's personality traits (Northouse, 2021). In this study, leadership style is examined through the lens of personality as assessed by the Enneagram model, with an emphasis on understanding how different personality types adopt distinct leadership behaviors.

1.7.2 Enneagram Personality Types

The Enneagram Personality Types Assessment is a psychological model that categorizes individuals into one of nine personality types, each of which reflects a set of core motivations, fears, and behavioral tendencies (Riso & Hudson, 1999). These nine types are grouped into three triads (Heart, Head, and Gut Centers), each of which represents different ways of responding to the world. The Enneagram is increasingly used as a tool in leadership development to help individuals understand how their personality influences their decision-making and interpersonal interactions (Daniels & Price, 2009). This study utilizes the Enneagram to assess the personality profiles of MSME leaders and their corresponding leadership styles.

1.7.3 MSME Business Leaders

MSME business leaders are individuals who hold leadership positions within Micro, Small, and Medium Enterprises (MSMEs). In Indonesia, MSMEs are defined based on the number of employees and annual revenue, with micro-enterprises typically having fewer than 10 employees, small enterprises having between 10 and 50 employees, and medium enterprises employing up to 250 people (Ministry of Cooperatives and SMEs, 2021). MSME leaders are responsible for

overseeing business operations, making strategic decisions, and managing teams, often with limited resources and in highly competitive markets. In this study, MSME business leaders in Indonesia are the primary population of interest, as their leadership styles and personality traits are analyzed.

1.7.1 Leadership Style

Leadership style refers to the characteristic ways in which a leader directs, motivates, and manages individuals or groups to achieve specific objectives. It is shaped by a combination of personal traits, behaviors, and situational factors that influence how leaders interact with their teams and make decisions (Northouse, 2021). Leadership styles can range from highly authoritative to democratic or laissez-faire, depending on the leader's approach to decision-making, power dynamics, and communication.

Various leadership theories have emerged to categorize leadership styles, including Trait Theory, Behavioral Theory, Situational Leadership, and Transformational Leadership. Each of these models provides a framework for understanding how leadership styles influence organizational outcomes. In the context of MSMEs, leadership style becomes especially crucial due to the close-knit, resource-constrained nature of these enterprises (Burns, 2017).

For the purposes of this study, leadership style will be examined through the lens of the Enneagram Personality Types Assessment. The Enneagram model provides a unique perspective on leadership by linking personality traits to specific leadership behaviors. For example, a leader with a Type 3 personality (the Achiever)

may exhibit goal-oriented, competitive leadership behaviors, while a Type 9 leader (the Peacemaker) might prefer a more collaborative and consensus-driven style (Riso & Hudson, 1999).

In MSMEs, the choice of leadership style can have significant implications for employee performance, organizational culture, and overall business success. MSME leaders, who often work in highly dynamic and uncertain environments, must adapt their leadership styles to balance short-term operational demands with long-term strategic growth (Tambunan, 2019). As this study will demonstrate, the alignment between a leader's personality type and their leadership style can play a critical role in determining the effectiveness of leadership in the MSME sector.

1.7.2 Enneagram Personality Types

The Enneagram is a personality assessment model that categorizes individuals into one of nine distinct personality types, each reflecting a unique set of motivations, fears, and behavioral tendencies. Developed through centuries of philosophical and psychological study, the Enneagram has become widely used in various fields, including leadership development, personal growth, and organizational psychology (Riso & Hudson, 1999).

The Nine Enneagram personality types are organized into three overarching triads, representing three centers of intelligence: the Heart (emotional), Head (thinking), and Gut (instinctual) centers (Daniels & Price, 2009). These triads emphasize the different ways individuals process information and react to their environments:

Heart Center (Types 2, 3, and 4): Focuses on emotions and relationships, with these types being driven by the need for recognition, appreciation, and self-expression.

Head Center (Types 5, 6, and 7): Deals with intellectual and cognitive processing, where these types are motivated by security, understanding, and planning for the future.

Gut Center (Types 8, 9, and 1): Concentrates on instinctual responses and action, with these types being driven by the desire for control, harmony, or a sense of justice.

Each of the nine types within the Enneagram framework provides insights into the core motivations, fears, and adaptive behaviors of individuals. For example:

Type 1 (The Perfectionist): Principled, purposeful, and self-controlled, with a strong sense of right and wrong.

Type 2 (The Helper): Caring, empathetic, and supportive, with a desire to be loved and appreciated.

Type 3 (The Achiever): Ambitious, energetic, and success-oriented, focused on setting and achieving goals.

Type 4 (The Individualist): Expressive, introspective, and creative, with a desire for authenticity and meaning.

Type 5 (The Investigator): Analytical, perceptive, and reserved, driven by the need for understanding and knowledge.

Type 6 (The Loyalist): Responsible, committed, and security-oriented, motivated by the need for stability and support.

Type 7 (The Enthusiast): Spontaneous, optimistic, and adventurous, with a focus on seeking new experiences.

Type 8 (The Challenger): Assertive, confident, and decisive, with a desire to exert control and influence.

Type 9 (The Peacemaker): Receptive, agreeable, and accommodating, focused on maintaining harmony and avoiding conflict (Riso & Hudson, 1999; Daniels & Price, 2009).

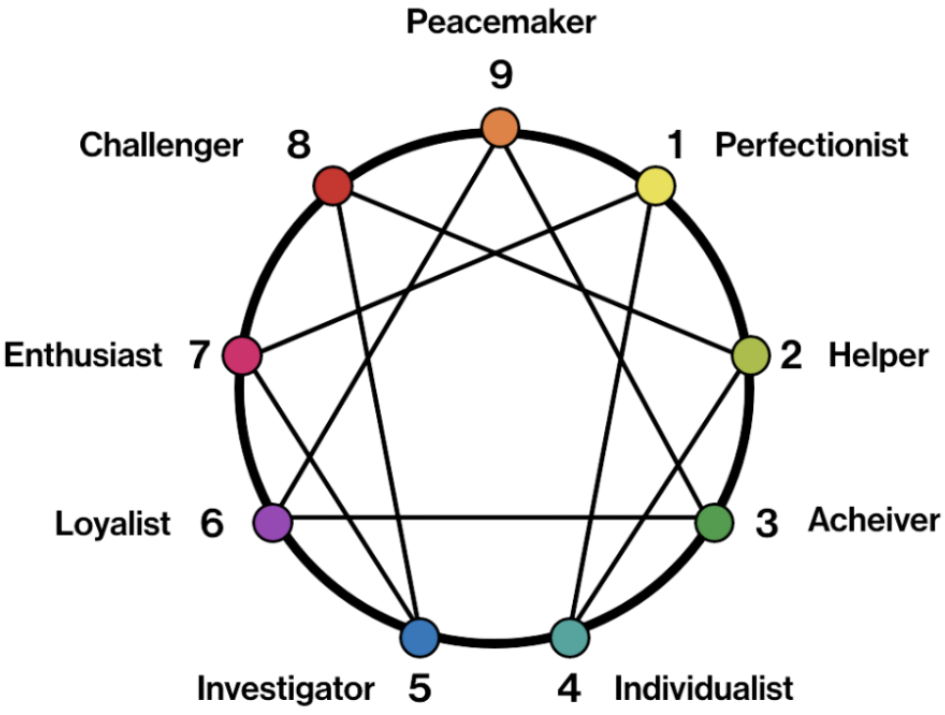


Figure 1. The Enneagram Personality Types

In leadership contexts, the Enneagram model is valuable for identifying how each personality type approaches decision-making, team dynamics, and conflict resolution. For instance, a Type 8 leader (The Challenger) may adopt a direct and assertive leadership style, while a Type 9 leader (The Peacemaker) may focus on creating consensus and minimizing tension within the team (Lapid-Bogda, 2004). Understanding the Enneagram types of MSME business leaders can offer deeper insights into their leadership approaches and how these influence organizational outcomes.

For MSMEs in Indonesia, where leadership is critical to navigating complex business environments, the Enneagram Personality Types Assessment provides a practical tool for evaluating and developing leadership potential. This study aims to explore the distribution of these types among MSME leaders and analyze how their personality traits align with effective leadership styles.

1.7.3 MSME Business Leaders

Micro, Small, and Medium Enterprises (MSMEs) represent a vital sector of the economy, particularly in developing nations like Indonesia, where they contribute significantly to employment and GDP growth (Ministry of Cooperatives and SMEs, 2021). In Indonesia, MSMEs are defined by their size in terms of assets, revenues, and the number of employees. According to the Indonesian Ministry of Cooperatives and SMEs, micro-enterprises employ fewer than 10 workers, small enterprises between 10 and 50 employees, and medium enterprises between 50 and 250 employees (Tambunan, 2019).

MSME business leaders are those individuals who hold key leadership roles within these enterprises, responsible for making strategic decisions, managing operations, and leading teams. Unlike leaders in larger corporations, MSME leaders often face distinct challenges such as resource limitations, fluctuating market conditions, and the need for multitasking across various operational roles (Burns, 2017). This makes leadership in MSMEs particularly dynamic and adaptive.

Given the size and structure of MSMEs, business leaders in these enterprises typically have a more direct and personal relationship with their employees. This can create both opportunities and challenges in terms of leadership effectiveness. MSME leaders are required to be flexible, resilient, and often must take on multiple roles, from overseeing day-to-day operations to formulating long-term strategic plans (Northouse, 2021). As such, leadership styles in MSMEs may vary considerably depending on the leader's personality, experience, and the specific needs of the enterprise.

In the Indonesian context, cultural and economic factors further shape the leadership styles of MSME business leaders. Indonesian business culture, characterized by collectivism, hierarchy, and the importance of maintaining harmonious relationships, influences how MSME leaders interact with their employees and make decisions (Hofstede, 2011). This cultural backdrop makes leadership in MSMEs a complex interplay of personal traits, organizational dynamics, and cultural expectations.

The focus of this study is to examine the leadership styles of MSME business leaders through the lens of the Enneagram Personality Types Assessment. By understanding the personality profiles of these leaders, the study aims to identify how different personality types influence leadership behaviors and organizational outcomes. This analysis is critical for developing tailored leadership development programs that can enhance the performance and sustainability of MSMEs in Indonesia.

1.8 Structure of the Thesis

This thesis is organized into six chapters, each addressing specific aspects of the research topic and guiding the reader through the process of inquiry, analysis, and conclusion. The structure of the thesis is as follows:

Chapter 1: Introduction

This chapter presents the foundation of the research by outlining the background, problem statement, research questions, objectives, significance, and scope of the study. It also provides definitions of key terms used throughout the thesis, such as leadership style, Enneagram personality types, and MSME business leaders.

Chapter 2: Literature Review

In this chapter, a comprehensive review of the relevant literature is conducted, covering leadership theories, the role of personality in leadership, the Enneagram model, and the specific leadership challenges faced by MSMEs in Indonesia. The chapter also discusses existing leadership assessment tools and situates the

Enneagram within the broader context of leadership studies. Finally, a theoretical framework for the study is established based on the interaction between leadership styles and personality in MSMEs.

Chapter 3: Research Methodology

This chapter details the research design and methodology used to conduct the study. It describes the research philosophy, population and sample, data collection methods (including surveys and interviews), and the research instruments, such as the Enneagram Personality Types Assessment and leadership style questionnaire. It also outlines the data analysis techniques and discusses ethical considerations related to participant consent and confidentiality.

Chapter 4: Data Analysis

In this chapter, the collected data is analyzed to provide answers to the research questions. The demographic profiles of the MSME leaders are presented, followed by an analysis of leadership styles and Enneagram personality types. Correlations between personality and leadership effectiveness are explored, and leadership trends across different MSME sectors are examined.

Chapter 5: Results

This chapter summarizes the key findings from the data analysis. It provides insights into the distribution of Enneagram personality types among MSME leaders and their corresponding leadership styles. The chapter also interprets the relationship between personality and leadership effectiveness and discusses the implications of leadership styles for MSME performance.

Chapter 6: Discussion and Conclusion

The final chapter discusses the integration of the research findings with existing literature and addresses the implications for both leadership theory and MSME practice. It also highlights the limitations of the study and suggests recommendations for future research. The chapter concludes with a summary of how the study contributes to the understanding of leadership styles in MSMEs, specifically through the use of the Enneagram Personality Types Assessment.

CHAPTER 2: LITERATURE REVIEW

2.1 Overview of Leadership Theories

The study of leadership has been a central focus in both organizational psychology and management disciplines for decades, driven by the need to understand how leaders influence individuals, teams, and organizations. Numerous leadership theories have been developed over time, each offering unique insights into the traits, behaviors, and situational factors that contribute to effective leadership (Northouse, 2021). These theories not only seek to explain the characteristics of successful leaders but also provide frameworks for identifying, developing, and assessing leadership potential.

In the context of Micro, Small, and Medium Enterprises (MSMEs), leadership takes on a particularly important role. MSME leaders operate in dynamic and often resource-constrained environments, where the ability to make effective decisions, motivate teams, and navigate challenges can determine the success or failure of the business (Burns, 2017). Leadership in such settings requires adaptability and a deep understanding of how individual leader traits interact with organizational needs and external pressures.

While traditional leadership theories—such as Trait Theory, Behavioral Theory, and Situational Leadership Theory—have been widely applied in large organizations, their relevance to the unique context of MSMEs remains underexplored (Burns, 2017; Yukl, 2013). Moreover, recent developments in leadership research, including

Transformational and Transactional Leadership theories, have emphasized the role of emotional intelligence, motivation, and leader-follower relationships, which are crucial for leadership effectiveness in smaller organizations (Bass, 1985).

2.1.1 Trait Theory

Trait Theory is one of the earliest approaches to understanding leadership, rooted in the belief that certain individuals possess innate qualities or characteristics that make them more likely to become effective leaders (Stogdill, 1948). This theory posits that leadership is not something that can be learned or developed through experience alone but is instead the result of inherent traits that differentiate leaders from non-leaders. These traits can include a range of physical, emotional, and intellectual characteristics such as confidence, decisiveness, integrity, and intelligence (Northouse, 2021).

The foundational idea behind Trait Theory is that these characteristics are stable over time and across different contexts. For example, early studies on leadership traits identified qualities such as dominance, self-confidence, and social intelligence as key indicators of effective leadership (Zaccaro, 2007). More contemporary research has expanded this list to include emotional intelligence, resilience, and openness to new experiences (Goleman, 1995; Judge et al., 2002).

In the context of MSMEs, the application of Trait Theory can provide valuable insights into the personal attributes that drive leadership effectiveness. MSME leaders often face unpredictable environments, requiring adaptability and strong personal qualities to navigate challenges and maintain business sustainability

(Burns, 2017). Traits such as resilience, adaptability, and emotional intelligence are particularly important in these settings, where resources are limited, and leaders must frequently engage directly with both employees and customers (Bass & Bass, 2008).

However, despite its long history, Trait Theory has been criticized for its limitations. One major critique is that it overemphasizes inherent qualities and fails to account for the role of situational factors in shaping leadership effectiveness (Yukl, 2013). For instance, a leader may possess many positive traits but struggle in environments that require specific skill sets or behaviors that are not aligned with their natural tendencies. Additionally, the theory does not provide guidance on how to develop or train individuals who may not naturally exhibit these leadership traits (Northouse, 2021).

2.1.2 Behavioral Theory

Behavioral Theory, which emerged as a response to the limitations of Trait Theory, shifts the focus from inherent personal traits to the specific behaviors exhibited by leaders. This theory suggests that leadership is not solely based on innate qualities but rather on the actions and behaviors that leaders demonstrate in various situations (Lewin, Lippitt, & White, 1939). According to this approach, leadership can be learned and developed through practice and experience, and effective leadership is a result of adopting the right behaviors in the right context (Northouse, 2021).

The primary contributions to Behavioral Theory come from studies conducted in the mid-20th century, notably the Ohio State Leadership Studies and the University

of Michigan Studies, which identified two key dimensions of leadership behavior: task-oriented behaviors and people-oriented behaviors (Stogdill, 1974). Task-oriented behaviors focus on goal achievement, efficiency, and productivity, while people-oriented behaviors emphasize building relationships, supporting team members, and fostering a positive work environment (Blake & Mouton, 1985). These two dimensions are often seen as complementary, and effective leaders are those who can balance both aspects according to the needs of their team and organization.

In the context of Micro, Small, and Medium Enterprises (MSMEs), Behavioral Theory offers practical insights into how leaders can improve their effectiveness by adopting specific behaviors that align with the unique demands of their organizations. MSME leaders often need to balance task-oriented behaviors, such as driving operational efficiency and managing limited resources, with people-oriented behaviors, such as motivating employees and maintaining a supportive organizational culture (Burns, 2017). Given the smaller scale and closer relationships typical of MSMEs, the ability to engage with employees on a personal level is particularly important (Bass & Bass, 2008).

One of the key strengths of Behavioral Theory is its emphasis on the flexibility and adaptability of leadership. Leaders can be trained to adopt more effective behaviors, which is particularly relevant for MSME leaders who may not have had formal leadership training. Behavioral Theory also provides a framework for developing leadership competencies that can be tailored to the specific challenges of the MSME sector, such as fluctuating market conditions and resource constraints (Yukl, 2013).

Despite its contributions, Behavioral Theory also faces criticism, particularly for its lack of emphasis on situational factors. Critics argue that focusing solely on behaviors without considering the context in which those behaviors are applied may limit the effectiveness of leadership. For example, a leader who excels at task-oriented behaviors may struggle in situations that require emotional intelligence and relationship-building (Northouse, 2021). This is where the integration of other leadership models, such as Situational Leadership, can complement Behavioral Theory by addressing the importance of context in determining effective leadership behaviors (Hersey & Blanchard, 1969).

2.1.3 Situational Leadership Theory

Situational Leadership Theory, developed by Hersey and Blanchard in 1969, emphasizes the idea that there is no single "best" leadership style. Instead, effective leadership depends on the specific situation and the needs of the followers. The theory posits that leaders must be flexible and adaptable, adjusting their leadership style to match the development level of their employees or team members (Hersey & Blanchard, 1969).

Situational Leadership Theory identifies two key components that leaders must balance: directive behavior (task-oriented) and supportive behavior (relationship-oriented). Leaders adjust these behaviors depending on the readiness, competence, and motivation of their followers. Based on these factors, the theory outlines four leadership styles that a leader may adopt:

Telling (Directing): High directive, low supportive. Leaders provide clear instructions and closely supervise task completion. This style is suitable for employees who are inexperienced or lack confidence in their abilities.

Selling (Coaching): High directive, high supportive. Leaders provide guidance but also encourage input and collaboration. This style is appropriate for employees who are motivated but still need guidance in specific tasks.

Participating (Supporting): Low directive, high supportive. Leaders share decision-making responsibilities and foster autonomy, supporting team members who are competent but may need encouragement or motivation.

Delegating: Low directive, low supportive. Leaders grant significant autonomy to highly competent and motivated team members, allowing them to take ownership of their tasks and decisions (Hersey & Blanchard, 1969).

In the context of Micro, Small, and Medium Enterprises (MSMEs), Situational Leadership Theory is particularly relevant due to the diverse range of employee skill levels and the dynamic nature of small business environments (Northouse, 2021). MSME leaders often need to manage a variety of tasks simultaneously while dealing with limited resources. Therefore, the ability to adjust leadership styles based on the competence and confidence levels of employees is crucial for maintaining productivity and employee engagement (Burns, 2017).

For example, in a small enterprise where employees may take on multiple roles, a leader may need to adopt a "telling" style when onboarding new employees who are unfamiliar with the business processes. As employees grow in competence and

confidence, the leader may shift toward a "delegating" style, granting them more autonomy to make decisions and contribute to the business's growth. This flexibility is essential for ensuring that leadership remains effective as the business evolves.

Situational Leadership Theory also highlights the importance of emotional intelligence and the leader's ability to assess the needs of their team. A successful leader must be perceptive and responsive to changes in employee motivation, readiness, and situational demands (Goleman, 1995). For MSME leaders, this is particularly important given the smaller team sizes and the close-knit working environments typical of such enterprises (Bass & Bass, 2008).

However, one critique of Situational Leadership Theory is its lack of consideration for long-term leadership development. The theory focuses on short-term adaptation to immediate situational needs but does not fully address how leaders can cultivate enduring leadership traits that promote sustained growth and employee development (Yukl, 2013). Additionally, it assumes that leaders can accurately assess their followers' readiness and needs, which may not always be the case.

2.1.4 Transformational and Transactional Leadership

Transformational Leadership and Transactional Leadership are two contrasting leadership models that have gained prominence in leadership studies, particularly for their focus on motivation and leader-follower dynamics. These approaches provide a comprehensive framework for understanding how leaders influence, inspire, and manage their teams, especially in dynamic and evolving business environments such as Micro, Small, and Medium Enterprises (MSMEs).

Transformational Leadership

Transformational Leadership, introduced by James MacGregor Burns in 1978 and later developed by Bernard Bass, focuses on leaders who inspire and motivate their followers to achieve more than what is expected, fostering a sense of purpose, innovation, and commitment (Bass & Bass, 2008). Transformational leaders engage their followers by appealing to higher-order needs, encouraging creativity, and facilitating personal and professional growth. This leadership style is characterized by four key components:

Idealized Influence: Transformational leaders act as role models, embodying the values and behaviors they wish to see in their followers. They earn trust and respect, leading by example and demonstrating integrity (Bass, 1985).

Inspirational Motivation: These leaders inspire their followers by providing a compelling vision and communicating high expectations. They use motivation to energize and engage their teams, often creating a shared sense of purpose (Northouse, 2021).

Intellectual Stimulation: Transformational leaders encourage innovation and creativity by challenging assumptions and encouraging followers to think critically and solve problems in novel ways (Bass & Avolio, 1994).

Individualized Consideration: These leaders pay close attention to the individual needs of their followers, providing mentorship and support for personal development. This focus on nurturing growth ensures that followers are motivated

not just by organizational goals, but also by their own professional aspirations (Goleman, 1995).

In the context of MSMEs, transformational leadership can be particularly effective, as it fosters a culture of adaptability, creativity, and employee engagement—qualities that are essential in resource-constrained environments (Burns, 2017). MSME leaders who adopt a transformational approach can inspire their teams to embrace change, innovate, and work collaboratively toward shared business objectives. This leadership style is especially valuable when navigating the challenges of small-scale enterprises, where every employee's contribution is critical to organizational success (Bass & Bass, 2008).

Transactional Leadership

In contrast, Transactional Leadership focuses on the exchanges that occur between leaders and followers, where rewards and punishments are used to motivate behavior and achieve organizational goals (Bass, 1985). Transactional leaders emphasize clear structures, tasks, and expectations, with performance closely monitored to ensure compliance and efficiency. The primary characteristics of transactional leadership are:

Contingent Reward: Leaders provide rewards, such as bonuses or recognition, in exchange for meeting specific performance goals or completing tasks (Burns, 1978).

Management by Exception: Transactional leaders intervene when performance deviates from set standards, using corrective action to address issues. This can be

either active (leaders monitor performance closely and take immediate action when necessary) or passive (leaders wait for problems to arise before intervening) (Bass, 1985).

While transactional leadership is more directive and structured than transformational leadership, it can be highly effective in MSMEs, particularly in ensuring that short-term operational goals are met and that employees understand their roles and responsibilities (Northouse, 2021). In situations where clear task direction and performance metrics are needed—such as in manufacturing or service-based MSMEs—transactional leadership can drive efficiency and maintain consistency (Burns, 2017).

Integration of Transformational and Transactional Leadership

Although transformational and transactional leadership styles are often seen as opposing approaches, they can complement each other when applied in the right balance. Transformational leadership's focus on long-term vision and employee development can be enhanced by the transactional leader's attention to performance management and task completion (Bass & Bass, 2008). This dual approach is particularly relevant in MSMEs, where leaders must navigate both day-to-day operational demands and long-term strategic growth.

2.2 Personality Typologies in Leadership

The study of leadership has increasingly recognized the importance of personality in shaping leadership behaviors and effectiveness. Personality typologies provide a structured way to analyze how inherent traits, motivations, and behavioral

tendencies influence the way individuals lead, make decisions, and interact with their teams (Judge et al., 2002). Understanding leadership through the lens of personality allows researchers and practitioners to predict how leaders will respond to various challenges, adapt to different environments, and manage relationships with their followers.

Over the years, several personality frameworks have been developed to explain these dynamics. From the foundational Big Five Personality Traits to more specific models such as the Myers-Briggs Type Indicator (MBTI) and the Enneagram Personality Types, these typologies offer valuable insights into how leaders' intrinsic characteristics impact their leadership styles and effectiveness (Costa & McCrae, 1992; Riso & Hudson, 1999). Personality assessments have been employed across industries to aid in leadership development, recruitment, and organizational decision-making, with a focus on aligning leadership roles with personality strengths (Goleman, 1995).

In the context of MSMEs, where leadership often involves direct interaction with employees and hands-on management, personality plays a particularly critical role. MSME leaders must frequently adapt their leadership styles to the specific needs of their business environment, and their personality traits can significantly influence their ability to motivate, engage, and guide their teams (Burns, 2017). By understanding how different personality types align with leadership styles, MSME leaders can improve their self-awareness, leverage their strengths, and mitigate any personality-driven limitations that may impact their effectiveness (Bass & Bass, 2008).

2.2.1 The Role of Personality in Leadership Effectiveness

Personality plays a pivotal role in shaping leadership effectiveness, influencing how leaders approach decision-making, handle interpersonal relationships, and motivate their teams. Leadership is not a one-size-fits-all concept; rather, the effectiveness of a leader often depends on how well their personality aligns with the demands of the role and the expectations of their followers (Judge et al., 2002). Personality traits impact the way leaders perceive challenges, solve problems, and interact with those they lead, making personality assessments a crucial tool for predicting leadership potential and performance (Costa & McCrae, 1992).

Research has consistently shown that certain personality traits are strongly correlated with leadership success. For example, extraversion, openness to experience, and emotional stability—three of the Big Five Personality Traits—have been positively linked to effective leadership behaviors (Judge et al., 2002). Extraverted leaders, who are outgoing and assertive, tend to be more successful in roles that require high levels of interaction, while emotionally stable leaders are better equipped to handle stress and uncertainty. Similarly, leaders high in openness to experience are more likely to embrace change, innovation, and creative problem-solving, which are essential traits for leadership in dynamic environments such as MSMEs (Bass & Bass, 2008).

Moreover, personality not only affects a leader's behavior but also influences how they are perceived by their followers. Leaders who are perceived as authentic, empathetic, and confident are more likely to inspire trust and loyalty, which enhances their ability to motivate and engage their teams (Goleman, 1995). For

instance, leaders with high levels of agreeableness and conscientiousness—other key traits in the Big Five framework—are more likely to build strong, supportive relationships with their employees, fostering a positive and productive work environment (Costa & McCrae, 1992).

In the context of MSMEs, where leaders often work closely with employees and need to manage multiple roles, the role of personality is even more pronounced. MSME leaders are required to be adaptable, emotionally intelligent, and resilient, particularly in environments where resources are constrained, and external pressures are significant (Burns, 2017). In such settings, a leader's personality can either enhance or hinder their ability to manage effectively. Leaders with traits such as resilience, optimism, and adaptability are better equipped to navigate the complexities of small and medium-sized enterprises, where uncertainty and rapid changes are common (Yukl, 2013).

Personality assessments, such as the Enneagram Personality Types Assessment, offer a structured approach to understanding these traits and their influence on leadership effectiveness. The Enneagram model categorizes leaders based on core motivations and fears, providing a deeper understanding of how personality shapes leadership styles. For example, a leader with an Enneagram Type 3 personality (The Achiever) may naturally adopt a goal-oriented and competitive leadership style, whereas a Type 9 leader (The Peacemaker) may focus more on collaboration and maintaining harmony within the team (Riso & Hudson, 1999).

2.2.2 Overview of the Enneagram Personality Types

The Enneagram Personality Types Assessment is a widely recognized model for understanding human behavior, particularly in the context of leadership. The Enneagram framework categorizes individuals into nine distinct personality types, each driven by a core set of motivations, fears, and behavioral patterns (Riso & Hudson, 1999). Unlike other personality models that primarily focus on observable traits, the Enneagram delves deeper into the psychological drivers behind behavior, providing insights into why individuals act, react, and lead in certain ways.

The Enneagram's strength lies in its ability to highlight not only the surface-level behaviors of leaders but also the underlying motivations that influence their decision-making, interpersonal dynamics, and leadership effectiveness (Daniels & Price, 2009). Each of the nine types represents a different way of perceiving and responding to the world, and these differences can have a profound impact on leadership style. For instance, some types may prioritize efficiency and results, while others may focus on building harmonious relationships or ensuring fairness and justice (Lapid-Bogda, 2004).

The Enneagram is particularly useful in leadership studies because it addresses both strengths and potential challenges that leaders face, offering a holistic view of how personality impacts leadership. By understanding their own Enneagram type, leaders can become more self-aware, identify areas for growth, and adapt their leadership style to better meet the needs of their teams and organizations (Goleman, 1995). Moreover, the Enneagram's focus on self-development aligns with the needs

of MSME leaders, who often wear multiple hats and must adapt quickly to the demands of a rapidly changing business environment.

In the context of MSMEs in Indonesia, where leadership is critical for sustaining business operations, the Enneagram provides a valuable tool for analyzing the diverse leadership styles of business leaders. Given the complexity of leading in resource-constrained environments, where leaders are directly involved in both strategic and operational activities, understanding the personality-driven leadership behaviors of MSME leaders can enhance leadership development efforts and improve organizational outcomes (Burns, 2017).

2.2.2.1 Enneagram Types Overview (Type 1 to Type 9)

The Enneagram model categorizes individuals into nine distinct personality types, each of which reflects a unique set of core motivations, fears, desires, and behavioral tendencies. These types are divided into three centers of intelligence—Heart, Head, and Gut—representing the emotional, mental, and instinctual dimensions of human experience. Understanding these types provides deeper insights into how leaders respond to challenges, interact with others, and approach decision-making (Riso & Hudson, 1999; Daniels & Price, 2009). Below is a comprehensive overview of the nine Enneagram types and their relevance to leadership.

Type 1: The Perfectionist (Gut Center)

Type 1 leaders are principled, idealistic, and driven by a strong sense of purpose. They strive for perfection and hold themselves and others to high ethical standards.

This type often exhibits discipline, attention to detail, and a commitment to doing what is right (Riso & Hudson, 1999).

Core Motivation: The need to be good, ethical, and improve the world around them.

Leadership Style: Type 1 leaders are often seen as reliable and responsible, with a focus on maintaining order and efficiency. They can be highly effective in roles that require structure and adherence to standards (Daniels & Price, 2009). However, their perfectionism can sometimes lead to frustration or rigidity when things do not go as planned.

Key Strengths: Integrity, fairness, diligence.

Potential Challenges: Perfectionism, inflexibility, being overly critical.

Strengths	Potential Weaknesses
Decisive	Perfectionistic
Pragmatic	Critical
Ethically Minded	Obsessive
Productive	May Push Others Too Hard
Focused	Struggle With Chaotic Situations
Enjoy Problem-Solving	Impatient
Determined	
Self-Controlled	
Detail-Oriented	

Table 1. The Perfectionist

Type 2: The Helper (Heart Center)

Type 2 leaders are caring, empathetic, and motivated by a desire to support and connect with others. They are deeply attuned to the emotional needs of their team and often prioritize relationship-building (Lapid-Bogda, 2004).

Core Motivation: The need to feel loved and appreciated by helping others.

Leadership Style: Type 2 leaders are often nurturing and supportive, excelling in leadership roles that require emotional intelligence and interpersonal skills. They focus on creating a harmonious and inclusive work environment (Daniels & Price, 2009). However, they may struggle with setting boundaries and may prioritize the needs of others at the expense of their own well-being.

Key Strengths: Empathy, generosity, relationship-building.

Potential Challenges: Overextending themselves, dependency on approval, difficulty delegating.

Strengths	Potential Weaknesses
Supportive Encouraging Recognizes The Needs of Others Warm And Positive Persistent With Tasks Helpful Hard-Working	May Be Overbearing May Be Easily Offended or Hurt By Criticism May Try To Do Too Much Themselves Without Asking For Help

	May Be Too Lenient And Relationship-Focused To Get Things Done Efficiently

Table 2. The Helper

Type 3: The Achiever (Heart Center)

Type 3 leaders are ambitious, results-oriented, and driven by the need for success and recognition. They are highly focused on achieving goals and are often seen as charismatic and dynamic (Riso & Hudson, 1999).

Core Motivation: The need to achieve success and be seen as competent and valuable.

Leadership Style: Type 3 leaders are highly effective in goal-setting, motivating teams, and driving results. They are skilled at managing both people and tasks and are often natural leaders in competitive environments (Lapid-Bogda, 2004). However, they may become overly focused on external success and may struggle with authenticity if driven primarily by the desire for recognition.

Key Strengths: Drive, efficiency, adaptability.

Potential Challenges: Workaholism, image-consciousness, prioritizing success over relationships.

Strengths	Potential Weaknesses
High-Energy	Overly Competitive
Productive	May Be Overly Focused On Image
Enthusiastic	Impatient
Hard-Working	May Work Themselves To Burnout
High-Achiever	Struggle To Accept Failure
Visionary	Can Be Insensitive
Creative	

Table 3. The Achiever

Type 4: The Individualist (Heart Center)

Type 4 leaders are introspective, creative, and focused on authenticity and meaning. They value individuality and often bring a unique perspective to leadership roles (Daniels & Price, 2009).

Core Motivation: The need to find and express their true self and uniqueness.

Leadership Style: Type 4 leaders are often deeply attuned to their own emotions and the emotions of others. They thrive in roles that allow for creativity and personal expression (Riso & Hudson, 1999). However, their focus on emotional depth can sometimes lead to moodiness or feelings of isolation if they do not feel understood.

Key Strengths: Creativity, authenticity, emotional intelligence.

Potential Challenges: Over-sensitivity, self-absorption, difficulty handling routine tasks.

Strengths	Potential Weaknesses
Sensitive To Peoples' Feelings Imaginative Creative Authentic Insightful Give Workplaces A Sense of Meaning Self-Reliant	May Struggle To Focus On Work When Feeling Emotionally Overwhelmed May Be Moody or Emotionally Intense Can Be Distrustful May Struggle To Set Up An Effective Authority System Can Be Distant And Struggle To Connect With Teams

Table 4. The Individualist

Type 5: The Investigator (Head Center)

Type 5 leaders are analytical, intellectual, and driven by a need for knowledge and understanding. They prefer to observe and think critically before making decisions (Riso & Hudson, 1999).

Core Motivation: The need to feel competent and capable by understanding the world.

Leadership Style: Type 5 leaders are often strategic thinkers who excel at problem-solving and innovation. They bring a logical and objective approach to leadership, making them effective in roles that require deep analysis and independent thought

(Daniels & Price, 2009). However, they may struggle with delegation and emotional engagement, preferring to work alone or with minimal interaction.

Key Strengths: Analytical thinking, independence, innovation.

Potential Challenges: Emotional detachment, difficulty in collaboration, over-reliance on intellectualization.

Strengths	Potential Weaknesses
Original	Can Be Disconnected And Aloof
Self-Reliant	May Struggle To Connect With People
Careful	May Get Too Stuck In Information-Gathering That They Don't Take Action When Needed
Prepared	
Skilled At Troubleshooting	
Skilled At Concentrating	May Get Overwhelmed When Dealing With A Lot Of People Or Interaction
Objective	

Table 5. The Investigator

Type 6: The Loyalist (Head Center)

Type 6 leaders are responsible, loyal, and committed to ensuring stability and security within their organizations. They are often risk-averse and prefer to anticipate potential problems (Riso & Hudson, 1999).

Core Motivation: The need for security and support.

Leadership Style: Type 6 leaders are highly dependable and excel in roles that require risk management and contingency planning. They are often trusted by their teams for their reliability and foresight (Lapid-Bogda, 2004). However, their tendency toward anxiety and worst-case scenario thinking may hinder their ability to take bold risks or make swift decisions.

Key Strengths: Loyalty, preparation, responsibility.

Potential Challenges: Anxiety, indecisiveness, over-caution.

Strengths	Potential Weaknesses
Detail-Oriented Dutiful Loyal Strong At Risk-Assessment Planful Organized Empathize With People's Worries And Concerns	May Catastrophize May Prepare For Worst-Case Scenarios When It's Not Necessary May Struggle To Trust Themselves May Be Skeptical of Change When It's Needed

Table 6. The Loyalist

Type 7: The Enthusiast (Head Center)

Type 7 leaders are energetic, optimistic, and driven by the pursuit of new experiences and possibilities. They are visionary and tend to inspire their teams with their enthusiasm (Daniels & Price, 2009).

Core Motivation: The need to maintain freedom and avoid pain or discomfort.

Leadership Style: Type 7 leaders are dynamic and excel in roles that require innovation, creativity, and adaptability. They are often entrepreneurial in spirit, bringing a sense of excitement and possibility to their organizations (Riso & Hudson, 1999). However, their tendency to avoid difficult emotions or situations may lead to impulsivity or a lack of follow-through on long-term projects.

Key Strengths: Optimism, creativity, adaptability.

Potential Challenges: Impulsiveness, difficulty with focus, avoidance of challenges.

Strengths	**Potential Weaknesses**
Visionary	May Struggle To Settle On A Commitment or Direction
Creative	May Get Irritated With Detailed Work They See As Mundane
Innovative	May Have Their Hands In Too Many Projects And Struggle To Finish Things
Know How To Get People Involved And Excited	May Be So Busy Making Things Fun That They Slow Down Progress
Make Work Fun	
Often A Jack Of All Trades	
Connect Ideas Well	

Table 7. The Enthusiast

Type 8: The Challenger (Gut Center)

Type 8 leaders are assertive, decisive, and driven by a need for control and autonomy. They are natural leaders who thrive in environments where they can take charge and make bold decisions (Riso & Hudson, 1999).

Core Motivation: The need to assert strength and avoid vulnerability.

Leadership Style: Type 8 leaders are confident and direct, making them highly effective in roles that require quick decision-making and strong leadership. They are often seen as protectors of their teams and are not afraid to take risks (Daniels & Price, 2009). However, their intensity and focus on control can sometimes intimidate others or lead to conflicts.

Key Strengths: Confidence, decisiveness, protection.

Potential Challenges: Over-dominance, aggression, difficulty with vulnerability.

Strengths	Potential Weaknesses
Protective of Their People	May Be Too Intense
Believe In Playing Fair	Can Be Insensitive
Hard Workers	May Be Intimidating
Bold	May Be Overly Competitive
Pragmatic	May Micro-Manage
Passionate	May Have A Quick Temper
Strong Sense of Direction	

Table 8. The Challenger

Type 9: The Peacemaker (Gut Center)

Type 9 leaders are calm, patient, and driven by a desire to maintain peace and harmony. They tend to avoid conflict and focus on creating a stable, balanced environment (Lapid-Bogda, 2004).

Core Motivation: The need for inner stability and harmony with others.

Leadership Style: Type 9 leaders are excellent mediators and excel in roles that require consensus-building and conflict resolution. They prioritize harmony and are skilled at bringing people together (Daniels & Price, 2009). However, their tendency to avoid conflict and assert their own needs can lead to indecisiveness or.

Key Strengths: Diplomacy, patience, mediation.

Potential Challenges: Avoidance of conflict, indecisiveness, difficulty asserting themselves.

Strengths	Potential Weaknesses
Understanding Creative Encouraging of Inclusivity Make Sure People Are Heard Determined In Their Purpose Gentle	May Struggle With Decision-Making May Sometimes Feel Paralyzed When Forced To Choose A Direction May Move Slowly To Get Things Done May Be Too Conflict-Avoidant To Give Effective Criticism or Make Tough Choices

Table 9. The Peacemaker

2.2.2.2 Enneagram Triads: Heart, Head, and Gut Centers

The Enneagram personality system organizes its nine types into three primary centers of intelligence: the Heart Center, the Head Center, and the Gut Center. These triads represent the core way in which each type processes information, experiences the world, and reacts to challenges. Each center encompasses three Enneagram types that share common emotional or instinctual patterns, although they express them in different ways. Understanding the triads provides valuable insight into how leaders perceive and respond to situations based on their dominant center (Riso & Hudson, 1999).

Heart Center (Types 2, 3, and 4)

The Heart Center, also known as the emotional or feeling center, focuses on identity, image, and relationships with others. Types in this center are primarily motivated by how they are perceived and valued by others, often reacting to the world through their emotions. Leaders from the Heart Center tend to be attuned to the emotional dynamics within their teams, relying on empathy, social awareness, and interpersonal connections to lead effectively (Daniels & Price, 2009).

Type 2 (The Helper): Motivated by a need to be loved and appreciated, Type 2 leaders often focus on supporting and nurturing their teams, emphasizing relationship-building and collaboration (Lapid-Bogda, 2004).

Type 3 (The Achiever): Driven by a need for success and recognition, Type 3 leaders excel in achieving goals and motivating their teams to perform at a high level. They

are image-conscious and highly adaptable, using their emotional intelligence to inspire others (Riso & Hudson, 1999).

Type 4 (The Individualist): Type 4 leaders prioritize authenticity and emotional depth. They are often introspective and creative, using their emotional awareness to bring unique perspectives to their leadership (Daniels & Price, 2009).

The common thread for leaders in the Heart Center is their focus on emotions and relationships, which makes them effective at creating cohesive teams and managing interpersonal dynamics. However, they may struggle with emotional balance, especially when their need for validation is unmet.

Head Center (Types 5, 6, and 7)

The Head Center, also referred to as the thinking center, is focused on security, planning, and intellectual understanding. Types in this center rely on mental strategies to manage fear and anxiety, often seeking safety through knowledge, preparedness, or optimism. Leaders from the Head Center tend to be strategic thinkers, analytical in their approach, and focused on creating a sense of stability within their organizations (Riso & Hudson, 1999).

Type 5 (The Investigator): Type 5 leaders are driven by a need for knowledge and understanding. They excel in roles that require strategic thinking, research, and problem-solving, though they may struggle with emotional detachment (Daniels & Price, 2009).

Type 6 (The Loyalist): Motivated by a need for security and support, Type 6 leaders are diligent and responsible, often focusing on contingency planning and risk

management. They excel in creating stable, well-organized environments but may grapple with anxiety and indecisiveness (Riso & Hudson, 1999).

Type 7 (The Enthusiast): Type 7 leaders are driven by the pursuit of new experiences and avoiding discomfort. They are optimistic and creative, often bringing a visionary, dynamic energy to their leadership, but they may struggle with focus and follow-through (Lapid-Bogda, 2004).

Leaders in the Head Center are known for their intellectual approach to leadership. Their focus on planning and risk mitigation makes them adept at navigating complex challenges, though they may become overly reliant on mental strategies and struggle with emotional expression or spontaneity.

Gut Center (Types 8, 9, and 1)

The Gut Center, also known as the instinctive or action center, is focused on autonomy, control, and a sense of justice. Types in this center react to the world through instinctual drives, often using action as a way to manage anger or frustration. Leaders from the Gut Center are decisive, action-oriented, and motivated by their desire to create structure and maintain control in their environments (Riso & Hudson, 1999).

Type 8 (The Challenger): Type 8 leaders are assertive, confident, and driven by a need for control and independence. They are natural leaders, unafraid to make bold decisions and take risks, though they may come across as domineering or overly aggressive (Daniels & Price, 2009).

Type 9 (The Peacemaker): Motivated by a desire for inner peace and harmony, Type 9 leaders excel in fostering collaboration and resolving conflict. They are often seen as mediators but may struggle with decisiveness and asserting their own opinions (Riso & Hudson, 1999).

Type 1 (The Perfectionist): Type 1 leaders are driven by a need for perfection and a strong sense of justice. They are principled and hold themselves and others to high standards, often focusing on improving systems and processes. However, they may become overly critical or rigid in their pursuit of perfection (Lapid-Bogda, 2004).

Leaders in the Gut Center are known for their decisive action and focus on justice and autonomy. Their instinctive approach allows them to take charge and make strong leadership decisions, but they may struggle with managing their anger or frustration when faced with challenges that disrupt their sense of control or justice.

By organizing the nine Enneagram types into these three centers, the model provides a deeper understanding of how individuals react and lead based on their core instincts—whether through emotions (Heart), thoughts (Head), or actions (Gut). Each center brings distinct strengths and potential challenges to leadership, offering a nuanced approach to analyzing leadership effectiveness.

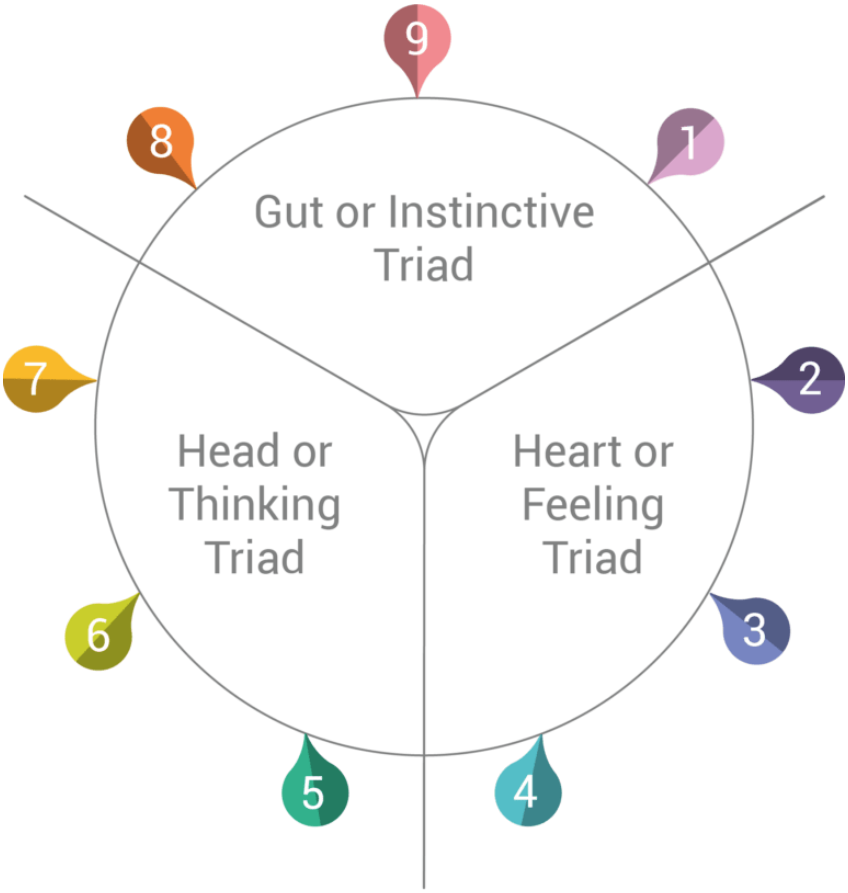


Figure 2. The Enneagram Triads

2.3 Leadership in MSMEs: The Indonesian Context

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of the Indonesian economy, contributing significantly to employment and economic growth. According to the Ministry of Cooperatives and SMEs, MSMEs account for approximately 99% of all businesses in Indonesia and generate over 60% of the country's GDP (Ministry of Cooperatives and SMEs, 2021). Given the sheer scale and importance of MSMEs, effective leadership within these organizations is crucial to sustaining their role in driving economic development.

Leadership in MSMEs presents unique challenges, particularly in Indonesia, where cultural, economic, and institutional factors significantly influence how businesses are managed. MSME leaders in Indonesia often operate in resource-constrained environments, facing intense competition, limited access to capital, and the need to adapt quickly to market changes (Tambunan, 2019). Unlike leaders of larger corporations, MSME leaders are more hands-on, frequently involved in both strategic decision-making and day-to-day operations. This dual responsibility requires a leadership style that is flexible, adaptive, and capable of navigating uncertainty (Burns, 2017).

Cultural dimensions also play a significant role in shaping leadership behaviors in Indonesia. Indonesian society is characterized by high power distance, collectivism, and a preference for harmonious relationships (Hofstede, 2011). These cultural traits influence how leadership is perceived and practiced in MSMEs, with leaders often expected to maintain authority while fostering a collaborative and supportive atmosphere. Moreover, the role of family ownership in many Indonesian MSMEs adds another layer of complexity, as leaders must balance professional management with familial expectations (Carney & Gedajlovic, 2002).

2.3.1 Characteristics of MSMEs in Indonesia

Micro, Small, and Medium Enterprises (MSMEs) in Indonesia are defined based on their asset value, revenue, and the number of employees, with classifications provided by the Ministry of Cooperatives and SMEs. Specifically, micro-enterprises employ fewer than 10 workers and have assets of less than IDR 50

million, small enterprises employ between 10 and 50 workers with assets ranging from IDR 50 million to IDR 500 million, and medium enterprises employ up to 250 workers with assets of up to IDR 10 billion (Ministry of Cooperatives and SMEs, 2021). These enterprises are spread across various sectors, including manufacturing, trade, agriculture, and services, and play a critical role in job creation and poverty reduction across the country.

Several characteristics distinguish MSMEs in Indonesia from larger enterprises, particularly in terms of structure, resources, and business operations:

1. Informal and Family-Oriented Structure

Many Indonesian MSMEs operate as family businesses, especially in rural areas where the boundaries between family and business are often blurred. Family members are frequently involved in daily operations, and decision-making is often centralized around the head of the family (Carney & Gedajlovic, 2002). This informal structure can create both strengths and challenges. On one hand, family-based businesses often foster a high level of trust and commitment among employees. On the other hand, such enterprises may struggle with professional management, succession planning, and scaling up operations beyond family control (Tambunan, 2019).

2. Resource Constraints

MSMEs in Indonesia often face significant resource constraints, including limited access to capital, technology, and skilled labor. Financing is a major challenge for many MSMEs, as they typically rely on personal or family savings, informal

lending, or small-scale credit schemes, with limited access to formal banking services (Raharjo et al., 2020). Additionally, the adoption of advanced technology and innovation tends to be slower in MSMEs compared to larger enterprises, hindering their ability to compete in a rapidly evolving market. As a result, MSMEs must be resourceful and efficient in managing their operations with limited resources (Burns, 2017).

3. Adaptability and Flexibility

One of the key strengths of MSMEs is their ability to adapt quickly to changing market conditions. Due to their smaller size and flatter organizational structure, MSMEs can be more flexible and responsive than larger firms. This adaptability is particularly important in the Indonesian market, where economic volatility, regulatory changes, and shifting consumer preferences can create both opportunities and risks (Tambunan, 2019). MSME leaders often need to pivot their strategies quickly, making decisions with limited information and resources while balancing short-term operational needs with long-term growth objectives.

4. Strong Local and Regional Focus

The majority of Indonesian MSMEs operate within local or regional markets, catering to specific communities or geographic areas. This local focus allows MSMEs to develop strong relationships with customers and suppliers, often providing personalized services or niche products (Ministry of Cooperatives and SMEs, 2021). However, this focus on local markets also presents challenges when MSMEs seek to scale their operations or expand into new markets, both

domestically and internationally. Globalization and the rise of e-commerce platforms have provided new opportunities for MSMEs to reach wider audiences, but many still face barriers in accessing these larger markets due to limited resources and technological capabilities (Raharjo et al., 2020).

5. Cultural and Social Influence

Indonesian MSMEs are deeply embedded in the country's social and cultural fabric. Business practices are often influenced by local customs, values, and norms, particularly in rural areas where collectivism and communal relationships play a central role (Hofstede, 2011). In many cases, MSMEs act as important social institutions, providing livelihoods to local communities and contributing to social cohesion. This strong cultural influence on business practices can make MSMEs highly resilient but may also limit their capacity for innovation and modernization, as traditional practices often take precedence over new management approaches (Carney & Gedajlovic, 2002).

6. High Contribution to Employment and Economic Growth

Despite their size, MSMEs in Indonesia are critical to the national economy, accounting for over 97% of total employment and contributing significantly to GDP (Ministry of Cooperatives and SMEs, 2021). MSMEs are particularly important in rural areas, where they provide employment opportunities and support local economies. Their widespread presence across various sectors makes MSMEs a key driver of economic growth and poverty alleviation, especially in regions with limited access to formal employment opportunities (Tambunan, 2019).

2.3.2 Leadership Challenges in MSMEs

Leadership in Micro, Small, and Medium Enterprises (MSMEs) comes with unique challenges that differ from those encountered in larger organizations. MSME leaders, especially in Indonesia, must navigate a complex and often resource-constrained environment while balancing operational demands, employee management, and strategic growth (Burns, 2017). These challenges are further compounded by the cultural, economic, and institutional factors specific to Indonesia, which shape the way leadership is practiced in the MSME sector. This section highlights the key leadership challenges faced by MSME leaders in Indonesia.

1. Resource Limitations

MSME leaders frequently contend with significant resource constraints, including limited access to capital, skilled labor, and advanced technology. Unlike larger corporations that have greater financial flexibility, MSMEs often operate with narrow profit margins, making it difficult to invest in employee development, technology adoption, or infrastructure expansion (Raharjo et al., 2020). As a result, MSME leaders are forced to be highly resourceful, making strategic decisions with limited information and budget. This can hinder long-term growth and innovation, as leaders must prioritize short-term operational survival over strategic planning (Tambunan, 2019).

Additionally, access to external funding is often a critical challenge for MSME leaders. Many MSMEs rely on informal financing sources, such as personal savings

or loans from family members, due to the stringent requirements for formal bank loans (Burns, 2017). This lack of capital can limit the ability of MSMEs to scale, adopt new technologies, or compete in more dynamic markets, placing immense pressure on leaders to sustain operations with minimal financial backing (Raharjo et al., 2020).

2. Balancing Multiple Roles

In MSMEs, leaders often wear multiple hats, taking on the roles of CEO, HR manager, financial officer, and operations manager. This multitasking is necessary due to the small size of the organization, but it also places a heavy burden on the leader to handle various responsibilities simultaneously (Burns, 2017). The need to manage day-to-day operations while also developing long-term strategies can lead to leadership burnout and decreased effectiveness, as leaders are stretched thin across numerous functions.

This balancing act also presents a challenge in maintaining focus. MSME leaders must constantly switch between tactical problem-solving and strategic thinking, often without the support of a formal management team. This can result in reactive rather than proactive leadership, as leaders prioritize immediate issues over long-term planning (Carney & Gedajlovic, 2002).

3. Employee Development and Retention

Developing and retaining talent is a significant challenge for MSME leaders, particularly in Indonesia, where competition for skilled labor is fierce. MSMEs often struggle to offer the same salary and benefits packages as larger companies,

making it difficult to attract and retain top talent (Raharjo et al., 2020). In addition, MSMEs may lack formal training and development programs, which limits opportunities for employee growth and career advancement.

Leaders in MSMEs must find creative ways to engage and motivate their employees, often relying on non-monetary incentives such as a positive work environment, flexible work arrangements, and strong interpersonal relationships (Northouse, 2021). However, the high turnover rate in many MSMEs can disrupt operations and place additional stress on leadership to continuously recruit, train, and integrate new employees into the organization (Burns, 2017).

4. Leadership Development and Succession Planning

Many MSMEs in Indonesia are family-owned, and leadership roles are often passed down within the family. This can create challenges in leadership development and succession planning, particularly when the next generation may not have the skills or interest in running the business (Carney & Gedajlovic, 2002). In such cases, there may be a lack of formal succession planning, which can lead to instability or even business failure when leadership transitions are not well-managed.

In addition, MSME leaders often lack access to formal leadership development programs. Many leaders in small businesses are self-taught or have learned through experience rather than formal education (Burns, 2017). This can limit their exposure to new leadership theories and practices, hindering their ability to adapt to changing market conditions or improve their leadership effectiveness.

5. Navigating Regulatory and Bureaucratic Challenges

MSME leaders in Indonesia must also navigate complex regulatory and bureaucratic environments. Although the government has introduced policies to support MSMEs, such as tax incentives and simplified business registration processes, leaders often face bureaucratic hurdles that slow down business operations (Tambunan, 2019). These regulatory challenges can be particularly burdensome for MSMEs that lack the legal and administrative resources to comply with government requirements.

In addition, frequent changes in regulations, especially in response to economic conditions or political shifts, can create uncertainty for MSME leaders. The need to remain compliant with new laws while continuing to operate efficiently presents a significant challenge for small business leaders who already operate in resource-constrained environments (Raharjo et al., 2020).

6. Adapting to Technological Advancements

The rapid pace of technological advancement presents both opportunities and challenges for MSMEs. While digital tools and platforms can enhance productivity, improve customer engagement, and open new markets, many MSME leaders struggle to adopt and integrate new technologies due to limited knowledge, skills, and resources (Burns, 2017). The digital divide is particularly pronounced in rural areas of Indonesia, where access to technology and the internet may be restricted.

Leaders in MSMEs must navigate these technological challenges while ensuring that their businesses remain competitive in an increasingly digital marketplace. This

requires not only financial investment but also a mindset shift toward embracing innovation and digital transformation (Tambunan, 2019).

2.3.3 Role of Cultural and Economic Factors in Leadership

Leadership within Indonesian Micro, Small, and Medium Enterprises (MSMEs) is profoundly influenced by both cultural and economic factors. These forces shape not only how leaders behave and interact with their teams but also how they make strategic decisions, manage resources, and respond to market challenges. Understanding the cultural and economic context is essential for analyzing leadership effectiveness within the unique environment of Indonesian MSMEs (Hofstede, 2011; Tambunan, 2019).

1. Cultural Influence: High Power Distance and Collectivism

Indonesian culture is characterized by high power distance, which refers to the acceptance of hierarchical structures and unequal distributions of power within organizations and society at large (Hofstede, 2011). In many MSMEs, leaders are viewed as authority figures, and their decisions are often seen as final, with little room for dissent or debate. Employees may expect leaders to provide clear direction and make decisions on behalf of the team, which can reinforce a top-down leadership approach (Carney & Gedajlovic, 2002).

This hierarchical leadership model can present challenges for MSME leaders who are looking to foster innovation, creativity, or more participative management styles. Leaders may struggle to balance their authoritative roles with the need to empower employees and encourage bottom-up contributions. Additionally, the high

power distance may limit open communication and feedback, as employees may be hesitant to challenge the decisions of their superiors (Burns, 2017).

Another significant cultural factor is collectivism, where the needs of the group are often prioritized over individual desires. This cultural trait plays a critical role in leadership, as MSME leaders are expected to maintain harmonious relationships within their teams and the broader community. Leaders must navigate the complexities of managing group dynamics, ensuring that decisions benefit the collective while maintaining the trust and loyalty of their employees (Hofstede, 2011). This collectivist orientation can be a strength in fostering team cohesion, but it may also lead to difficulties in managing conflict or encouraging individual accountability.

2. Influence of Familial Ties and Social Networks

Many Indonesian MSMEs are family-owned businesses, and familial relationships often play a central role in leadership dynamics (Carney & Gedajlovic, 2002). In such enterprises, leadership is frequently passed down through generations, and decision-making may be influenced by family interests and obligations. While this can create strong bonds of trust and loyalty, it may also complicate leadership, especially when personal relationships conflict with business needs.

Social networks (often referred to as "gotong royong," or mutual cooperation) are also integral to leadership in Indonesian MSMEs. Leaders are expected to maintain strong relationships within their communities, not only for business purposes but also to uphold their social standing and support local networks (Geertz, 1962).

These social ties can provide valuable resources and opportunities for collaboration but may also limit leaders' ability to make independent or unpopular decisions that could disrupt these networks.

3. Economic Constraints and Market Volatility

Economic factors play a critical role in shaping leadership strategies within Indonesian MSMEs. Many small businesses operate in volatile economic conditions, where fluctuating exchange rates, inflation, and changes in consumer demand can create uncertainty (Tambunan, 2019). For MSME leaders, this means developing strategies that are flexible and resilient to external economic pressures.

Leaders must often make decisions under significant financial constraints, which can impact their ability to invest in growth opportunities, technology adoption, or employee development. In resource-scarce environments, leaders are forced to prioritize short-term survival over long-term planning, making it challenging to implement sustainable growth strategies (Burns, 2017). Additionally, economic challenges may exacerbate leadership burnout, as leaders must manage financial stress while ensuring business continuity.

4. Regulatory Environment and Bureaucracy

Indonesia's regulatory environment can also impact leadership in MSMEs. While the government has introduced various initiatives to support small businesses, such as simplified tax regulations and business registration processes, many MSME leaders still face bureaucratic hurdles that complicate business operations (Raharjo et al., 2020). Regulatory changes or inconsistent enforcement of laws can create

confusion and increase the administrative burden on small business leaders, who may not have the legal or financial resources to navigate these complexities effectively.

Leaders must stay informed about changes in regulations and ensure that their businesses comply with local, regional, and national laws. This requires a level of vigilance and adaptability, as failure to comply with regulations can result in fines, business closures, or other legal consequences. Navigating this regulatory landscape adds another layer of complexity to MSME leadership, particularly for businesses with limited administrative support (Tambunan, 2019).

5. Globalization and Digitalization

The forces of globalization and digitalization are increasingly shaping the economic landscape for MSMEs in Indonesia. As global markets open up and e-commerce platforms become more accessible, MSME leaders have new opportunities to expand their businesses beyond local markets. However, the shift to a more globalized and digitized economy also presents challenges for leaders who may lack the technical expertise or resources to take advantage of these opportunities (Burns, 2017).

Leaders in MSMEs must develop the skills to navigate digital transformation, implement new technologies, and adapt to global market demands. This requires both financial investment and a forward-thinking mindset, as the traditional business models that many MSMEs rely on may not be sustainable in a rapidly changing economic environment (Raharjo et al., 2020). Leaders who can

successfully integrate digital tools into their business strategies will be better positioned to compete in the global marketplace, while those who resist change may face increased competition and market pressures.

2.4 Leadership Style Assessment Tools

Understanding leadership styles is critical to assessing leadership effectiveness and identifying areas for development, especially within the context of Micro, Small, and Medium Enterprises (MSMEs). Leadership style assessment tools offer a structured approach to evaluating how leaders behave, make decisions, and interact with their teams. These tools are designed to provide insights into the strengths and weaknesses of leaders, helping organizations to align leadership practices with organizational goals and employee needs (Northouse, 2021).

Over the years, various leadership assessment tools have been developed, each with its own theoretical foundation and method of evaluation. These tools range from traditional models, which focus on specific leadership traits and behaviors, to more modern assessments that incorporate psychological and emotional dimensions of leadership (Bass & Bass, 2008). By using these tools, leaders can gain a clearer understanding of their leadership style, as well as how their personality and behavior affect their ability to influence and motivate their teams.

In the context of MSMEs, leadership style assessments are particularly valuable. Given the resource constraints and operational challenges faced by small businesses, effective leadership is essential to maintaining productivity, morale, and long-term growth (Burns, 2017). Leadership assessments can provide MSME

leaders with actionable feedback on how to enhance their leadership practices, improve communication, and better align their personal leadership style with the demands of their business.

One of the most prominent leadership style assessments is the Enneagram Personality Types Assessment, which provides a detailed analysis of leaders' core motivations, strengths, and potential growth areas based on their personality type (Riso & Hudson, 1999). The Enneagram model offers a unique perspective on leadership by linking personality traits to leadership behaviors, making it a valuable tool for assessing how leaders respond to challenges and interact with their teams. Additionally, traditional leadership inventories, such as the Leadership Practices Inventory (LPI) and the Multifactor Leadership Questionnaire (MLQ), are widely used to evaluate leadership behaviors across a variety of contexts (Kouzes & Posner, 2017; Bass, 1985).

2.4.1 Traditional Leadership Style Inventories

Traditional leadership style inventories have long been used as tools to assess the behaviors, skills, and traits that define effective leadership. These inventories are rooted in various leadership theories and provide a structured approach for evaluating how leaders interact with their teams, make decisions, and respond to challenges (Northouse, 2021).

While these tools primarily focus on observable behaviors and leadership practices, they offer valuable insights that can be used to improve leadership effectiveness,

especially in organizational contexts such as Micro, Small, and Medium Enterprises (MSMEs).

The following are some of the most commonly used traditional leadership style inventories:

1. Leadership Practices Inventory (LPI)

Developed by James Kouzes and Barry Posner, the Leadership Practices Inventory (LPI) is a widely used tool designed to measure leadership behaviors across five key dimensions: modeling the way, inspiring a shared vision, challenging the process, enabling others to act, and encouraging the heart (Kouzes & Posner, 2017).

The LPI is based on the premise that effective leaders consistently demonstrate these five practices, which are essential for guiding teams toward achieving organizational goals. The inventory consists of self-assessments as well as feedback from colleagues and subordinates, providing leaders with a comprehensive view of their leadership behaviors. This 360-degree feedback approach helps leaders understand not only how they perceive their own leadership but also how they are perceived by others.

In the context of MSMEs, the LPI can be a valuable tool for identifying leadership strengths and areas for improvement. For example, MSME leaders can use the LPI to assess their ability to inspire a shared vision, which is particularly important in small businesses where employees often rely on the leader's direction for long-term strategy. Additionally, the LPI's focus on enabling others to act can help MSME leaders foster employee engagement and empowerment, both of which are critical

for sustaining productivity in resource-constrained environments (Kouzes & Posner, 2017).

2. Multifactor Leadership Questionnaire (MLQ)

The Multifactor Leadership Questionnaire (MLQ), developed by Bernard Bass and Bruce Avolio, is one of the most extensively used tools for assessing transformational and transactional leadership behaviors (Bass, 1985). The MLQ evaluates leaders on a continuum between transformational leadership—which involves inspiring and motivating followers through vision, innovation, and individual consideration—and transactional leadership, which focuses on clear expectations, rewards, and corrective actions based on performance.

The MLQ provides leaders with insights into their leadership style by measuring how frequently they engage in transformational versus transactional behaviors. Transformational leaders are often seen as more effective in fostering innovation, trust, and commitment, whereas transactional leaders focus on maintaining stability and meeting specific performance targets through structured processes (Bass & Avolio, 1994).

For MSME leaders, the MLQ can be particularly useful in understanding how their leadership style aligns with the needs of their team and organization. MSME leaders often need to balance both transformational and transactional leadership behaviors to navigate the complexities of small business operations. The MLQ helps leaders identify whether they are effectively combining these approaches to foster both employee engagement and operational efficiency (Bass & Bass, 2008).

3. Blake and Mouton's Managerial Grid

Another traditional leadership assessment tool is Blake and Mouton's Managerial Grid, which evaluates leaders based on two dimensions: concern for people and concern for production (Blake & Mouton, 1985). This model identifies five distinct leadership styles, ranging from impoverished management (low concern for people and production) to team management (high concern for both people and production).

The Managerial Grid is useful for assessing how leaders balance the needs of their employees with the demands of the organization. In the MSME context, where leaders often need to be hands-on and manage close relationships with their teams, understanding this balance is critical. MSME leaders can use the Managerial Grid to evaluate whether they are focusing too heavily on task completion at the expense of employee well-being, or vice versa (Blake & Mouton, 1985).

4. Hersey and Blanchard's Situational Leadership Questionnaire

Hersey and Blanchard's Situational Leadership Questionnaire (SLQ) is another traditional tool used to assess leadership behaviors based on the context and the developmental level of followers (Hersey & Blanchard, 1969). This tool evaluates how well leaders adapt their style—whether directive, coaching, supporting, or delegating—to match the needs and readiness of their employees.

For MSMEs, where leaders often work closely with a small team and must adjust their approach to suit each employee's capabilities, the SLQ offers valuable insights into how effectively leaders are managing their teams. By assessing the alignment

between leadership behaviors and employee needs, MSME leaders can develop more tailored approaches that foster growth and productivity (Hersey & Blanchard, 1969).

These traditional leadership style inventories provide valuable frameworks for evaluating leadership behaviors and improving leadership effectiveness. In the context of MSMEs, these tools can help leaders identify areas for growth, refine their approach to managing teams, and enhance their ability to navigate the unique challenges of small business leadership.

2.4.2 The Enneagram as a Leadership Assessment Tool

The Enneagram Personality Types Assessment has emerged as a powerful tool for leadership assessment, offering a deep understanding of how personality influences leadership behaviors, decision-making, and interpersonal dynamics. Unlike traditional leadership inventories that focus on observable behaviors or skills, the Enneagram delves into the motivations, fears, and core desires that drive leaders' actions. This deeper psychological insight provides a more holistic view of leadership, particularly in environments where personality plays a central role in determining leadership effectiveness (Riso & Hudson, 1999).

The Enneagram model divides individuals into nine distinct personality types, each associated with specific strengths, weaknesses, and leadership styles. These nine types are further grouped into three triads—the Heart (emotional), Head (mental), and Gut (instinctual) centers—representing how leaders primarily respond to situations based on emotions, thoughts, or instincts (Daniels & Price, 2009). The

Enneagram's capacity to link personality with leadership behavior makes it especially valuable in contexts like MSMEs, where leaders often have to navigate complex interpersonal relationships and rapidly changing business conditions with limited resources.

1. Personalized Leadership Development

The Enneagram provides leaders with insights into their core motivations, which can help them identify areas of strength and potential challenges in their leadership style. For example, a leader with a Type 3 personality (The Achiever) may excel in goal-oriented tasks and driving results but might struggle with work-life balance or connecting authentically with team members (Riso & Hudson, 1999). Similarly, a Type 9 leader (The Peacemaker) may be effective in creating harmony and resolving conflicts but may avoid difficult decisions or shy away from asserting authority when necessary (Lapid-Bogda, 2004).

By understanding these core personality dynamics, leaders can develop personalized strategies for growth, learning to manage their weaknesses while leveraging their strengths. This individualized approach is particularly useful for MSME leaders, who often work closely with their employees and must adapt their leadership style to a range of situations and challenges (Burns, 2017).

2. Improving Interpersonal Relationships

Effective leadership is not only about managing tasks but also about building and maintaining strong relationships within the organization. The Enneagram helps leaders understand their own interpersonal style and how it affects team dynamics.

For instance, leaders who score as Type 8 (The Challenger) tend to be direct, assertive, and results-driven, which can be effective in high-pressure situations. However, their intensity might intimidate team members or create conflict if not managed carefully (Riso & Hudson, 1999).

The Enneagram also enables leaders to understand their team members' personality types, fostering better communication and collaboration. MSME leaders, who often work in close-knit environments, can use this insight to tailor their leadership approach to the individual needs and personalities of their team. This understanding of interpersonal dynamics can lead to improved employee engagement, reduced conflict, and a more cohesive work environment (Lapid-Bogda, 2004).

3. Balancing Leadership Styles

One of the strengths of the Enneagram is its ability to highlight the balance between different leadership styles based on personality. Each Enneagram type embodies certain leadership traits, from the visionary, goal-oriented nature of Type 3 leaders to the thoughtful, analytical approach of Type 5 leaders (The Investigator) (Daniels & Price, 2009). However, the model also points out potential pitfalls of over-relying on a single approach.

For MSME leaders, who often face a wide range of challenges, it is crucial to adopt a flexible leadership style that can adapt to different situations. The Enneagram helps leaders understand when their natural tendencies are beneficial and when they might need to adjust their approach. For instance, a Type 1 leader (The Perfectionist) who values structure and discipline may need to adopt a more

flexible, creative mindset when leading in uncertain or rapidly changing environments (Riso & Hudson, 1999).

4. Addressing Leadership Blind Spots

One of the most valuable aspects of the Enneagram is its ability to identify leadership blind spots—areas where a leader's personality type may hinder their effectiveness. Each Enneagram type has specific challenges or weaknesses that can negatively impact leadership if left unaddressed. For example, Type 2 leaders (The Helper) may struggle with setting boundaries, overextending themselves to meet the needs of others at the expense of their own well-being or long-term organizational goals (Lapid-Bogda, 2004).

By identifying these blind spots, the Enneagram encourages leaders to engage in self-reflection and personal growth, fostering greater self-awareness and emotional intelligence. This is especially important for MSME leaders, who often work under pressure and may not have access to the same leadership development resources as larger organizations (Burns, 2017). The Enneagram's focus on personal transformation can help these leaders build resilience, improve decision-making, and develop more balanced leadership practices.

5. Application in MSMEs

The Enneagram’s adaptability makes it an ideal leadership assessment tool for MSMEs, where leaders must often juggle multiple responsibilities and lead with limited resources. The tool’s ability to provide deep psychological insights into leadership behaviors and motivations allows MSME leaders to better understand

how their personality influences business outcomes. Additionally, because the Enneagram can be applied to individuals at all levels of an organization, MSME leaders can use it to create a more harmonious and productive work environment by fostering greater understanding between themselves and their employees (Riso & Hudson, 1999).

Given the high degree of personal involvement in MSME leadership, the Enneagram's focus on personality-driven leadership is particularly useful for fostering authentic and effective leadership practices. Leaders who understand their Enneagram type are better equipped to navigate the challenges of small business leadership, maintain strong interpersonal relationships, and drive their organization toward long-term success (Daniels & Price, 2009).

2.4.3 Previous Research Using Enneagram in Leadership Studies

The Enneagram Personality Types Assessment has gained increasing attention in leadership studies, particularly for its ability to offer nuanced insights into how personality influences leadership effectiveness. Over the past few decades, researchers have explored the application of the Enneagram in various organizational settings, demonstrating its value as a leadership development tool and its effectiveness in fostering personal and professional growth (Lapid-Bogda, 2004). This section reviews key studies that have examined the use of the Enneagram in leadership contexts, highlighting its relevance and applicability in both large organizations and MSMEs.

1. Enneagram and Leadership Effectiveness

Several studies have explored the correlation between Enneagram personality types and leadership effectiveness. One of the foundational studies on this topic was conducted by Lapid-Bogda (2004), who examined how leaders from different Enneagram types displayed distinct leadership behaviors and interacted with their teams. The study found that certain Enneagram types, such as Type 8 (The Challenger) and Type 3 (The Achiever), were often associated with higher levels of task-oriented leadership, while others, such as Type 2 (The Helper) and Type 9 (The Peacemaker), excelled in relationship-building and team cohesion (Lapid-Bogda, 2004).

The findings from these studies suggest that while each Enneagram type has its own strengths, effective leadership often requires a balance of both task-oriented and relationship-oriented behaviors. Leaders who are self-aware and understand their Enneagram type are better able to leverage their natural strengths while addressing their potential blind spots. This balance is particularly important in dynamic environments such as MSMEs, where leaders must adapt to changing circumstances and address both operational and interpersonal challenges (Daniels & Price, 2009).

2. Enneagram and Emotional Intelligence

Research has also explored the relationship between the Enneagram and emotional intelligence (EI), which is a key factor in leadership success. Studies suggest that the self-awareness component of the Enneagram helps leaders develop higher levels of emotional intelligence by encouraging introspection and reflection on their

emotional triggers, interpersonal dynamics, and leadership behaviors (Goleman, 1995).

A study by Sutton et al. (2013) examined the role of the Enneagram in improving leaders' emotional intelligence and found that leaders who engaged with the Enneagram were more adept at managing their emotions, understanding the emotions of others, and adapting their leadership style to meet the needs of their teams. This increased emotional intelligence was linked to higher levels of leadership effectiveness, particularly in environments that required a high degree of interpersonal interaction, such as MSMEs (Sutton et al., 2013).

3. Enneagram and Team Dynamics

Another area of research has focused on the impact of the Enneagram on team dynamics and organizational culture. Studies have shown that the Enneagram can be a valuable tool for improving communication, collaboration, and conflict resolution within teams (Daniels & Price, 2009). For example, research by Wagner and Walker (2015) found that when leaders used the Enneagram to understand the personality types of their team members, they were better able to foster a positive work environment and reduce interpersonal conflicts. The Enneagram helped leaders tailor their communication and management styles to meet the needs of individual employees, resulting in higher levels of team satisfaction and performance (Wagner & Walker, 2015).

In the context of MSMEs, where leaders often work closely with a small, tight-knit team, these findings are particularly relevant. The ability to understand the diverse

personality types within a team can help MSME leaders build stronger, more cohesive teams, leading to improved collaboration and productivity (Burns, 2017).

4. Enneagram in Leadership Development Programs

The Enneagram has also been integrated into formal leadership development programs in both corporate and educational settings. Research by Daniels and Price (2009) demonstrated that incorporating the Enneagram into leadership training programs enhanced leaders' self-awareness and interpersonal skills, leading to more effective and adaptive leadership behaviors. These programs often include workshops, coaching sessions, and self-assessments, all aimed at helping leaders better understand their Enneagram type and its implications for their leadership style (Daniels & Price, 2009).

In these studies, leaders who participated in Enneagram-based development programs reported increased confidence in their ability to lead, greater emotional resilience, and improved relationships with their teams. The Enneagram's emphasis on personal growth and transformation aligns with the needs of MSME leaders, who often face unique challenges related to resource limitations, employee management, and business growth (Lapid-Bogda, 2004). By integrating the Enneagram into leadership development programs, MSME leaders can better navigate these challenges and foster both personal and organizational growth.

5. Enneagram in Cross-Cultural Leadership Studies

The Enneagram has also been used in cross-cultural leadership studies, exploring how personality-driven leadership behaviors differ across various cultural contexts.

Research by Bouchikhi and Kimberly (2011) examined how Enneagram types manifest in different cultural settings and found that certain Enneagram types may align more closely with specific cultural leadership expectations. For example, leaders with Type 1 (The Perfectionist) and Type 8 (The Challenger) personalities were more prevalent in cultures that value structure, authority, and order, while Type 9 (The Peacemaker) leaders were more common in collectivist cultures that prioritize harmony and group cohesion (Bouchikhi & Kimberly, 2011).

In Indonesia, where collectivist values and high power distance are dominant cultural traits, the Enneagram provides a valuable tool for understanding how leadership styles can align with or challenge these cultural norms (Hofstede, 2011). MSME leaders in Indonesia can use the Enneagram to reflect on how their leadership style fits within the broader cultural context and make adjustments to improve their leadership effectiveness in a culturally sensitive manner.

2.5 Theoretical Framework

Theoretical frameworks provide the foundation for research by outlining the key concepts, relationships, and models that guide the study. In this research, the theoretical framework integrates various leadership and personality theories to analyze how leadership styles, as shaped by personality traits, influence the effectiveness of Micro, Small, and Medium Enterprise (MSME) business leaders in Indonesia. By combining insights from traditional leadership theories with the Enneagram Personality Types Assessment, this framework aims to provide a

comprehensive understanding of the interaction between personality and leadership in the context of MSMEs.

The Trait Theory and Behavioral Theory of leadership serve as key components of this framework, emphasizing that leadership effectiveness can be influenced by both inherent personality traits and learned behaviors (Northouse, 2021). These theories highlight the importance of specific leadership qualities, such as emotional intelligence, adaptability, and communication skills, all of which are critical for MSME leaders who must navigate the complexities of small business environments (Burns, 2017).

The Situational Leadership Theory adds another dimension by recognizing that leadership styles must be adaptable to the specific context and needs of followers (Hersey & Blanchard, 1969). MSME leaders, who often operate in rapidly changing environments with diverse teams, must adjust their leadership approach based on the readiness and competencies of their employees, making situational leadership an important part of this framework.

The Enneagram Personality Types Assessment is integrated into the theoretical framework to explore how personality drives leadership behaviors and decision-making processes. The Enneagram model provides a structured approach to understanding the core motivations, fears, and strengths of leaders, allowing for a deeper analysis of how personality influences leadership styles and effectiveness (Riso & Hudson, 1999). By linking specific Enneagram types to leadership behaviors, this framework examines the impact of personality on MSME leadership

outcomes, particularly in resource-constrained and culturally diverse environments like Indonesia.

Finally, the framework also considers the cultural and economic factors that influence leadership in Indonesian MSMEs. Leadership in this context is shaped by high power distance, collectivism, and the unique challenges of operating in a volatile economic landscape (Hofstede, 2011; Tambunan, 2019). By incorporating these cultural and economic factors, the framework offers a more holistic understanding of how leadership is practiced in the Indonesian MSME sector.

2.5.1 Leadership and Personality Interaction Model

The Leadership and Personality Interaction Model serves as the core of this theoretical framework, illustrating how leadership styles are influenced by the interaction between a leader's inherent personality traits and their behavior in specific organizational contexts. This model emphasizes the dynamic relationship between who a leader is (personality) and how they lead (behavior), particularly in environments where leadership effectiveness is essential for organizational success, such as in Micro, Small, and Medium Enterprises (MSMEs) (Northouse, 2021).

1. Personality as the Foundation of Leadership

Personality provides the foundation for leadership behaviors, shaping the way leaders perceive situations, make decisions, and interact with their teams (Judge et al., 2002). According to Trait Theory, certain personality traits, such as emotional intelligence, conscientiousness, extraversion, and openness to experience, have been linked to effective leadership (Costa & McCrae, 1992). These traits are seen

as stable over time and influence the way leaders respond to challenges, motivate their teams, and maintain a vision for organizational growth.

In the context of the Enneagram model, each of the nine personality types offers a different lens through which leadership can be understood. For example, Type 3 (The Achiever) leaders are driven by success and results, often displaying high levels of motivation and efficiency, while Type 9 (The Peacemaker) leaders prioritize harmony and conflict resolution (Riso & Hudson, 1999). Understanding the core personality traits of MSME leaders through the Enneagram allows for a more personalized analysis of leadership styles, highlighting the strengths and potential blind spots of each leader based on their inherent personality.

2. Behavior as the Manifestation of Leadership

While personality provides the internal foundation, leadership behavior is the outward manifestation of these traits, particularly in how leaders approach decision-making, communication, and team management (Bass & Bass, 2008). The Behavioral Theory of leadership suggests that effective leaders adopt specific behaviors that can be learned and refined over time, such as task-oriented or people-oriented behaviors (Blake & Mouton, 1985). In MSMEs, where leaders are often deeply involved in both strategic and operational activities, balancing these behaviors is critical for managing teams and driving business growth (Burns, 2017).

The interaction between personality and behavior is key to understanding leadership effectiveness. For example, a Type 8 (The Challenger) leader in the Enneagram model may naturally adopt a more assertive and authoritative leadership

style, focusing on decisiveness and control. However, to be effective in situations that require collaboration and consensus-building, this leader may need to adopt more relationship-oriented behaviors (Daniels & Price, 2009). This flexibility in leadership behavior, while grounded in personality, is critical for navigating the complexities of MSME leadership.

3. Contextual Factors in Leadership

The Leadership and Personality Interaction Model also incorporates contextual factors that influence how leadership is practiced. According to Situational Leadership Theory, effective leadership depends on the ability to adapt leadership behaviors to the specific needs of the situation and the readiness level of the followers (Hersey & Blanchard, 1969). In MSMEs, where leaders face constantly shifting economic conditions, resource constraints, and diverse team dynamics, the ability to adapt leadership behaviors is essential.

Cultural factors also play a significant role in shaping leadership styles in Indonesia, where high power distance and collectivist values often dictate leadership expectations (Hofstede, 2011). Leaders who understand these cultural norms are better positioned to align their leadership behaviors with the expectations of their employees and the broader business environment. For instance, an MSME leader in Indonesia may need to balance traditional hierarchical leadership approaches with more participative and empowering leadership practices, depending on the context.

4. Personality-Driven Leadership Styles

The interaction between personality and behavior forms the basis of personality-driven leadership styles. Each Enneagram type brings with it distinct strengths and potential challenges, which can be leveraged or mitigated based on how the leader chooses to behave in specific situations. For instance:

Type 1 (The Perfectionist): Principled and perfectionistic, this leader excels in creating structure and maintaining high standards but may need to manage tendencies toward rigidity or excessive control (Riso & Hudson, 1999).

Type 7 (The Enthusiast): Optimistic and visionary, this leader brings creativity and innovation but may need to focus on improving follow-through and discipline (Daniels & Price, 2009).

Type 6 (The Loyalist): Responsible and dependable, this leader is excellent at managing risk and maintaining stability but may need to develop greater confidence in decision-making (Riso & Hudson, 1999).

In the context of MSMEs, where leadership can have a direct impact on both employee engagement and business performance, understanding how personality-driven leadership styles manifest in day-to-day operations is critical (Burns, 2017). Leaders who are self-aware and understand the interaction between their personality and leadership behaviors are better equipped to foster a positive organizational culture, manage their teams effectively, and navigate the challenges of leading a small business.

2.5.2 MSME Business Leadership Model

The MSME Business Leadership Model provides a framework for understanding the specific leadership dynamics within Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. Unlike leadership in larger corporations, MSME leadership is characterized by a closer, more direct relationship between leaders and employees, as well as the need for flexibility and adaptability in response to resource constraints and market challenges (Burns, 2017). The model integrates insights from leadership theory, personality assessments, and contextual factors specific to the MSME sector, offering a comprehensive view of how leadership operates in these small-scale enterprises.

1. Personalized Leadership in MSMEs

Leadership in MSMEs is highly personal due to the smaller scale of the organization and the closer interactions between leaders and employees. MSME leaders often wear multiple hats, handling both operational tasks and strategic decision-making. This hands-on approach means that leadership styles in MSMEs tend to be more directly influenced by the personality of the leader (Burns, 2017).

The Enneagram Personality Types Assessment plays a central role in this model, as it allows for a nuanced understanding of how a leader's personality shapes their leadership behavior. For instance, leaders with a Type 5 (The Investigator) personality may focus on strategic analysis and problem-solving, while Type 2 (The Helper) leaders may prioritize relationship-building and employee support (Riso & Hudson, 1999). The model emphasizes that self-awareness of one's personality type

can help MSME leaders leverage their strengths and address potential weaknesses, ultimately leading to more effective leadership in a small business setting (Lapid-Bogda, 2004).

2. Adaptability and Flexibility in Leadership

MSME leaders must be adaptable and flexible, responding quickly to changing market conditions, limited resources, and evolving employee needs (Tambunan, 2019). The Situational Leadership Theory is particularly relevant in this context, as it emphasizes the need for leaders to adjust their style based on the readiness and capabilities of their employees (Hersey & Blanchard, 1969). In MSMEs, leaders may need to shift between directive and supportive leadership styles, depending on the specific challenges they face and the skills of their team members.

For example, an MSME leader may adopt a more directive style when introducing new processes or during times of crisis, while a more supportive, coaching-based approach may be used when developing the skills and confidence of employees (Northouse, 2021). The MSME Business Leadership Model highlights the importance of this flexibility, as leaders in small enterprises are often required to fill multiple roles and respond to immediate challenges without the luxury of specialized management teams.

3. Collaborative and Inclusive Leadership

Due to the flat organizational structure of many MSMEs, leaders often work closely with their employees, creating opportunities for more collaborative and inclusive leadership. In this model, leadership is not solely top-down but involves engaging

employees in decision-making processes and fostering a sense of ownership and responsibility within the team (Burns, 2017). This collaborative approach is especially effective in MSMEs, where employee engagement is critical to overcoming resource constraints and driving innovation.

The Enneagram model further supports this aspect of leadership by helping leaders understand the interpersonal dynamics within their teams. Leaders who are aware of their own personality type and the types of their employees can tailor their communication and management approaches to enhance collaboration and reduce conflict (Daniels & Price, 2009). For example, a leader who understands that a Type 9 (The Peacemaker) employee may avoid conflict can create a more supportive environment that encourages open dialogue and collaboration without causing stress or tension (Riso & Hudson, 1999).

4. Leadership in Resource-Constrained Environments

One of the defining characteristics of MSMEs is the need to operate within resource-constrained environments, where financial, human, and technological resources are often limited (Raharjo et al., 2020). The MSME Business Leadership Model emphasizes the importance of resourcefulness and innovation in leadership, as MSME leaders must maximize the potential of their limited resources to remain competitive in the market.

Leaders in MSMEs are often tasked with balancing short-term operational needs with long-term strategic planning, all while managing tight budgets and limited personnel (Burns, 2017). The Enneagram can help MSME leaders understand how

their personality influences their approach to resource management. For instance, a Type 3 (The Achiever) leader may excel in setting and achieving ambitious goals, while a Type 6 (The Loyalist) leader may focus on ensuring stability and risk management (Riso & Hudson, 1999). By understanding these personality-driven tendencies, MSME leaders can make more informed decisions about how to allocate resources effectively.

5. Culturally Informed Leadership

The MSME Business Leadership Model also integrates the cultural context of Indonesia, where leadership is shaped by values such as collectivism, high power distance, and the importance of maintaining harmony within the organization (Hofstede, 2011). Leaders in Indonesian MSMEs must navigate these cultural factors, ensuring that their leadership style aligns with the expectations of their employees and the broader community.

For example, the collectivist nature of Indonesian society places a strong emphasis on group cohesion and collaborative decision-making. Leaders who are aware of this cultural dynamic can foster a more inclusive leadership style, ensuring that employees feel valued and supported (Carney & Gedajlovic, 2002). Similarly, the high power distance in Indonesian culture may necessitate a more authoritative leadership approach, but leaders who understand their Enneagram type can balance this with empathy and relationship-building to maintain a positive organizational culture (Hofstede, 2011).

6. Sustainability and Long-Term Growth

Finally, the MSME Business Leadership Model recognizes the importance of sustainability and long-term growth in small enterprises. While MSME leaders often face immediate operational challenges, effective leadership involves developing strategies that ensure the long-term viability of the business (Burns, 2017). Leaders who are self-aware and understand how their personality influences their decision-making are better equipped to create sustainable growth strategies that align with both the short-term needs and long-term goals of the organization.

By integrating insights from the Enneagram, Situational Leadership Theory, and the unique cultural and economic context of Indonesian MSMEs, this model provides a comprehensive framework for understanding how leadership operates in small businesses. It emphasizes the importance of flexibility, collaboration, and cultural awareness in driving business success.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research Design

This chapter outlines the research methodology employed in the study to analyze leadership styles of Micro, Small, and Medium Enterprise (MSME) leaders in Indonesia, using the Enneagram Personality Types Assessment. The research methodology serves as the blueprint for how data will be collected, analyzed, and interpreted to answer the research questions. It provides a structured approach to ensure that the study is rigorous, valid, and reliable, while offering insights into the leadership dynamics of MSME leaders in a unique cultural and economic context.

The study adopts a mixed-methods approach, combining both qualitative and quantitative research techniques to gain a comprehensive understanding of the leadership styles of MSME leaders. The qualitative aspect focuses on in-depth interviews and thematic analysis, allowing for a rich exploration of how leaders perceive their leadership style in relation to their Enneagram type. The quantitative aspect involves survey data using validated leadership and personality assessment instruments to measure the correlation between Enneagram types and leadership effectiveness (Creswell, 2014). This mixed-methods approach ensures that the study captures both the subjective experiences of leaders and the objective relationships between personality traits and leadership behaviors.

The chapter will first describe the research design, explaining the rationale for using a mixed-methods approach and how it aligns with the research objectives. It will

then address the population and sample selection, detailing how MSME leaders in Indonesia are chosen for the study. This is followed by an explanation of the data collection methods, including the use of surveys, interviews, and the Enneagram Personality Types Assessment. The research instruments will also be discussed, focusing on the tools used to assess both leadership styles and personality traits. The chapter will conclude with a discussion of the data analysis techniques, including statistical analysis for quantitative data and thematic analysis for qualitative data, as well as the ethical considerations related to the study.

By systematically outlining the research process, this chapter ensures transparency and replicability, while addressing the complexities involved in studying leadership in the context of Indonesian MSMEs. The methodology is designed to provide both depth and breadth in understanding the leadership styles of MSME leaders, and how their personality traits, as defined by the Enneagram, influence their leadership effectiveness.

3.1.1 Research Philosophy and Approach (Qualitative/Quantitative/Mixed)

The research philosophy and approach adopted for this study are shaped by the nature of the research questions and the need to understand the relationship between leadership styles and personality in the context of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. This study uses a pragmatist philosophy, which is well-suited for research that seeks practical solutions to real-world problems and allows for the integration of both qualitative and quantitative methods (Creswell, 2014).

1. Pragmatist Philosophy

Pragmatism emphasizes the use of multiple approaches to understand a research problem, focusing on what works best to answer the research questions. It is not bound by a single philosophical orientation, such as positivism or interpretivism, but instead combines both when necessary (Morgan, 2014). This philosophy is appropriate for this study because it allows the integration of quantitative data to measure correlations between leadership styles and Enneagram personality types, and qualitative data to explore deeper insights into how MSME leaders perceive and enact their leadership styles.

In line with pragmatism, this research does not prioritize one type of data over another but instead values both for their contribution to answering the research questions. The goal is to generate findings that are not only theoretically significant but also practically useful for MSME leaders in Indonesia. This aligns with the study's focus on providing actionable insights into how personality-driven leadership can be applied in resource-constrained and culturally specific environments like MSMEs (Saunders et al., 2016).

2. Mixed-Methods Approach

This study employs a mixed-methods approach, which integrates both qualitative and quantitative research methods. A mixed-methods approach is chosen because it allows for a more comprehensive analysis of leadership styles by combining the strengths of both qualitative and quantitative data (Creswell & Plano Clark, 2018). In this study, quantitative data will provide measurable insights into the correlation

between leadership styles and personality traits, while qualitative data will offer depth and context, exploring the lived experiences of MSME leaders.

Quantitative Approach: The quantitative component involves the use of standardized surveys and assessment tools, such as the Enneagram Personality Types Assessment and a leadership style questionnaire, to collect numerical data. This allows for statistical analysis to identify patterns and correlations between the personality traits of MSME leaders and their leadership effectiveness. The use of surveys ensures that the study captures data from a broad sample of MSME leaders, providing generalizable insights into leadership trends within this sector (Bryman, 2016).

Qualitative Approach: The qualitative component involves in-depth interviews with selected MSME leaders. This allows for a richer exploration of how these leaders perceive their leadership style and how their Enneagram personality type influences their decision-making, team management, and approach to leadership challenges. The qualitative data will be analyzed using thematic analysis, which helps to identify common themes and insights related to leadership behaviors and the interaction between personality and leadership in a real-world context (Clarke & Braun, 2013).

3. Integration of Qualitative and Quantitative Data

The integration of qualitative and quantitative data in this mixed-methods approach follows a convergent design, in which both types of data are collected simultaneously and analyzed independently, before being combined to provide a

more comprehensive understanding of the research problem (Creswell & Plano Clark, 2018). This approach ensures that the quantitative data offers a broad, measurable view of leadership styles, while the qualitative data provides depth and context, offering a more holistic understanding of how personality drives leadership behavior.

In the context of this study, the mixed-methods approach is particularly valuable for addressing the complex and multi-faceted nature of leadership in MSMEs. It allows the researcher to explore the nuanced relationships between personality and leadership in greater depth, while also ensuring that the findings are grounded in empirical data that can be statistically validated. The mixed-methods approach enhances the study's validity and reliability by triangulating findings from both quantitative and qualitative sources (Creswell, 2014).

3.1.2 Type of Research (Exploratory, Descriptive, etc.)

This study employs a descriptive-exploratory research design to analyze the leadership styles of Micro, Small, and Medium Enterprise (MSME) leaders in Indonesia, focusing on how these styles are influenced by their Enneagram personality types. The combination of descriptive and exploratory research allows for both the systematic characterization of existing leadership patterns and the investigation of new insights that contribute to a deeper understanding of leadership within MSMEs.

1. Descriptive Research

The descriptive component of this study is aimed at providing a detailed account of the leadership styles and personality traits of MSME leaders. Descriptive research is used to systematically describe characteristics of the population being studied, offering a clear picture of how certain variables—such as personality traits and leadership behaviors—manifest in the real world (Saunders et al., 2016). In this case, the study will describe the distribution of Enneagram personality types among MSME leaders, as well as the most prevalent leadership styles observed.

The descriptive approach is particularly useful in this study because it allows for the systematic classification of leadership styles within a defined context. By analyzing leadership behaviors through standardized assessment tools, such as the Enneagram Personality Types Assessment and a leadership style questionnaire, this research will present a clear picture of how personality influences leadership in MSMEs (Bryman, 2016). The data gathered will provide an empirical foundation for understanding leadership trends, behaviors, and preferences among MSME leaders.

2. Exploratory Research

The exploratory component of this study is designed to investigate the deeper relationships between personality and leadership, particularly in areas that have not been extensively studied within the context of Indonesian MSMEs. Exploratory research is typically used when a researcher seeks to explore new phenomena, uncover patterns, and generate new insights (Stebbins, 2001). Since the integration

of the Enneagram Personality Types Assessment in leadership studies within MSMEs is relatively novel, the exploratory aspect of this research aims to discover how personality-driven leadership styles impact organizational effectiveness and employee engagement.

The exploratory nature of this study is reflected in the qualitative data collection through in-depth interviews with selected MSME leaders. These interviews will explore leaders' perceptions of how their personality traits shape their leadership style, as well as how they navigate leadership challenges within their organizations. This approach allows for the identification of patterns or themes that may not emerge through quantitative methods alone, providing a more nuanced understanding of leadership dynamics within MSMEs (Creswell, 2014).

3. Why a Descriptive-Exploratory Approach?

The combination of descriptive and exploratory research is ideal for this study, as it provides both structure and flexibility in examining leadership in MSMEs. The descriptive aspect ensures that the research is grounded in empirical data, systematically documenting how leadership styles manifest among different Enneagram personality types. Meanwhile, the exploratory component allows the research to probe deeper into the complex, often subjective experiences of MSME leaders, uncovering insights that may not be apparent through quantitative data alone.

In the context of Indonesian MSMEs, where leadership is shaped by unique cultural, economic, and organizational factors, this dual approach enables the

researcher to both map existing leadership behaviors and explore new ideas that contribute to leadership theory and practice (Saunders et al., 2016). By combining descriptive and exploratory methods, this study provides a more comprehensive understanding of leadership, offering both breadth and depth in its analysis.

3.2 Population and Sample

The population and sample selection are critical components of this research, as they determine the scope and representativeness of the study's findings. In the context of this research, the population refers to the broader group of Micro, Small, and Medium Enterprise (MSME) business leaders in Indonesia, who lead various types of enterprises across different sectors, including manufacturing, trade, agriculture, and services (Ministry of Cooperatives and SMEs, 2021). Given the diversity of MSMEs in Indonesia, selecting an appropriate sample that reflects this population is essential for generating insights that are both relevant and generalizable.

This study focuses on MSME leaders who have at least three years of leadership experience, as they are likely to have developed a consistent leadership style and faced a variety of challenges in their business operations. These leaders are drawn from various regions in Indonesia, ensuring that the study captures a wide range of cultural, economic, and geographic contexts, which are vital for understanding the leadership dynamics in this diverse and complex environment (Tambunan, 2019).

The sample for this study will be selected using a purposive sampling technique, which allows the researcher to intentionally select participants who meet specific

criteria that align with the research objectives (Saunders et al., 2016). Purposive sampling is particularly suited to this study because it ensures that the selected MSME leaders possess the necessary experience and leadership roles to provide meaningful insights into the relationship between their Enneagram personality types and leadership styles. This sampling method will enable the researcher to focus on individuals whose experiences are most relevant to the research questions, thereby enhancing the depth and quality of the data collected.

The following sections will detail the specific criteria for sample selection, the sampling technique used, and the rationale for choosing the sample size. By carefully selecting a representative sample, this study aims to ensure that the findings can be generalized to the broader population of MSME leaders in Indonesia, while also providing insights that are specific to the unique cultural and economic context of the country.

3.2.1 MSME Business Leaders in Indonesia

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in the Indonesian economy, contributing significantly to employment and economic growth. According to the Ministry of Cooperatives and SMEs, MSMEs account for 99% of all businesses in Indonesia and contribute more than 60% of the country's GDP (Ministry of Cooperatives and SMEs, 2021). MSME leaders, therefore, hold key responsibilities in driving both local and national economic development. Understanding the leadership styles of these business leaders is essential for improving the performance and sustainability of their enterprises.

MSME business leaders in Indonesia are typically involved in hands-on leadership, managing both the strategic and operational aspects of their businesses. They often work closely with their employees, customers, and communities, balancing business growth with the realities of resource constraints, market volatility, and regulatory challenges (Tambunan, 2019). These leaders come from diverse backgrounds, with varying levels of education, experience, and leadership styles. This diversity makes the study of MSME leadership in Indonesia particularly valuable, as it reflects a broad spectrum of leadership behaviors and approaches that are shaped by both personal and contextual factors (Burns, 2017).

Given the unique challenges faced by MSMEs in Indonesia—such as limited access to capital, the need to adapt to rapidly changing market conditions, and navigating cultural expectations—effective leadership is critical to their success. MSME leaders must often adopt a flexible and adaptive approach to leadership, making decisions that can have an immediate impact on their businesses. As a result, this research focuses on exploring how the personality traits of these leaders, particularly as defined by the Enneagram Personality Types Assessment, influence their leadership style and effectiveness.

To ensure that the study captures a representative sample of MSME business leaders, this research will target leaders from various sectors, including manufacturing, services, agriculture, and trade, across different regions of Indonesia. This approach ensures that the study reflects the wide-ranging economic and cultural environments in which MSME leaders operate, providing a more

comprehensive understanding of leadership dynamics in these businesses (Ministry of Cooperatives and SMEs, 2021).

In this study, the selected MSME leaders will have at least three years of leadership experience, ensuring that they have had sufficient time to develop their leadership style and encounter a range of leadership challenges. This experience criterion is important for understanding how leadership styles evolve over time and how leaders adapt their approaches in response to the demands of their businesses. Additionally, by focusing on leaders who have demonstrated sustained leadership in their organizations, the study aims to gather insights that are directly relevant to both leadership theory and practical applications in the MSME sector.

3.2.2 Sampling Technique (e.g., Purposive Sampling)

To ensure the research captures meaningful and relevant data from Micro, Small, and Medium Enterprise (MSME) leaders in Indonesia, this study will use a purposive sampling technique. Purposive sampling, also known as judgmental or selective sampling, is a non-probability sampling method in which participants are intentionally selected based on predefined criteria relevant to the research objectives (Saunders et al., 2016). This technique is particularly useful in exploratory and descriptive research, where the goal is to gain in-depth insights from participants who have specific knowledge, experiences, or characteristics that align with the study's focus.

1. Rationale for Purposive Sampling

Purposive sampling is selected for this study because it allows the researcher to focus on MSME leaders who possess certain qualities that are essential for exploring the relationship between their personality traits (as measured by the Enneagram Personality Types Assessment) and their leadership styles. This technique is suitable for studies where the researcher needs to concentrate on participants who are most likely to provide rich and relevant data (Creswell, 2014).

In the context of this study, purposive sampling is appropriate because not all MSME leaders will have the necessary leadership experience or the reflective capacity required to provide meaningful insights into the interaction between their personality and leadership style. By deliberately selecting leaders who meet specific criteria, the research will be able to gather more in-depth and focused data, leading to more relevant and actionable findings.

2. Selection Criteria

The key criteria for selecting MSME leaders in this study are:

Experience: Leaders with a minimum of three years of leadership experience. This ensures that the participants have had sufficient time to develop their leadership style and face various leadership challenges, allowing for a more reflective understanding of their leadership behaviors and decision-making processes.

Sector Diversity: Leaders from various sectors such as manufacturing, services, agriculture, and trade. By including leaders from different industries, the study ensures a more comprehensive understanding of leadership styles across different business environments (Tambunan, 2019).

Geographic Representation: Leaders from diverse regions across Indonesia. Given the country's cultural and economic diversity, this criterion ensures that the sample reflects the different regional contexts in which MSMEs operate, thus providing a broader perspective on leadership in the Indonesian MSME sector (Ministry of Cooperatives and SMEs, 2021).

Willingness to Participate: Leaders who are willing to engage in both the quantitative survey (Enneagram Personality Types Assessment and leadership questionnaire) and qualitative interviews, allowing for a mixed-methods approach to data collection.

These criteria are designed to ensure that the selected sample is representative of the broader population of MSME leaders, while also focusing on individuals who can provide deep insights into the study's key research questions. By selecting participants with substantial leadership experience across different sectors and regions, the study will be able to examine a diverse range of leadership styles and personality traits.

3. Sample Size

The sample size for this study will be determined based on the need to balance breadth and depth in data collection. In the quantitative phase, a sample of approximately 100 to 150 MSME leaders will be targeted, allowing for robust statistical analysis of the relationship between Enneagram personality types and leadership styles (Creswell & Plano Clark, 2018). This sample size ensures that the

data is sufficiently representative while maintaining the feasibility of data collection.

In the qualitative phase, a smaller subset of 15 to 20 MSME leaders will be selected for in-depth interviews. This smaller sample allows for a richer exploration of individual leadership experiences, providing detailed insights into how personality influences leadership behaviors. This qualitative subset will be selected based on their Enneagram type and leadership style, ensuring a diverse representation of leadership behaviors across different personality types (Bryman, 2016).

4. Limitations of Purposive Sampling

While purposive sampling allows for focused and in-depth analysis, it also has limitations. The non-random nature of the sampling method means that the findings may not be fully generalizable to all MSME leaders in Indonesia (Saunders et al., 2016). However, since the goal of this study is to explore the interaction between personality and leadership in a specific context, the depth of insights gained from the selected sample is expected to outweigh the limitations related to generalizability.

3.3 Data Collection Methods

The data collection methods used in this study are designed to capture both the quantitative and qualitative aspects of leadership styles among MSME leaders in Indonesia, with a particular focus on how these styles are influenced by personality traits as measured by the Enneagram Personality Types Assessment. Given the

mixed-methods approach of this research, multiple data collection techniques are employed to ensure a comprehensive understanding of the research problem.

Quantitative data will be collected through surveys, which include standardized leadership style questionnaires and the Enneagram Personality Types Assessment. This method allows for the collection of numerical data that can be analyzed to identify patterns and correlations between personality traits and leadership styles. The quantitative approach provides a broad overview of leadership trends among MSME leaders, offering measurable insights into the relationship between leadership behaviors and personality.

In addition to the quantitative data, qualitative data will be collected through in-depth interviews with a subset of MSME leaders. The qualitative data collection focuses on exploring the leaders' subjective experiences, providing deeper insights into how their personality traits shape their leadership practices in everyday business contexts. These interviews are particularly valuable for understanding the nuanced and context-specific aspects of leadership that may not be captured through quantitative methods alone.

The combination of these two methods ensures that the study benefits from the strengths of both approaches: the objectivity and generalizability of quantitative data, and the depth and richness of qualitative insights. This mixed-methods strategy is crucial for gaining a holistic understanding of the complex interactions between personality and leadership in the dynamic and resource-constrained environment of MSMEs in Indonesia.

The following sections will provide a detailed explanation of the primary and secondary data collection methods, outlining the instruments used, the process for administering surveys and interviews, and the rationale behind the chosen methods. Together, these methods are designed to provide comprehensive and reliable data that address the study's research questions.

3.3.1 Primary Data Collection (Interviews, Surveys, etc.)

The primary data collection for this study involves both quantitative surveys and qualitative in-depth interviews. These methods are designed to provide a comprehensive understanding of the leadership styles of MSME leaders in Indonesia, as well as how their personality traits, as measured by the Enneagram Personality Types Assessment, influence their leadership behaviors. By using both surveys and interviews, the study ensures that it captures both measurable trends and in-depth personal experiences.

1. Quantitative Surveys

The quantitative phase of the data collection involves administering structured surveys to MSME leaders across various sectors and regions in Indonesia. These surveys consist of two key instruments:

Enneagram Personality Types Assessment: This validated personality assessment will be used to determine the Enneagram type of each MSME leader participating in the study. The Enneagram provides a detailed framework for understanding the core motivations, strengths, and potential challenges of each personality type (Riso

& Hudson, 1999). By assessing the Enneagram types of leaders, the study aims to establish correlations between their personality traits and their leadership styles.

Leadership Style Questionnaire: This standardized questionnaire is designed to evaluate the leadership behaviors and practices of MSME leaders. It assesses key leadership dimensions, such as transformational, transactional, and participative leadership styles (Bass & Bass, 2008). The combination of the Enneagram assessment and leadership questionnaire allows the study to identify patterns and relationships between personality and leadership styles, providing measurable data for statistical analysis.

The surveys will be distributed to approximately 100 to 150 MSME leaders using an online platform to facilitate easy access and high participation rates. The use of an online survey method ensures that leaders from diverse regions and sectors can participate, providing a broad sample that reflects the variability in leadership styles across the MSME landscape. The quantitative data collected through these surveys will be used to identify trends and correlations, helping to answer the research questions related to personality-driven leadership.

2. Qualitative In-Depth Interviews

The qualitative phase of the study involves conducting in-depth interviews with a subset of 15 to 20 MSME leaders. These interviews aim to explore the personal experiences of MSME leaders, focusing on how their personality traits influence their leadership style in real-world situations. While the quantitative surveys provide a broad overview of leadership trends, the interviews offer deeper insights

into the nuances of leadership that are specific to each leader's personality type and business context.

The interviews will be semi-structured, allowing the researcher to guide the conversation while also giving participants the freedom to express their thoughts and experiences in detail. Key topics to be explored during the interviews include:

How the leaders perceive their leadership style and how it aligns with their Enneagram personality type.

Specific examples of leadership challenges and how their personality influenced their approach to resolving those challenges.

The role of personality in decision-making, employee management, and business growth.

Reflections on leadership development and areas for personal growth.

The interviews will be conducted via video conferencing or face-to-face, depending on the availability and location of the participants. Each interview will last approximately 45 to 60 minutes, and the conversations will be recorded and transcribed for later analysis. Thematic analysis will be used to identify common themes and insights related to leadership behavior and personality (Clarke & Braun, 2013).

3. Advantages of Combining Surveys and Interviews

The combination of surveys and interviews offers several advantages:

Broader Coverage: Surveys allow the study to collect data from a large number of participants, providing a broad overview of leadership styles across different sectors and regions.

Depth and Context: In-depth interviews offer rich, qualitative insights that help to contextualize the quantitative findings, giving a more holistic view of leadership in MSMEs.

Mixed-Methods Triangulation: The use of both methods strengthens the validity of the research by allowing for the triangulation of data. This ensures that the findings are supported by both measurable trends (from the surveys) and detailed personal experiences (from the interviews) (Creswell & Plano Clark, 2018).

By integrating quantitative surveys with qualitative interviews, this study provides a comprehensive analysis of how personality influences leadership styles in MSMEs, offering both statistical rigor and in-depth contextual understanding.

3.3.2 Secondary Data (Literature Review, Case Studies)

In addition to the primary data collection through surveys and interviews, this study incorporates secondary data to provide a comprehensive context for understanding leadership styles and personality traits in Micro, Small, and Medium Enterprises (MSMEs). Secondary data sources complement the primary data by offering existing insights, theories, and case studies that help frame the research questions and guide the analysis of the findings. The two primary sources of secondary data used in this study are the literature review and case studies.

1. Literature Review

The literature review plays a central role in grounding this research within the broader academic discourse on leadership and personality. By reviewing previous studies, theories, and empirical evidence, the literature review provides a theoretical foundation for the research and identifies gaps in the current knowledge that this study aims to address. Key areas of focus in the literature review include:

Leadership Theories and Models: A review of traditional leadership theories such as Trait Theory, Behavioral Theory, Situational Leadership, and Transformational Leadership (Northouse, 2021). These theories provide a framework for analyzing leadership styles, behaviors, and their effectiveness in the MSME context.

Personality and Leadership: A focus on the relationship between personality and leadership effectiveness, with particular emphasis on the use of the Enneagram Personality Types Assessment to analyze leadership traits (Riso & Hudson, 1999). This review covers how personality traits shape leadership behaviors and decision-making processes, particularly in dynamic environments like MSMEs.

Leadership in MSMEs: A comprehensive review of studies focusing on leadership in MSMEs, particularly in the Indonesian context. This includes research on the unique challenges faced by MSME leaders, such as resource constraints, market volatility, and the need for adaptability in decision-making (Tambunan, 2019).

Cultural and Economic Context: An analysis of how cultural factors (e.g., high power distance, collectivism) and economic factors influence leadership in

Indonesia, providing a contextual backdrop for understanding the dynamics of MSME leadership (Hofstede, 2011).

The literature review helps to position this study within the broader body of research on leadership and personality. It provides a theoretical lens through which the findings from the primary data can be analyzed and interpreted. Additionally, the literature review identifies gaps in existing research, particularly regarding the use of the Enneagram in leadership studies, which this study aims to address.

2. Case Studies

In addition to the literature review, this study draws on case studies of MSME leadership from both academic and industry sources. Case studies provide real-world examples of how leadership styles manifest in different organizational contexts and how personality influences leadership behaviors and decision-making. The inclusion of case studies allows the researcher to compare and contrast the experiences of MSME leaders in the current study with those documented in previous research.

The case studies focus on the following:

Leadership Success Stories in MSMEs: Case studies that highlight successful leadership practices in MSMEs, including how leaders have overcome challenges related to resource constraints, employee management, and market competition (Burns, 2017). These examples serve as benchmarks for analyzing leadership effectiveness in the study's sample of MSME leaders.

The Role of Personality in Leadership: Case studies that examine how different personality types influence leadership styles and business outcomes, particularly in small and medium enterprises (Daniels & Price, 2009). These studies help to contextualize the Enneagram personality types assessed in the study and provide real-world examples of how personality traits impact leadership behaviors.

Indonesian MSME Case Studies: Specific case studies of Indonesian MSMEs that illustrate the cultural, economic, and operational challenges unique to this region (Tambunan, 2019). These case studies are particularly useful for understanding the regional factors that influence leadership styles and the specific strategies that Indonesian MSME leaders employ to navigate these challenges.

3. Integration of Secondary Data with Primary Data

The secondary data collected from the literature review and case studies will be integrated with the primary data from surveys and interviews to provide a richer, more comprehensive analysis of leadership styles in MSMEs. The secondary data will be used to:

Support and Validate Primary Data Findings: The insights from the literature and case studies will help to validate the trends and correlations identified in the primary data. For example, if a particular Enneagram type is found to be associated with a specific leadership style in the primary data, this finding can be compared with existing case studies or literature to confirm its broader relevance (Saunders et al., 2016).

Contextualize Leadership in MSMEs: The case studies provide a practical, real-world context for understanding how the leadership styles of MSME leaders in Indonesia fit within the broader leadership landscape. This helps to ensure that the study's findings are both theoretically grounded and practically relevant (Creswell, 2014).

Identify Best Practices and Implications for Leadership Development: By integrating secondary data, the study will be able to draw on existing best practices in leadership development, offering practical recommendations for MSME leaders looking to enhance their leadership effectiveness based on their personality traits.

3.4 Research Instruments

The research instruments used in this study are critical to ensuring that the data collected is both reliable and valid, enabling the study to achieve its objectives. In line with the mixed-methods approach, the study employs a combination of standardized tools for quantitative data collection and customized guides for qualitative data. These instruments are designed to measure both the leadership styles and personality traits of MSME leaders in Indonesia, with a particular focus on the Enneagram Personality Types Assessment and leadership behavior questionnaires.

The quantitative instruments include standardized assessments that measure the Enneagram personality types and leadership styles, offering objective, quantifiable data that can be statistically analyzed. These tools have been widely used in leadership and personality research, ensuring the accuracy and comparability of the

data. The qualitative instrument, in the form of a semi-structured interview guide, allows for the collection of in-depth, context-specific data, providing a deeper understanding of how leadership styles are shaped by personality and other contextual factors.

This section provide an overview of the research instruments used, detailing their purpose, structure, and how they contribute to addressing the research questions. It will cover the Enneagram Personality Types Assessment, which is central to understanding the core personality traits of MSME leaders, as well as the leadership style questionnaire, which evaluates key leadership behaviors. The section also describe the interview guide used in the qualitative phase of the study, highlighting how it facilitates the exploration of leadership experiences and challenges in greater depth.

3.4.1 The Enneagram Personality Types Assessment Tool

The Enneagram Personality Types Assessment Tool is a central research instrument used in this study to evaluate the personality traits of MSME leaders in Indonesia. The Enneagram is a widely recognized personality framework that categorizes individuals into nine distinct personality types, each characterized by specific motivations, fears, and behavioral tendencies (Riso & Hudson, 1999). This assessment tool provides valuable insights into how personality influences leadership style, decision-making processes, and interpersonal dynamics, making it particularly relevant for understanding leadership in the context of Micro, Small, and Medium Enterprises (MSMEs).

1. Purpose of the Enneagram Assessment

The primary purpose of using the Enneagram Personality Types Assessment in this study is to identify the core personality traits of MSME leaders and examine how these traits influence their leadership behaviors. By categorizing leaders into one of the nine Enneagram types, the assessment offers a structured way to analyze the relationship between personality and leadership effectiveness. Each Enneagram type represents a unique set of strengths, challenges, and growth areas, which are crucial for understanding how leaders manage their teams, navigate challenges, and drive business success (Daniels & Price, 2009).

For example, a Type 3 (The Achiever) leader may be highly focused on success and performance, exhibiting a results-driven leadership style. Conversely, a Type 9 (The Peacemaker) leader may prioritize harmony and conflict resolution, fostering a more inclusive and supportive leadership approach. Understanding these personality-driven tendencies allows for a deeper analysis of how MSME leaders adapt their leadership styles based on their core motivations and personality traits.

2. Structure of the Enneagram Assessment

The Enneagram Personality Types Assessment consists of a series of questions designed to evaluate an individual's core motivations, fears, and behavioral patterns. The assessment typically includes 144 items, with respondents indicating how much they agree or disagree with specific statements related to their feelings, behaviors, and reactions in various situations. The responses are scored, and

individuals are assigned one of the nine Enneagram types, each corresponding to a dominant personality pattern (Riso & Hudson, 1999).

The nine Enneagram types are grouped into three centers of intelligence:

Heart Center (Types 2, 3, 4): Focuses on emotions and relationships.

Head Center (Types 5, 6, 7): Focuses on intellectual understanding and planning.

Gut Center (Types 8, 9, 1): Focuses on instincts and actions (Daniels & Price, 2009).

Each type provides insights into how leaders approach decision-making, manage teams, and respond to challenges. By categorizing MSME leaders into these personality types, the study can analyze the influence of core personality traits on leadership behaviors.

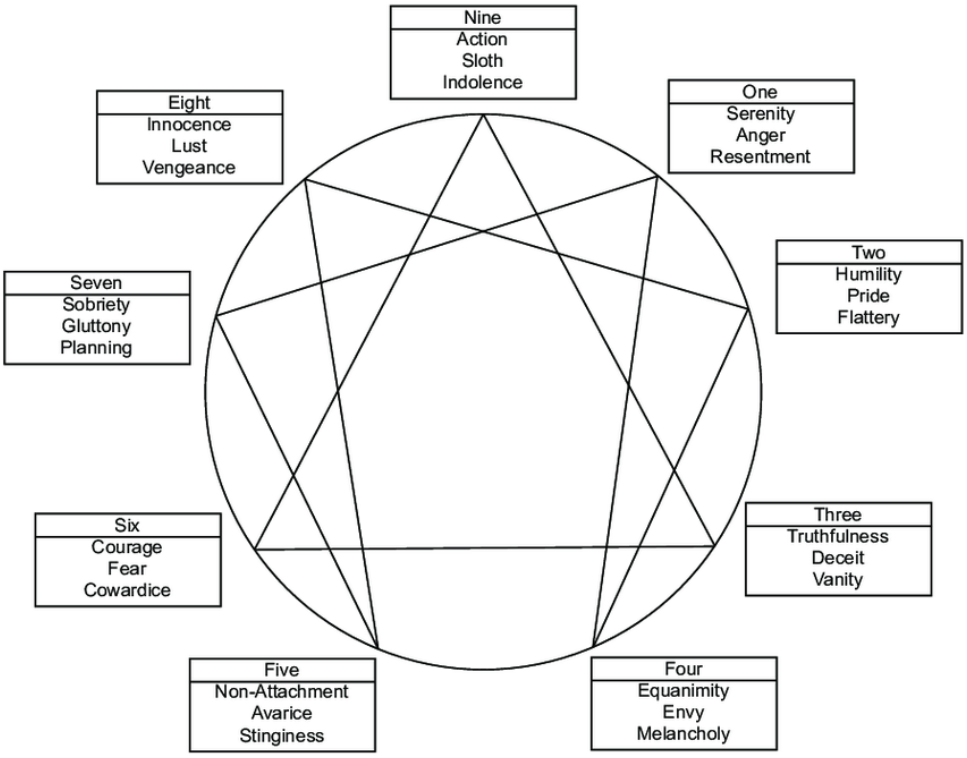


Figure 3. The Enneagram Pattern

3. Administration of the Enneagram Assessment

The Enneagram Personality Types Assessment will be administered to all participants in the quantitative phase of the study. The assessment will be delivered via an online platform, ensuring accessibility for MSME leaders across various regions of Indonesia. Participants will be provided with clear instructions on how to complete the assessment, and confidentiality will be maintained to ensure that participants feel comfortable providing honest responses.

The results of the Enneagram assessment will be used in conjunction with the leadership style questionnaire to analyze how different personality types align with specific leadership behaviors. The data will also be used to identify any correlations between personality traits and leadership effectiveness, providing empirical evidence for the study's research questions.

4. Validity and Reliability of the Enneagram Assessment

The Enneagram Personality Types Assessment has been widely validated in both academic and professional settings, with numerous studies demonstrating its reliability and applicability in leadership development (Lapid-Bogda, 2004). Its structured approach to evaluating core personality traits makes it an effective tool for understanding how personality influences leadership behaviors. The assessment's focus on motivations, fears, and behavioral patterns provides a comprehensive view of leadership that goes beyond observable traits, offering deeper insights into the drivers of leadership effectiveness.

In this study, the use of the Enneagram is particularly relevant for understanding the diverse leadership styles of MSME leaders, who often operate in complex and resource-constrained environments. The assessment helps identify not only the strengths of each leader but also the potential challenges they may face, offering a more nuanced understanding of leadership in MSMEs.

3.4.2 Leadership Style Questionnaire

The Leadership Style Questionnaire is a key instrument used in this study to evaluate the leadership behaviors and practices of MSME leaders in Indonesia. This tool complements the Enneagram Personality Types Assessment by providing quantitative data on the specific leadership styles employed by these leaders, offering a structured means of assessing how they approach decision-making, team management, and organizational challenges. The questionnaire helps to categorize leadership behaviors into well-established leadership styles, such as transformational, transactional, and participative leadership (Bass & Bass, 2008).

1. Purpose of the Leadership Style Questionnaire

The primary purpose of the Leadership Style Questionnaire is to measure and categorize the leadership behaviors of MSME leaders. By using this tool, the study aims to:

a. Identify the predominant leadership styles among MSME leaders in Indonesia.
b. Analyze how these leadership styles align with the leaders' Enneagram personality types.

c. Examine the effectiveness of various leadership styles in managing teams, fostering innovation, and addressing business challenges in MSMEs.

The questionnaire allows for the systematic evaluation of leadership behaviors, providing measurable insights into how leaders motivate and guide their teams. It also helps to explore the balance between task-oriented and relationship-oriented leadership practices, which are critical in the context of MSMEs where leaders often juggle multiple roles (Northouse, 2021).

2. Structure of the Leadership Style Questionnaire

The Leadership Style Questionnaire is structured to assess leadership behaviors across several key dimensions. These dimensions are drawn from established leadership theories, including:

a. Transformational Leadership: Measures the leader's ability to inspire and motivate their team, fostering a shared vision and encouraging innovation (Bass & Bass, 2008).
b. Transactional Leadership: Focuses on the leader’s use of rewards and corrective actions to achieve specific goals and maintain organizational stability (Bass, 1985).
c. Participative Leadership: Evaluates the leader’s involvement of team members in decision-making and problem-solving, promoting collaboration and shared responsibility (Blake & Mouton, 1985).

d. Autocratic Leadership: Assesses the extent to which leaders make decisions independently, without seeking input from their team (Burns, 2017).

The questionnaire consists of Likert-scale items, where participants rate how often they exhibit certain behaviors in their leadership role (e.g., “I encourage my team to think creatively when solving problems” or “I make decisions without consulting others”). Each item is designed to reflect one or more leadership styles, allowing the researcher to classify leaders based on their dominant leadership behaviors.

3. Administration of the Leadership Style Questionnaire

The Leadership Style Questionnaire will be administered alongside the Enneagram Personality Types Assessment during the quantitative phase of the study. Both instruments will be distributed through an online survey platform, making it easy for participants to complete the assessments at their convenience. The questionnaire is expected to take approximately 15 to 20 minutes to complete, and participants will be given clear instructions on how to respond to the Likert-scale items.

To ensure a representative sample, the questionnaire will be distributed to MSME leaders across various sectors (e.g., manufacturing, services, agriculture) and regions in Indonesia. The results will be used to analyze the distribution of leadership styles within the sample and to identify any correlations between leadership style and Enneagram personality type.

4. Validity and Reliability of the Leadership Style Questionnaire

The Leadership Style Questionnaire used in this study is based on widely recognized leadership assessment tools, which have been validated through extensive research in organizational and leadership studies (Bass & Bass, 2008; Blake & Mouton, 1985). The questionnaire's reliability has been established through its consistent use in both academic research and practical leadership development programs, ensuring that it provides accurate and reliable measurements of leadership behaviors.

By combining this questionnaire with the Enneagram Personality Types Assessment, the study provides a more comprehensive understanding of how personality traits influence leadership styles. The structured nature of the questionnaire allows for the statistical analysis of leadership behaviors, making it possible to draw connections between different personality types and their corresponding leadership practices.

5. Analysis of Leadership Styles

The data collected from the Leadership Style Questionnaire will be analyzed to categorize each MSME leader according to their dominant leadership style. This analysis will provide insights into the prevalence of different leadership styles within the MSME sector in Indonesia and will allow for a comparison of leadership behaviors across various sectors and regions. The data will also be integrated with the results of the Enneagram Personality Types Assessment to examine the interaction between personality traits and leadership behaviors.

For instance, leaders with a Type 8 (The Challenger) personality, who are typically assertive and decisive, may exhibit a more autocratic leadership style, while Type 9 (The Peacemaker) leaders may favor a participative approach that promotes harmony and consensus (Riso & Hudson, 1999). Understanding these patterns will help to identify how personality-driven leadership styles impact the effectiveness and adaptability of MSME leaders.

3.5 Data Analysis Techniques

Data analysis is a crucial phase of the research process, as it transforms the raw data collected from both quantitative and qualitative methods into meaningful insights that address the study's research questions. This section outlines the techniques used to analyze the data collected through the Enneagram Personality Types Assessment, Leadership Style Questionnaire, and in-depth interviews with MSME leaders in Indonesia. Given the mixed-methods approach adopted in this study, both quantitative and qualitative data analysis techniques will be employed to ensure a comprehensive understanding of the relationship between personality traits and leadership styles in the MSME sector.

For the quantitative data, statistical techniques will be used to identify patterns, correlations, and relationships between the Enneagram personality types and the leadership styles of MSME leaders. These techniques allow for the analysis of measurable trends and will help to answer key research questions related to the distribution of leadership styles and their effectiveness in different business contexts.

For the qualitative data, thematic analysis will be applied to the transcripts of the in-depth interviews. This method enables the identification of recurring themes, insights, and patterns in the leaders' experiences, providing a deeper understanding of how personality influences leadership behaviors in real-world situations. The qualitative data complements the quantitative findings by offering context and nuance, ensuring that the study captures both the measurable aspects of leadership and the subjective experiences of MSME leaders.

The following sub-sections will provide a detailed explanation of the specific data analysis techniques used, including both qualitative and quantitative approaches, and how these techniques contribute to addressing the research questions.

3.5.1 Qualitative Data Analysis (Thematic Analysis, Content Analysis)

The qualitative data collected from the in-depth interviews with MSME leaders in Indonesia will be analyzed using thematic analysis and content analysis. These methods are well-suited for exploring the rich, detailed narratives provided by the participants, allowing the researcher to identify patterns, themes, and insights related to leadership behaviors and how personality traits influence leadership in the context of MSMEs.

1. Thematic Analysis

Thematic analysis is a widely used method in qualitative research that involves identifying, analyzing, and reporting patterns (themes) within data (Clarke & Braun, 2013). This technique is appropriate for this study because it allows the researcher to examine how MSME leaders describe their leadership experiences,

behaviors, and challenges, particularly in relation to their Enneagram personality types.

The steps involved in thematic analysis include:

Familiarization with the Data: The first step involves reading and re-reading the interview transcripts to become familiar with the depth and breadth of the data. This initial immersion helps the researcher identify preliminary patterns and key points of interest (Clarke & Braun, 2013).

Generating Initial Codes: After familiarization, the researcher will begin systematically coding the data. Codes are brief labels that capture the essence of a particular segment of the data. For example, a segment where a leader discusses decision-making challenges may be coded as "decision-making process" or "leadership challenges" (Boyatzis, 1998).

Searching for Themes: Once the data has been coded, the researcher will group related codes into broader themes. A theme represents a patterned response or meaning within the data and is linked to the research questions. For instance, themes related to "collaborative leadership," "conflict resolution," or "decision-making styles" may emerge from the interviews (Clarke & Braun, 2013).

Reviewing Themes: At this stage, the researcher will refine the themes by reviewing all the coded data extracts. Some themes may be merged, while others may be broken down into sub-themes. This process ensures that the themes accurately reflect the data and are sufficiently robust to answer the research questions (Clarke & Braun, 2013).

Defining and Naming Themes: Once the themes are finalized, the researcher will define what each theme represents and how it relates to the leadership behaviors and personality traits of MSME leaders. This step involves refining the narrative around each theme to clearly communicate its significance.

Writing the Report: The final step involves writing up the analysis, presenting each theme along with supporting quotes from the interviews. This ensures that the qualitative data is presented in a coherent and compelling manner that addresses the study's research questions (Boyatzis, 1998).

Thematic analysis is particularly useful for this study because it provides a flexible approach to exploring how personality traits influence leadership behaviors, allowing the researcher to focus on the subjective experiences of the participants while maintaining a structured approach to data analysis.

2. Content Analysis

Content analysis is another qualitative technique that will be used alongside thematic analysis to systematically categorize and quantify the presence of specific words, phrases, or concepts in the interview transcripts (Krippendorff, 2018). Content analysis allows the researcher to quantify certain aspects of the qualitative data, providing a more objective measure of key themes or ideas discussed by MSME leaders.

The steps involved in content analysis include:

Developing Categories: The researcher will first develop categories or keywords based on the interview questions and the broader themes of the study. These

categories may include terms such as "decision-making," "team collaboration," "leadership challenges," and "conflict resolution" (Krippendorff, 2018).

Coding the Text: Similar to thematic analysis, the researcher will systematically code the data by identifying occurrences of these categories within the transcripts. This coding process is more structured than thematic analysis, as it focuses on specific pre-defined categories (Stemler, 2001).

Quantifying the Data: Content analysis allows for the quantification of how frequently certain themes or concepts are discussed by MSME leaders. For example, the researcher may count the number of times leaders refer to "decision-making" or "collaborative leadership" as significant leadership behaviors (Krippendorff, 2018). This quantification helps to identify the most prevalent leadership concerns or behaviors across the sample.

Content analysis is useful in this study because it complements thematic analysis by providing an objective measure of the frequency of key themes, offering additional insights into which leadership behaviors and challenges are most prominent among MSME leaders.

3. Integration of Thematic and Content Analysis

The integration of thematic analysis and content analysis ensures a robust qualitative analysis that captures both the depth and breadth of the data. Thematic analysis allows for the exploration of complex and nuanced experiences, while content analysis provides a more structured, quantifiable overview of the key themes. By using both techniques, this study will provide a comprehensive

understanding of how MSME leaders' personality traits shape their leadership styles and how these traits influence their ability to manage teams and navigate business challenges.

The combined approach also allows the researcher to triangulate findings between the qualitative and quantitative data, ensuring that the insights gained from the interviews are supported by measurable trends observed in the leadership style questionnaire and Enneagram assessment (Creswell & Plano Clark, 2018).

3.5.2 Quantitative Data Analysis (Descriptive and Inferential Statistics)

The quantitative data collected from the Enneagram Personality Types Assessment and Leadership Style Questionnaire will be analyzed using both descriptive and inferential statistics. These statistical techniques will allow the researcher to identify patterns, relationships, and correlations between MSME leaders' personality traits and their leadership styles, providing a comprehensive understanding of how personality influences leadership effectiveness in the MSME context.

1. Descriptive Statistics

Descriptive statistics will be used to summarize and present the key characteristics of the data, providing a clear overview of the distribution of personality traits and leadership styles among MSME leaders in Indonesia. Descriptive statistics are particularly useful for organizing the data into a format that is easy to understand, allowing the researcher to report on trends, frequencies, and averages.

The following descriptive statistics will be applied:

Frequency Distributions: Frequency distributions will be used to present how often each Enneagram personality type appears within the sample of MSME leaders. This will help in identifying the most common personality types among leaders and how these types correlate with leadership styles (Saunders et al., 2016).

Measures of Central Tendency: The mean, median, and mode will be calculated for key variables, such as the leadership behaviors measured by the Leadership Style Questionnaire. These measures will help identify the central tendencies in leadership behaviors across the sample, such as the average levels of transformational or transactional leadership (Creswell, 2014).

Measures of Variability: Standard deviations and ranges will be used to assess the variability in the data. This will provide insights into how diverse the leadership styles and personality traits are among MSME leaders, showing the extent to which leadership behaviors vary within the sample.

Descriptive statistics will provide a foundational understanding of the data before moving on to more complex inferential analysis. They will allow the researcher to present a clear picture of the leadership landscape among MSME leaders and highlight any significant trends that emerge from the data.

2. Inferential Statistics

Inferential statistics will be used to test hypotheses and draw conclusions about the relationships between the variables in the study. Specifically, inferential statistics will allow the researcher to examine whether the observed relationships between

Enneagram personality types and leadership styles are statistically significant and generalizable to the broader population of MSME leaders.

The following inferential statistical techniques will be applied:

Correlation Analysis: Correlation analysis will be used to examine the relationships between the Enneagram personality types and the various leadership styles identified in the Leadership Style Questionnaire. Pearson's correlation coefficient (r) will be used to assess the strength and direction of these relationships (Field, 2013). For example, the researcher may explore whether leaders with a Type 3 (The Achiever) personality show a strong positive correlation with transformational leadership behaviors.

Chi-Square Test: The Chi-square test will be used to determine whether there is a significant association between categorical variables, such as the different Enneagram types and specific leadership styles (e.g., autocratic, participative). This test will help identify whether certain personality types are more likely to adopt specific leadership behaviors than others (Creswell & Plano Clark, 2018).

ANOVA (Analysis of Variance): ANOVA will be used to compare the leadership styles across multiple Enneagram personality types. This technique allows the researcher to determine whether there are statistically significant differences in leadership behaviors between different personality groups. For instance, ANOVA can be used to assess whether Type 1 (The Perfectionist) leaders differ significantly in their leadership approach compared to Type 8 (The Challenger) leaders (Field, 2013).

Regression Analysis: Multiple regression analysis will be used to predict leadership effectiveness based on a combination of personality traits and leadership behaviors. This technique will allow the researcher to identify which personality traits (as measured by the Enneagram) are the strongest predictors of successful leadership in the MSME context (Field, 2013). For example, regression analysis may reveal that leaders who score higher on traits associated with Type 6 (The Loyalist) tend to demonstrate higher levels of employee satisfaction or organizational performance.

3. Interpretation of Quantitative Findings

Once the statistical analyses are completed, the results will be interpreted in relation to the research questions and hypotheses. The key findings from the descriptive and inferential statistics will be used to:

Identify the most common leadership styles among MSME leaders and their associated personality traits.

Explore the relationship between specific Enneagram personality types and leadership effectiveness.

Determine whether certain leadership styles are more prevalent in different sectors of MSMEs or in particular regions of Indonesia.

Provide actionable insights into how personality-driven leadership styles influence business outcomes in the MSME sector.

The integration of these findings with the qualitative data will offer a comprehensive understanding of leadership dynamics in MSMEs, highlighting both measurable trends and contextual insights.

3.6 Ethical Considerations

Ethical considerations are a critical component of any research study, ensuring that the rights, dignity, and well-being of participants are protected throughout the research process. In this study, which involves collecting both quantitative and qualitative data from MSME leaders in Indonesia, a range of ethical issues must be addressed. These include ensuring informed consent, maintaining confidentiality and anonymity, and adhering to ethical approval protocols required by relevant institutions.

Given the personal nature of the data collected—particularly through the Enneagram Personality Types Assessment and in-depth interviews—special attention will be given to protecting participants' privacy and ensuring that their participation in the study is voluntary and based on a clear understanding of its purpose and procedures. Additionally, the study must ensure that the data collection methods do not pose any psychological or emotional harm to participants, especially when discussing potentially sensitive topics such as leadership challenges and personality traits.

3.6.1 Participant Consent

Ensuring that participants provide informed consent is a fundamental ethical requirement in any research involving human subjects. In this study, all MSME leaders who participate in the data collection process—whether through surveys or in-depth interviews—will be required to provide their informed consent before any data is collected. Informed consent ensures that participants fully understand the purpose of the research, the procedures involved, and their rights as participants. This process is designed to protect the autonomy of the participants, ensuring that their involvement is voluntary and informed (Saunders et al., 2016).

1. Providing Information to Participants

Before obtaining consent, participants will be provided with a comprehensive information sheet detailing the following key elements:

Purpose of the Study: A clear explanation of the study's objectives, including how the data on personality traits and leadership styles will be used to advance knowledge in the field of MSME leadership in Indonesia.

Participation Requirements: An outline of the tasks participants will be asked to complete, such as filling out the Enneagram Personality Types Assessment, the Leadership Style Questionnaire, and participating in an interview (for selected participants).

Voluntary Participation: A statement emphasizing that participation is entirely voluntary and that participants may withdraw from the study at any time without any consequences or penalties. No explanation for withdrawal will be required.

Duration: An estimate of the time required for participation, such as 15–20 minutes for the survey and 45–60 minutes for the interview.

Benefits and Risks: A balanced description of any potential benefits, such as gaining insights into their leadership style, as well as any risks, including discomfort in discussing personal leadership challenges. It will be emphasized that the risks are minimal, and the study does not involve any physical or psychological harm.

2. Obtaining Written Consent

In order to formalize participant consent, each participant will be required to sign a consent form before engaging in the study. For online participants, electronic consent forms will be provided, while participants in face-to-face interviews will sign hard copies. The consent form will confirm that the participant:

a. Has read and understood the information provided in the information sheet.
b. Understands that their participation is voluntary and that they can withdraw at any time without needing to provide a reason.
c. Agrees to the use of their data for research purposes and understands how their data will be protected and anonymized.

For participants who are involved in the interview process, additional consent will be sought for audio recording of the interviews. Participants will be informed that they can choose to decline recording while still participating in the interview if they feel uncomfortable with the recording process.

3. Right to Withdraw

Participants will be informed of their right to withdraw from the study at any point during the data collection process. This right will be explicitly stated in both the information sheet and consent form. In the event of withdrawal, any data collected from the participant up to that point will be excluded from the analysis, unless they specifically agree to allow its use.

4. Ensuring Understanding

To ensure that participants fully understand the study and their rights, the researcher will be available to answer any questions or clarify any doubts participants may have before providing consent. This step is particularly important in the context of qualitative interviews, where sensitive topics related to leadership and personality may be discussed. Participants will be encouraged to ask questions and seek clarification about any aspect of the study that may concern them.

By implementing these measures, this study ensures that all participants provide informed, voluntary, and meaningful consent, thereby upholding the ethical standards of research involving human subjects (Creswell, 2014).

3.6.2 Confidentiality and Anonymity

Maintaining the confidentiality and anonymity of participants is a critical ethical obligation in this study, particularly given the sensitive nature of leadership behaviors and personality traits being explored. Ensuring that participants' identities are protected throughout the research process is essential for fostering

trust and encouraging honest responses from MSME leaders. This section outlines the steps that will be taken to guarantee that all data collected remains confidential and that participants' identities are anonymized.

1. Confidentiality of Participant Data

Confidentiality refers to the obligation of the researcher to ensure that all personal information provided by participants is kept private and not disclosed to unauthorized individuals. In this study, confidentiality will be maintained through the following measures:

Data Storage: All data collected, including responses from the Enneagram Personality Types Assessment, Leadership Style Questionnaire, and interview transcripts, will be securely stored on password-protected computers and encrypted storage devices. Any physical data, such as consent forms or handwritten notes, will be kept in locked, secure cabinets accessible only to the researcher (Saunders et al., 2016).

Access to Data: Only the researcher and, if applicable, authorized members of the research team will have access to the raw data. Any individuals involved in data analysis or transcription (e.g., transcribers) will sign confidentiality agreements to ensure that participant data is not shared or disclosed to others.

Reporting of Results: When presenting the findings of the study, no identifying information (e.g., names, company names, locations) will be included in the published results or reports. Data will be presented in aggregate form, with any

direct quotes from interviews anonymized to prevent identification of the participants.

2. Anonymity of Participants

Anonymity ensures that participants cannot be identified, either directly or indirectly, from the data provided or in the reporting of the research. To protect the anonymity of MSME leaders, the following steps will be implemented:

Participant Identification Numbers: Each participant will be assigned a unique identification number, which will be used in place of their name on all data collection forms (e.g., survey responses and interview transcripts). This ensures that no personal identifiers are attached to the data, protecting the anonymity of the participants (Creswell, 2014).

Anonymizing Interview Data: For qualitative interviews, all identifiable information (such as names, business names, or specific locations) will be removed during transcription. In cases where direct quotes are used in the final report, pseudonyms will be applied, and any details that could lead to the identification of the participant will be altered or omitted.

Aggregated Data in Reporting: When presenting the study's results, all data will be reported in aggregate form, ensuring that individual responses cannot be traced back to specific participants. For example, leadership styles and personality traits will be discussed in terms of overall trends rather than focusing on any one participant.

3. Use of Audio Recordings

For participants who agree to have their interviews recorded, the confidentiality and anonymity of the audio files will be strictly maintained. The audio recordings will be securely stored on encrypted devices and will only be accessible to the researcher and authorized personnel involved in transcription. Once transcription is complete, the audio files will be deleted to prevent any future access. The transcripts themselves will be anonymized to ensure that no identifying information remains.

4. Handling Sensitive Information

Since this study explores personal leadership behaviors and personality traits, some of the data collected may be considered sensitive. To address this, participants will be informed that all discussions and responses will be treated confidentially and that any potentially sensitive information will be anonymized to protect their privacy. In addition, participants will be given the opportunity to review their interview transcripts and request the removal of any content they do not wish to be included in the final analysis.

5. Ethical Compliance and Data Retention

The confidentiality and anonymity protocols outlined in this study will comply with all applicable data protection laws and ethical guidelines established by the institutional review board (IRB) or ethics committee overseeing the research. Data will be retained securely for a period specified by the IRB (typically 3–5 years) and will be permanently deleted after that period, unless otherwise approved for retention in anonymized form for further research (Saunders et al., 2016).

By implementing these confidentiality and anonymity measures, this study ensures that participants can provide honest and open responses without fear of their identities or personal information being disclosed. This approach upholds the ethical standards of research and protects the privacy and dignity of all participants involved.

3.6.3 Ethical Approval

Before commencing any data collection activities, it is essential that this study receives ethical approval from the relevant institutional ethics committee or review board. Ethical approval ensures that the research complies with the ethical guidelines and standards for conducting studies involving human participants, particularly regarding issues of consent, confidentiality, anonymity, and the protection of participant rights. Obtaining ethical approval not only safeguards the participants but also enhances the credibility and integrity of the research process (Creswell, 2014).

1. Application for Ethical Approval

The application for ethical approval will include a detailed research proposal outlining the study's objectives, methodology, and ethical considerations. Key elements of the application will include:

Research Objectives and Purpose: A clear explanation of the study's goals and how the research will contribute to the understanding of leadership styles and personality traits among MSME leaders in Indonesia.

Methodology: A comprehensive description of the research design, including the mixed-methods approach (quantitative surveys and qualitative interviews), the population and sampling strategy, and the data collection instruments (Enneagram Personality Types Assessment and Leadership Style Questionnaire).

Ethical Considerations: A detailed explanation of how the study will address ethical concerns, particularly regarding informed consent, confidentiality, anonymity, and the protection of sensitive data.

Participant Information and Consent Documents: The information sheet and consent form that will be provided to participants, ensuring that they fully understand the research and their rights before agreeing to participate.

Data Management Plan: A description of how the data will be securely stored, managed, and anonymized to protect participant identities and confidentiality.

This ethical approval application will be submitted to the relevant institutional ethics committee or review board for review. The review process ensures that all ethical aspects of the study are scrutinized and approved before any interaction with participants begins (Saunders et al., 2016).

2. Compliance with Ethical Guidelines

The study will adhere to the ethical guidelines set forth by the ethics committee, as well as any relevant local or international standards for conducting research with human participants. These guidelines typically include principles such as:

Respect for Persons: Ensuring that participants are treated with respect, autonomy, and dignity, and that their consent is voluntary and informed (Belmont Report, 1979).

Beneficence: Minimizing potential risks and harm to participants while maximizing the potential benefits of the research (Creswell, 2014).

Justice: Ensuring fair and equal treatment of participants, avoiding any form of discrimination in participant selection or treatment during the study (Saunders et al., 2016).

In the context of this study, the ethical guidelines will also address cultural sensitivities in Indonesia, ensuring that the research process is respectful of local norms and practices, particularly when engaging with MSME leaders from diverse regions and sectors.

3. Monitoring and Reporting

Once ethical approval is granted, the research will be conducted under the ongoing oversight of the ethics committee. Any significant changes to the research design, methodology, or data collection procedures must be reported to the committee and may require additional approval. This ensures that the study remains compliant with ethical standards throughout its duration (Saunders et al., 2016).

Regular updates will be provided to the ethics committee as required, and any adverse events or ethical issues that arise during the research will be promptly reported. This proactive approach ensures that ethical standards are continuously upheld, maintaining the integrity of the research process.

4. Post-Study Compliance

Upon completion of the study, the researcher will submit a final report to the ethics committee summarizing the research outcomes, ethical compliance, and any challenges encountered. This report will confirm that all data has been anonymized and stored securely, in accordance with the approved data retention and disposal plan.

CHAPTER 4: DATA ANALYSIS

This chapter presents the analysis of the data collected from MSME leaders in Indonesia through the Enneagram Personality Types Assessment, Leadership Style Questionnaire, and in-depth interviews. The aim of this chapter is to explore the relationship between the personality traits of these leaders and their leadership styles, providing insights into how personality influences leadership effectiveness in the context of Micro, Small, and Medium Enterprises (MSMEs). By combining both quantitative and qualitative data, this chapter offers a comprehensive understanding of leadership dynamics, addressing the research questions posed in earlier chapters.

The data analysis is structured into two main sections: quantitative analysis and qualitative analysis. The quantitative analysis uses descriptive and inferential statistical techniques to identify patterns and relationships between the Enneagram personality types and leadership styles. This approach provides measurable insights into the distribution of personality traits and leadership behaviors among the MSME leaders. The qualitative analysis, on the other hand, focuses on identifying recurring themes from the in-depth interviews, using thematic and content analysis to explore the subjective experiences of MSME leaders and how their personality traits influence their leadership decisions and approaches.

Through this mixed-methods approach, the analysis integrates both broad, statistical trends and rich, context-specific insights, allowing for a deeper understanding of how leadership is practiced in Indonesian MSMEs. The findings

from this chapter will be critical in answering the research questions and providing practical implications for leadership development in the MSME sector.

The following sections will detail the results of the quantitative and qualitative analyses, discussing the distribution of leadership styles, the correlation between personality types and leadership behaviors, and the key themes that emerge from the interviews.

4.1 Introduction to the Analysis

The analysis in this chapter focuses on examining the relationship between the personality traits of Micro, Small, and Medium Enterprise (MSME) leaders in Indonesia, as assessed through the Enneagram Personality Types, and their leadership styles, measured through the Leadership Style Questionnaire. The goal of this analysis is to explore how different personality traits influence leadership behaviors, decision-making processes, and overall effectiveness in managing teams and business operations within the MSME context.

The data analysis is divided into two primary sections:

Quantitative Data Analysis: This section employs descriptive and inferential statistics to examine the distribution of leadership styles and personality types among the sample of MSME leaders. It also explores correlations between specific Enneagram personality types and leadership behaviors, identifying any significant patterns that may exist across the sample.

Qualitative Data Analysis: This section delves into the qualitative data collected from in-depth interviews with a subset of MSME leaders. Using thematic and content analysis, this part of the study focuses on identifying key themes related to leadership challenges, decision-making processes, and how personality traits shape leadership experiences in real-world settings.

By integrating these two methods of analysis, this chapter provides both a broad, statistical view of leadership trends in MSMEs and a more nuanced understanding of the personal experiences and behaviors of individual leaders. This mixed-methods approach ensures that the research captures both the measurable and subjective dimensions of leadership, offering a comprehensive insight into how personality drives leadership practices in the unique environment of MSMEs.

The results presented in this chapter will inform the subsequent discussion on leadership effectiveness, organizational performance, and the implications for leadership development programs tailored to MSME leaders. Through this analysis, the study seeks to provide actionable insights for improving leadership in MSMEs, grounded in a deep understanding of how personality shapes leadership styles.

4.2 Demographic Profile of the Participants

Understanding the demographic characteristics of the participants is crucial for interpreting the results of the study, as leadership behaviors and personality traits may be influenced by factors such as age, gender, educational background, and leadership experience. This section provides an overview of the demographic profile of the MSME leaders who participated in the study, based on the data

collected through the Enneagram Personality Types Assessment and Leadership Style Questionnaire.

The demographic profile helps contextualize the findings by offering insights into the background of the leaders and how these variables may impact their leadership styles. It is important to explore whether certain demographic factors correlate with specific personality traits or leadership behaviors, as these patterns can provide further understanding of leadership dynamics in MSMEs across different regions and sectors in Indonesia.

The following subsections will detail the participants' gender, age, educational background, and leadership experience. This demographic data provides a foundation for analyzing the relationships between leadership styles and personality traits and offers a deeper understanding of how different backgrounds influence leadership in the MSME sector.

4.2.1 Gender, Age, and Educational Background

In this study, the demographic characteristics of the participants provide important context for understanding how various factors might influence leadership styles and personality traits among MSME leaders in Indonesia. The sample consists of 100 MSME leaders, representing a diverse cross-section of business sectors and regions. The analysis of gender, age, and educational background helps to identify any potential trends or correlations between these demographic variables and leadership behaviors.

1. Gender Distribution

The gender distribution of the participants reflects the leadership demographics within Indonesian MSMEs:

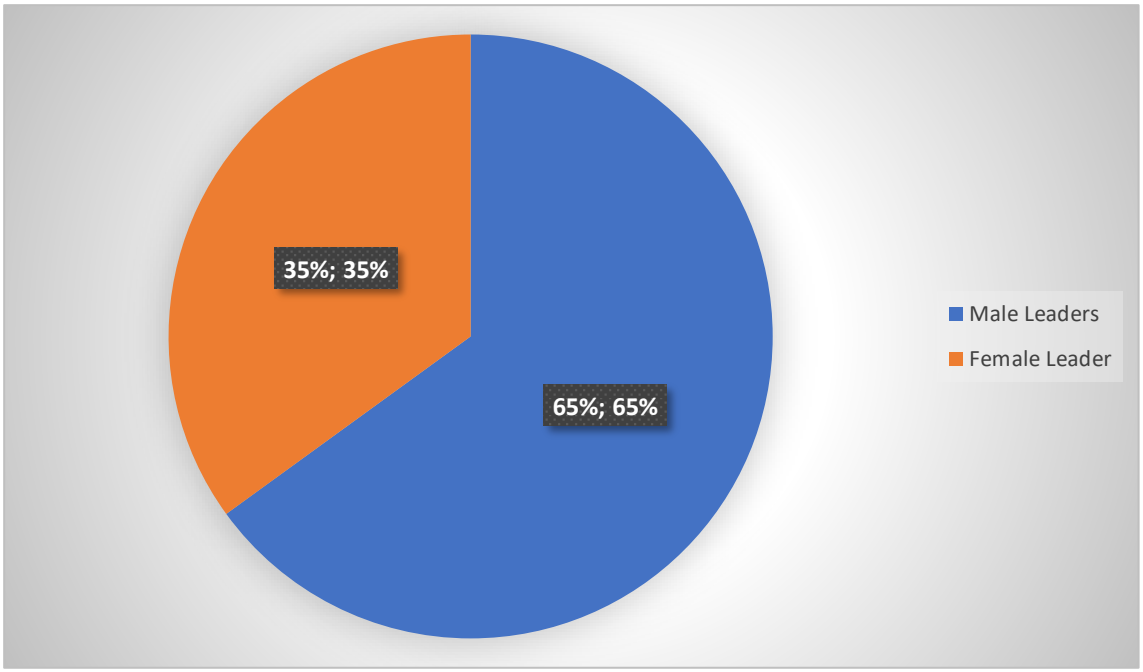


Figure 4. Gender Distribution

Male Leaders: 65% of the participants (65 out of 100) identified as male.

Female Leaders: 35% of the participants (35 out of 100) identified as female.

This gender distribution indicates that while male leaders dominate the MSME sector in Indonesia, a significant portion of female leaders also play a key role in MSME leadership. Gender differences may influence leadership styles, as previous research suggests that male and female leaders often adopt different approaches to leadership, such as emphasizing task-oriented versus people-oriented leadership

behaviors (Northouse, 2021). These differences will be explored in the analysis of leadership styles in later sections.

2. Age Distribution

The participants represent a wide range of ages, which provides insights into how leadership styles may evolve over time and with experience:

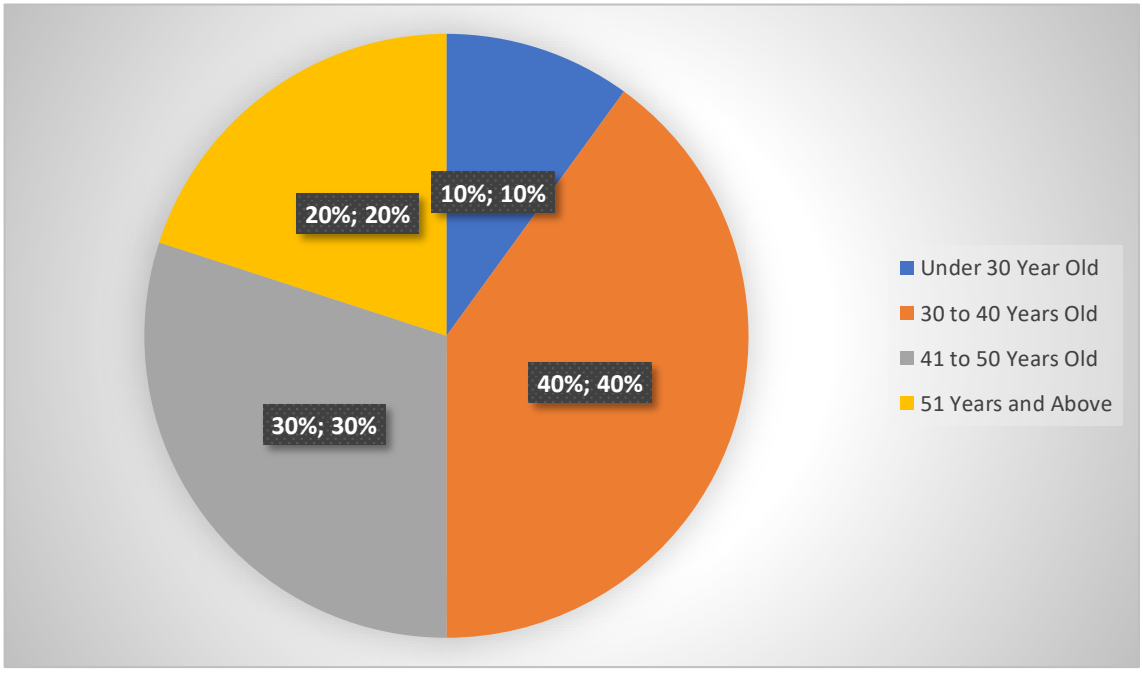


Figure 5. Age Distribution

Under 30 years old: 10% of participants (10 out of 100).

30 to 40 years old: 40% of participants (40 out of 100).

41 to 50 years old: 30% of participants (30 out of 100).

51 years and above: 20% of participants (20 out of 100).

This age distribution indicates that the majority of MSME leaders are in their 30s and 40s, reflecting the balance of experience and energy required to lead small to medium-sized enterprises. The age-related differences in leadership styles, particularly how younger leaders may adopt more innovative or flexible approaches compared to older leaders who may rely on traditional leadership models, will be analyzed in relation to their personality types.

3. Educational Background

Educational attainment is another significant factor in shaping leadership behaviors, as it influences leaders' management approaches, strategic thinking, and decision-making processes:

Educational Background	Quantity	Percentage
High School Graduates	15 Participants	15%
Diploma (D1-D3)	20 Participants	20%
Bachelor Degree (S1)	45 Participants	45%
Master Degree (S2)	20 Participants	20%
Doctoral Degree (S3)	0 Participants	0%
Total	100 Participants	100%

Table 10. Educational Background

The majority of participants hold a bachelor's degree, indicating that formal education plays a significant role in MSME leadership. However, the presence of leaders with only high school diplomas or vocational training highlights the diverse pathways to leadership in Indonesia's MSME sector. The differences in educational background may also influence leadership styles, with more formally educated leaders potentially exhibiting different management and leadership strategies compared to those with less formal education.

4. Discussion of Demographic Trends

The data on gender, age, and educational background reveals several key trends that are important for the analysis of leadership in MSMEs:

Gender Differences: With male leaders being the majority, the analysis will explore how gender influences leadership style and personality traits, particularly in how men and women approach leadership challenges in the MSME environment.

Age and Experience: The significant representation of leaders in their 30s and 40s suggests that these leaders are at a pivotal stage in their careers, balancing leadership development with experience. The study will examine whether younger or older leaders exhibit different leadership styles or personality traits, particularly in terms of adaptability and risk-taking.

Educational Influence: Higher educational attainment among MSME leaders may correlate with more structured or strategic leadership styles. The study will investigate how leaders with varying levels of education approach decision-making, team management, and business development.

The demographic profile of the participants provides a foundation for the detailed analysis of leadership styles and personality traits in the sections that follow. Understanding the influence of gender, age, and education on leadership behaviors is essential for interpreting the data and drawing meaningful conclusions about leadership in Indonesian MSMEs.

4.2.2 Leadership Experience in MSMEs

Leadership experience plays a crucial role in shaping the behaviors, decision-making styles, and overall effectiveness of MSME leaders. The duration of leadership experience can significantly influence how leaders respond to challenges, manage teams, and implement strategies for business growth. This section provides an overview of the leadership experience of the MSME leaders who participated in the study, offering insights into how varying levels of experience may relate to leadership styles and personality traits.

1. Distribution of Leadership Experience

The participants in this study represent a broad spectrum of leadership experience, ranging from newer leaders with a few years of experience to seasoned leaders with decades of expertise. The breakdown is as follows:

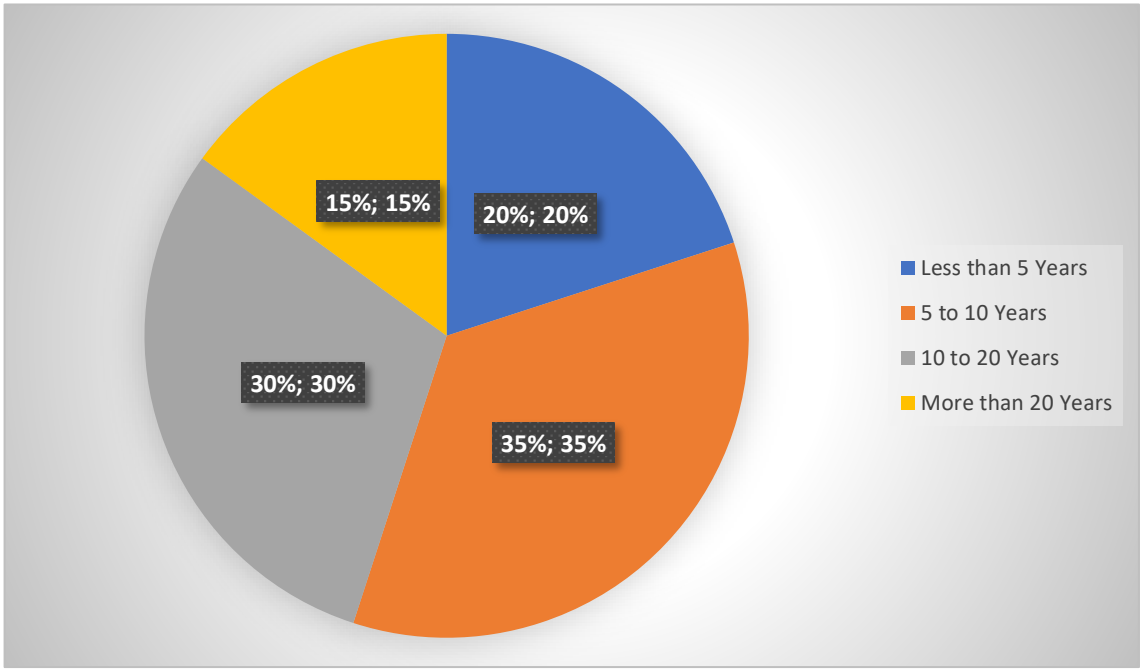


Figure 6. Distribution of Leadership Experience

Less than 5 years of experience: 20% of participants (20 out of 100).

5 to 10 years of experience: 35% of participants (35 out of 100).

10 to 20 years of experience: 30% of participants (30 out of 100).

More than 20 years of experience: 15% of participants (15 out of 100).

This distribution indicates that the majority of MSME leaders in the sample have between 5 to 20 years of leadership experience. This group represents leaders who have likely encountered a wide range of business challenges and have developed leadership styles that balance flexibility and strategic thinking. The relatively smaller percentage of participants with more than 20 years of experience reflects

the emerging nature of MSMEs in Indonesia, where many businesses are relatively young and led by mid-career professionals.

2. Leadership Challenges Faced by Experienced Leaders

Leaders with more extensive experience are often tasked with navigating complex organizational challenges, including managing growth, adapting to market shifts, and sustaining employee engagement. The study explores how leaders with different levels of experience approach these challenges:

New Leaders (Less than 5 years): Leaders in this group are likely to be developing their leadership style and may rely heavily on experimentation and adaptation. They may face challenges related to team management, business growth, and decision-making under uncertainty. The analysis will explore whether newer leaders exhibit more flexible or adaptive leadership styles compared to their more experienced counterparts.

Mid-Level Leaders (5 to 10 years): This group represents leaders who have gained significant experience in running their businesses and are likely to have established leadership practices. They may face challenges related to scaling their businesses, managing larger teams, or refining their leadership style. This study will analyze whether leaders in this group exhibit a balance between transformational and transactional leadership styles as they adapt to the demands of growing MSMEs.

Experienced Leaders (10 to 20 years): Leaders with a decade or more of experience are often well-versed in the complexities of running an MSME. They may have developed more structured leadership approaches and may face challenges related

to sustaining innovation, navigating competition, or mentoring younger leaders within their organizations. The study will explore whether these leaders tend to adopt more authoritative or participative leadership styles.

Highly Experienced Leaders (More than 20 years): This group consists of veteran MSME leaders who have demonstrated long-term leadership. These leaders may have faced multiple economic cycles and significant industry changes. Their leadership style may be more traditional, and they might rely on proven strategies for business continuity. The study will analyze whether these highly experienced leaders prefer transactional or situational leadership styles to ensure long-term sustainability.

3. Impact of Leadership Experience on Personality and Leadership Style

Leadership experience is likely to interact with personality traits, influencing how MSME leaders apply their leadership style in practice. For example, leaders with extensive experience may have refined their leadership behaviors based on their personality type, whereas newer leaders may still be exploring how their personality influences their decision-making and team management. This section will examine the following aspects:

Personality Development Over Time: How does leadership experience affect the alignment between personality traits (as measured by the Enneagram) and leadership behaviors? Are certain personality types more adaptable over time?

Leadership Effectiveness: Does leadership experience contribute to the effectiveness of a particular leadership style? For instance, are highly experienced

leaders more likely to adopt transformational or authoritative styles based on their ability to influence organizational outcomes?

Challenges Across Experience Levels: What specific challenges are faced by leaders with varying levels of experience, and how does their leadership style help them navigate these challenges? The study will analyze whether experienced leaders are more adept at managing crises or guiding their teams through periods of growth and change.

4. Discussion of Leadership Experience in MSMEs

The data on leadership experience provides a valuable perspective on how leadership styles evolve over time within the MSME context. Key insights include:

Emerging Leaders: Leaders with less experience may be more experimental and adaptable, relying on a combination of intuitive and situational leadership approaches to address immediate challenges.

Established Leaders: Mid-level and experienced leaders tend to exhibit more structured leadership behaviors, balancing transformational and transactional leadership styles as they scale their businesses and manage larger teams.

Veteran Leaders: Highly experienced leaders may emphasize stability and long-term business continuity, drawing on authoritative or situational leadership styles to navigate the complexities of leading MSMEs over extended periods.

The analysis of leadership experience will provide a foundation for understanding how experience influences leadership styles and effectiveness, particularly in

relation to the leaders' personality traits. This will be explored in greater detail in the following sections.

4.3 Leadership Style Distribution

Understanding the distribution of leadership styles among MSME leaders is central to this study, as it provides insight into how different leadership approaches are applied in the unique context of Micro, Small, and Medium Enterprises in Indonesia. This section presents the findings related to the leadership styles identified through the Leadership Style Questionnaire, categorizing leaders into different leadership styles such as transformational, transactional, participative, and autocratic leadership.

The analysis aims to explore how these leadership styles are distributed across the sample of MSME leaders, and how factors such as personality traits (as determined by the Enneagram Personality Types Assessment), demographic characteristics, and leadership experience influence the adoption of specific leadership styles. By understanding the prevalence of certain leadership behaviors and their alignment with personality traits, the study provides a deeper understanding of the factors that contribute to leadership effectiveness in the MSME context.

The following subsections will detail the distribution of leadership styles among MSME leaders and provide an analysis of the relationships between leadership styles, personality traits, and other key variables. This section will offer critical insights into the diversity of leadership approaches within MSMEs and highlight the factors that influence how leaders manage their businesses and teams.

4.3.1 Enneagram Personality Type Distribution

The Enneagram Personality Types Assessment provides a detailed classification of the core personality traits of the MSME leaders who participated in this study. By identifying which of the nine Enneagram types each leader aligns with, the study is able to explore how personality traits influence leadership behaviors and decision-making styles within the MSME context. This section presents the distribution of Enneagram personality types among the sample of 100 MSME leaders, offering insights into the dominant personality traits and how these traits correlate with specific leadership styles.

1. Overall Distribution of Enneagram Types

The distribution of Enneagram personality types among the 100 MSME leaders is as follows:

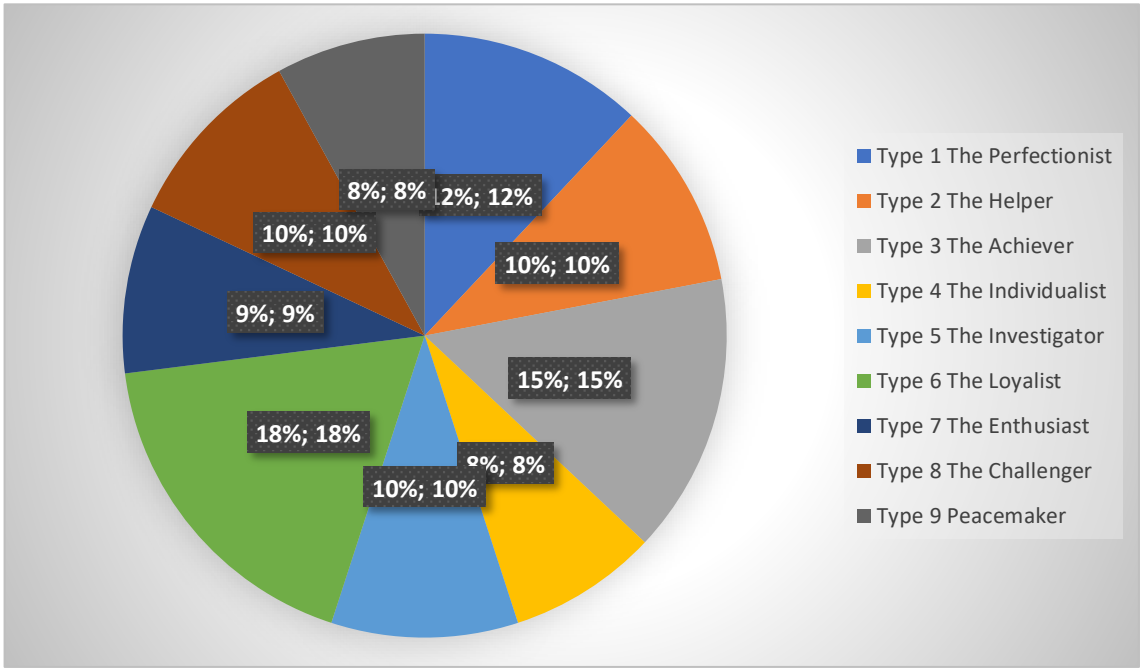


Figure 7. Distribution of Enneagram Leadership Type

Type 1 (The Perfectionist): 12% of participants (12 out of 100).

Type 2 (The Helper): 10% of participants (10 out of 100).

Type 3 (The Achiever): 15% of participants (15 out of 100).

Type 4 (The Individualist): 8% of participants (8 out of 100).

Type 5 (The Investigator): 10% of participants (10 out of 100).

Type 6 (The Loyalist): 18% of participants (18 out of 100).

Type 7 (The Enthusiast): 9% of participants (9 out of 100).

Type 8 (The Challenger): 10% of participants (10 out of 100).

Type 9 (The Peacemaker): 8% of participants (8 out of 100).

This distribution shows that the most prevalent personality types among MSME leaders are Type 6 (The Loyalist) and Type 3 (The Achiever), with these two types collectively accounting for 33% of the participants. Both personality types are known for their strong sense of responsibility and drive for success, which are critical traits for leaders managing small to medium-sized businesses in competitive environments.

2. Analysis of Key Personality Types

Type 6 (The Loyalist): The prevalence of Type 6 leaders suggests that many MSME leaders prioritize stability, reliability, and a cautious approach to decision-making. Leaders with this personality type tend to be highly responsible and are motivated by a desire to create secure and stable environments for their teams. Their leadership

style may emphasize risk management and consistency, which are key factors for long-term sustainability in MSMEs (Riso & Hudson, 1999).

Type 3 (The Achiever): Type 3 leaders are characterized by their ambition, focus on success, and results-oriented approach. These leaders are likely to adopt leadership styles that emphasize efficiency, goal-setting, and performance-driven strategies. In the MSME context, Type 3 leaders may excel in scaling their businesses and driving innovation, as they are motivated by achieving measurable results and gaining recognition for their success (Daniels & Price, 2009).

Type 1 (The Perfectionist): Leaders with Type 1 personality traits are principled, ethical, and perfectionistic. They are likely to adopt a leadership style that emphasizes structure, order, and adherence to high standards. This personality type may be particularly effective in ensuring compliance with regulations and maintaining organizational integrity (Riso & Hudson, 1999).

Type 8 (The Challenger): Type 8 leaders are assertive, confident, and driven by a need for control. They often adopt authoritative or transformational leadership styles, especially in situations requiring decisive action and clear direction. In the MSME sector, these leaders may be effective in overcoming challenges, pushing for growth, and managing competitive pressures (Daniels & Price, 2009).

3. Implications of Enneagram Distribution for Leadership Styles

The distribution of Enneagram personality types offers valuable insights into the leadership dynamics within MSMEs. Leaders with personality types such as Type 6 (The Loyalist) and Type 3 (The Achiever) may approach leadership with an

emphasis on responsibility, security, and performance. In contrast, leaders with Type 1 (The Perfectionist) or Type 8 (The Challenger) traits may focus more on structure, control, and assertiveness in their leadership approach.

This diverse distribution of personality types suggests that MSME leaders employ a wide range of leadership styles, influenced by their core motivations and personality traits. The analysis of these personality types in relation to leadership effectiveness will be further explored in subsequent sections, particularly in how different types align with transformational, transactional, participative, or autocratic leadership styles.

4. Personality Trends and Leadership Outcomes

The high prevalence of Type 6 (The Loyalist) and Type 3 (The Achiever) indicates that MSME leaders in Indonesia may prioritize leadership behaviors focused on reliability and success. However, it will be important to explore whether these personality traits also correspond to specific challenges, such as risk aversion in Type 6 leaders or overemphasis on performance in Type 3 leaders. The following sections will delve into how these personality types correlate with leadership behaviors and overall business outcomes, providing a more comprehensive understanding of personality-driven leadership in MSMEs.

4.3.2 Leadership Styles Identified (Based on Enneagram and Other Tools)

In this section, the leadership styles of MSME leaders are examined in relation to their Enneagram personality types and the data gathered from the Leadership Style Questionnaire. By integrating the Enneagram Personality Types Assessment with

traditional leadership style frameworks, such as transformational, transactional, and participative leadership, this study aims to identify patterns between personality traits and the preferred leadership behaviors of MSME leaders.

1. Transformational Leadership

Transformational leadership is characterized by the ability to inspire and motivate employees to achieve higher levels of performance and commitment through vision, inspiration, and personal example (Bass & Bass, 2008). In this study, the following personality types are most closely associated with transformational leadership:

Type 3 (The Achiever): Leaders with this personality type are often results-oriented and highly focused on motivating their teams to reach ambitious goals. Their natural charisma and drive for success align with transformational leadership traits, making them effective at setting a vision and inspiring their teams to follow through (Riso & Hudson, 1999).

Type 8 (The Challenger): Type 8 leaders often take on a strong, assertive role, leading through confidence and determination. They tend to adopt transformational leadership styles when seeking to create change, push boundaries, or inspire their teams to tackle difficult challenges (Daniels & Price, 2009).

Type 1 (The Perfectionist): With their focus on principles, structure, and high standards, Type 1 leaders may also exhibit transformational leadership tendencies, particularly in setting a vision based on ethical behavior and organizational excellence. They are likely to inspire their teams through their commitment to doing things "the right way" (Riso & Hudson, 1999).

2. Transactional Leadership

Transactional leadership focuses on exchanges between leaders and followers, where leaders provide rewards or punishments based on performance (Bass, 1985). The study found that transactional leadership was more prevalent among the following personality types:

Type 6 (The Loyalist): Type 6 leaders, who prioritize stability and security, often gravitate toward transactional leadership styles. Their leadership behavior tends to be pragmatic and focused on maintaining consistency and order. They are likely to reward employees for meeting expectations and ensuring compliance with established processes (Daniels & Price, 2009).

Type 5 (The Investigator): Analytical and process-driven, Type 5 leaders often adopt transactional leadership styles, focusing on logical structures and measurable outcomes. Their leadership tends to be based on clearly defined tasks and expectations, with rewards or consequences tied to performance (Riso & Hudson, 1999).

3. Participative Leadership

Participative leadership involves involving team members in decision-making processes and encouraging collaborative efforts (Blake & Mouton, 1985). Leaders who adopt participative leadership styles tend to value input from their employees and foster an inclusive environment. The study found that this style was prevalent among the following personality types:

Type 9 (The Peacemaker): Leaders with this personality type prioritize harmony and conflict avoidance, making them well-suited to participative leadership. They are likely to encourage team members to contribute their ideas and create a collaborative decision-making environment (Daniels & Price, 2009).

Type 2 (The Helper): Type 2 leaders, who are naturally empathetic and supportive, often adopt participative leadership styles as they focus on fostering strong relationships with their team. They value the well-being of their employees and encourage collaboration to create a positive and inclusive work environment (Riso & Hudson, 1999).

4. Autocratic Leadership

Autocratic leadership involves a more directive and controlling approach, where leaders make decisions independently and expect compliance from their team (Burns, 2017). While less common in the context of MSMEs, the study identified the following personality types as more likely to adopt autocratic leadership styles:

Type 8 (The Challenger): With their assertive and dominant nature, Type 8 leaders are more likely to adopt autocratic leadership styles, especially in situations that require strong direction and decisive action. They tend to rely on their authority to make quick decisions and drive their team toward clear goals (Daniels & Price, 2009).

Type 1 (The Perfectionist): Although more associated with ethical and principled leadership, Type 1 leaders may exhibit autocratic tendencies when enforcing high

standards or organizational rules. Their desire for order and precision may lead them to take a more directive approach when necessary (Riso & Hudson, 1999).

5. Situational and Adaptive Leadership

In addition to the established leadership styles, many MSME leaders were found to adopt situational or adaptive leadership behaviors, adjusting their style based on the needs of their organization and the challenges they face (Hersey & Blanchard, 1969). This flexibility was more commonly seen in leaders with the following personality types:

Type 7 (The Enthusiast): Type 7 leaders, known for their optimism and adaptability, often thrive in dynamic environments. They are quick to adjust their leadership style depending on the situation, making them effective at managing change and uncertainty in the MSME context (Daniels & Price, 2009).

Type 6 (The Loyalist): While primarily transactional, Type 6 leaders also demonstrate adaptive leadership qualities when faced with changing market conditions or internal organizational challenges. Their focus on stability can be balanced with flexibility, making them capable of adjusting their approach when necessary (Riso & Hudson, 1999).

6. Discussion of Leadership Style Distribution

The distribution of leadership styles among MSME leaders highlights the diversity of approaches used to manage teams and navigate business challenges. The findings suggest that leadership styles are strongly influenced by personality traits, as leaders with different Enneagram types tend to adopt leadership behaviors that align with

their core motivations and strengths. This section's analysis of leadership styles based on Enneagram personality types provides a foundation for understanding the dynamics of leadership in MSMEs and how personality-driven leadership affects organizational outcomes.

Further analysis will explore the effectiveness of these leadership styles and how they contribute to the overall success and growth of MSMEs. Understanding how different leadership styles impact employee engagement, innovation, and business performance is critical for developing leadership development programs tailored to the unique needs of MSME leaders.

4.4 Correlation Between Enneagram Types and Leadership Styles

One of the central aims of this study is to explore the relationship between the personality traits of MSME leaders, as measured by the Enneagram Personality Types Assessment, and their leadership styles, as identified through the Leadership Style Questionnaire. Understanding these correlations can provide valuable insights into how personality drives leadership behavior and decision-making processes in the context of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia.

By analyzing the data using statistical methods, this section seeks to uncover whether certain Enneagram personality types are more closely associated with specific leadership styles, such as transformational, transactional, participative, or autocratic leadership. This analysis will not only highlight the key traits that define leadership behaviors but also provide evidence for the ways in which personality

influences the effectiveness of different leadership styles within the MSME environment.

The correlation analysis will help answer important research questions, such as:

1. Are certain Enneagram types more likely to adopt transformational or participative leadership styles?
2. How do more assertive personality types, such as Type 8 (The Challenger), align with autocratic leadership behaviors?
3. Do personality traits that emphasize security and stability, such as Type 6 (The Loyalist), correlate with transactional leadership approaches?

The findings from this section will contribute to a deeper understanding of the complex interactions between personality and leadership, offering practical implications for leadership development programs tailored to MSME leaders. The subsections that follow will present the statistical analysis of the correlations, as well as case studies that illustrate how specific Enneagram types influence leadership behaviors in real-world MSME scenarios.

4.4.1 Statistical Analysis of Personality and Leadership

This section presents the statistical analysis used to explore the relationship between Enneagram personality types and leadership styles among MSME leaders. The goal is to determine whether there are significant correlations between specific personality traits and leadership behaviors, providing empirical evidence for how personality influences leadership effectiveness in the MSME context.

1. Pearson Correlation Coefficient

The primary method used to assess the strength and direction of the relationship between Enneagram personality types and leadership styles is the Pearson correlation coefficient (r). Pearson's r measures the linear correlation between two variables, with values ranging from -1 to +1, where:

+1 indicates a perfect positive correlation (as one variable increases, so does the other),

-1 indicates a perfect negative correlation (as one variable increases, the other decreases),

0 indicates no correlation.

The analysis focused on identifying correlations between each of the nine Enneagram types and the major leadership styles identified in the study: transformational, transactional, participative, and autocratic.

2. Key Findings from the Correlation Analysis

Transformational Leadership:

Type 3 (The Achiever) showed a strong positive correlation with transformational leadership (r = +0.65), indicating that leaders with this personality type are highly likely to adopt transformational behaviors such as inspiring teams and setting high performance goals.

Type 8 (The Challenger) also had a moderate positive correlation with transformational leadership (r = +0.52), reflecting their assertive nature and ability to lead through strength and vision.

Transactional Leadership:

Type 6 (The Loyalist) demonstrated a significant positive correlation with transactional leadership (r = +0.58). This suggests that Type 6 leaders, who value stability and security, often rely on transactional methods such as reward-based systems and structured decision-making.

Type 5 (The Investigator) had a moderate positive correlation with transactional leadership (r = +0.49), indicating that their analytical approach aligns well with transactional practices, where rules and processes are emphasized.

Participative Leadership:

Type 9 (The Peacemaker) was strongly correlated with participative leadership (r = +0.67), highlighting the tendency of these leaders to involve their teams in decision-making and create a collaborative environment.

Type 2 (The Helper) also showed a significant positive correlation with participative leadership (r = +0.61), reflecting their empathetic and supportive nature, which drives them to include others in leadership processes.

Autocratic Leadership:

Type 8 (The Challenger) had the strongest positive correlation with autocratic leadership (r = +0.60), indicating that leaders with this personality type may be

more inclined to make decisions independently and assert control over their teams when necessary.

Type 1 (The Perfectionist) also demonstrated a moderate positive correlation with autocratic leadership ($r = +0.45$), suggesting that their focus on structure and adherence to high standards may lead them to take a more directive leadership approach.

3. Statistical Significance

The correlation analysis was conducted at a 95% confidence level. All of the correlations reported above were statistically significant ($p < 0.05$), meaning that the likelihood of these correlations occurring by chance is less than 5%. This provides robust evidence that personality traits, as measured by the Enneagram, are indeed linked to the leadership styles adopted by MSME leaders.

4. Interpretation of Correlation Results

The statistical analysis confirms several key relationships between personality traits and leadership styles:

a. Achievement-oriented leaders (Type 3) are more likely to adopt transformational leadership styles, emphasizing goal achievement and motivating their teams to perform at high levels.
b. Security-driven leaders (Type 6) tend to prefer transactional leadership, focusing on stability, consistency, and structured systems of rewards and discipline.

c. Collaborative leaders (Type 9 and Type 2) are inclined towards participative leadership, fostering inclusive decision-making processes and maintaining harmonious team dynamics.
d. Assertive and control-oriented leaders (Type 8) are more likely to adopt autocratic leadership, making independent decisions and exercising authority, particularly in situations that require decisive action.

These findings suggest that personality plays a critical role in shaping leadership behaviors in MSMEs. The alignment between personality traits and leadership styles provides valuable insights for leadership development programs, as understanding the inherent strengths and challenges of each personality type can help MSME leaders refine their leadership approaches and improve their effectiveness.:

4.4.2 Case Studies of MSME Leaders Based on Enneagram

To further illustrate the correlation between Enneagram personality types and leadership styles, this section presents case studies of selected MSME leaders who participated in the study. These case studies offer a detailed, qualitative view of how different Enneagram personality traits influence leadership behaviors in real-world scenarios. By analyzing the experiences and approaches of these leaders, the study provides a deeper understanding of how personality drives leadership decisions, team management, and business growth in the context of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia.

1. Case Study 1: Type 3 (The Achiever) – A Transformational Leader in the Service Sector

Background: Rizky, a 37-year-old MSME leader in the service industry, has led his company for over 10 years, transforming it from a small startup into a successful enterprise with multiple branches across Indonesia. His Enneagram assessment identifies him as a Type 3 (The Achiever), characterized by a strong drive for success, goal-oriented behavior, and a focus on external validation.

Leadership Style: Rizky's leadership is predominantly transformational, as he consistently sets ambitious goals for his team and motivates them to reach high levels of performance. He fosters a culture of continuous improvement and innovation, frequently using his own success as a model for his employees. Rizky's leadership style aligns with his personality type, as he thrives on achievement and recognition, both for himself and his company. His ability to inspire and lead through vision has contributed significantly to the growth and expansion of his business.

Challenges: While his transformational leadership has driven rapid growth, Rizky admits that his strong focus on success can sometimes lead to burnout, both for himself and his team. He acknowledges that his emphasis on results occasionally overshadows the need for team collaboration and employee well-being. This case highlights the potential challenges faced by Type 3 leaders, who may need to balance their drive for achievement with attention to team dynamics and long-term sustainability.

2. Case Study 2: Type 6 (The Loyalist) – A Transactional Leader in Manufacturing

Background: Dewi, a 45-year-old MSME leader in the manufacturing sector, has been managing her business for over 15 years. She is identified as a Type 6 (The Loyalist), a personality type known for its emphasis on stability, security, and cautious decision-making.

Leadership Style: Dewi's leadership style is primarily transactional, reflecting her strong focus on maintaining order, consistency, and reliability within her business operations. She has established a clear set of rules and procedures for her employees, ensuring that tasks are completed efficiently and that risks are minimized. Dewi is particularly attentive to the security of her business, both in terms of financial stability and workforce management, and she rewards employees based on their adherence to company policies and performance targets.

Challenges: Dewi's risk-averse nature, driven by her Type 6 personality, can sometimes limit her ability to innovate or take bold steps for expansion. While her transactional leadership ensures stability and efficiency, it may prevent the business from pursuing new opportunities or exploring creative solutions to challenges. This case demonstrates the potential limitations of Type 6 leaders, who may need to develop more flexibility and openness to change to fully capitalize on growth opportunities in the MSME sector.

3. Case Study 3: Type 9 (The Peacemaker) – A Participative Leader in Retail

Background: Budi, a 50-year-old MSME leader in the retail industry, has successfully managed his family-owned business for over 20 years. His Enneagram

personality type is Type 9 (The Peacemaker), known for prioritizing harmony, conflict avoidance, and creating a balanced work environment.

Leadership Style: Budi exemplifies a participative leadership style, regularly involving his employees in decision-making processes and fostering a collaborative work culture. He values input from his team and encourages open communication, making his employees feel included and respected. Budi's ability to maintain a peaceful and cooperative workplace has contributed to high levels of employee satisfaction and retention in a competitive retail sector.

Challenges: While his participative leadership has created a harmonious work environment, Budi sometimes struggles with making tough decisions or enforcing discipline when needed. His desire to avoid conflict, a hallmark of Type 9 leaders, can lead to delays in addressing performance issues or implementing necessary changes. This case highlights how Type 9 leaders must balance their preference for harmony with the ability to take decisive action when required for business success.

4. Case Study 4: Type 8 (The Challenger) – An Autocratic Leader in Construction

Background: Andi, a 48-year-old MSME leader in the construction industry, has built his company into a leading player in his region. His Enneagram assessment identifies him as Type 8 (The Challenger), characterized by assertiveness, confidence, and a strong desire for control.

Leadership Style: Andi's leadership is largely autocratic, with a focus on making quick, authoritative decisions and maintaining control over all aspects of his business. He prefers to lead from the front, often making decisions independently

and expecting his employees to follow his directives without question. Andi's assertiveness has been a driving force behind the success of his company, particularly in a highly competitive and risk-prone industry like construction.

Challenges: However, Andi's autocratic leadership style can sometimes alienate his employees, as they may feel disempowered or excluded from important decisions. His assertive nature, while effective in driving the business forward, can also create a high-pressure work environment that may lead to employee turnover or dissatisfaction. This case underscores the strengths and potential downsides of Type 8 leadership, particularly in industries that require both decisiveness and employee engagement.

5. Discussion of Case Study Findings

These case studies illustrate the diverse ways in which Enneagram personality types influence leadership behaviors in the MSME context. The leaders presented here demonstrate a range of leadership styles, from transformational and participative to transactional and autocratic, each shaped by their unique personality traits. These real-world examples highlight the importance of understanding personality in leadership development, as leaders can leverage their strengths while addressing the challenges associated with their personality type.

The case studies provide a practical perspective on the correlation between personality and leadership, reinforcing the quantitative findings discussed earlier. By examining the leadership styles of MSME leaders through the lens of the Enneagram, this study offers valuable insights for enhancing leadership

effectiveness and adapting leadership behaviors to meet the dynamic needs of MSMEs.

4.5 Comparison of Leadership Styles Across MSME Sectors

Leadership styles can vary significantly across different business sectors, influenced by the unique challenges, opportunities, and operational dynamics specific to each industry. In the context of MSMEs in Indonesia, sectors such as manufacturing, services, trade, and agriculture often demand distinct approaches to leadership. This section compares the leadership styles of MSME leaders across these sectors, identifying patterns and sector-specific tendencies in leadership behaviors.

The aim is to explore whether certain sectors favor particular leadership styles, such as transformational or transactional leadership, and how the operational demands of each industry shape the leadership approach of MSME leaders. By analyzing the sectoral trends in leadership styles, this study seeks to provide deeper insights into how leaders adapt their behaviors to meet the needs of their specific business environments.

The comparison will focus on the prevalence of key leadership styles—transformational, transactional, participative, and autocratic—within each sector, examining how factors such as market volatility, workforce management, and business growth influence the leadership choices of MSME leaders. This sector-based analysis will provide valuable context for understanding the broader

leadership landscape in Indonesian MSMEs and offer insights into how leadership development programs can be tailored to specific industries.

4.5.1 Sectoral Leadership Trends (Manufacturing, Service, Trade)

The leadership styles of MSME leaders can be influenced by the unique operational and environmental factors specific to each business sector. In Indonesia, the manufacturing, service, and trade sectors form a significant part of the MSME landscape, each presenting distinct leadership challenges and opportunities. This section explores the leadership trends observed within these three key sectors, highlighting how leaders adapt their leadership styles to the demands of their respective industries.

1. Manufacturing Sector: Transactional and Authoritative Leadership

Leaders in the manufacturing sector often operate in environments where precision, efficiency, and process management are paramount. The need to maintain high levels of productivity, adhere to strict regulatory standards, and manage large workforces typically drives leaders in this sector to adopt transactional and authoritative leadership styles:

Transactional Leadership: MSME leaders in manufacturing often emphasize clear structures, defined processes, and performance-based rewards. This leadership style is well-suited to the operational demands of manufacturing, where efficiency and adherence to production timelines are crucial. Leaders focus on setting measurable performance targets, ensuring compliance with regulations, and maintaining strict quality controls.

Authoritative Leadership: The complexity of managing production processes, large teams, and machinery often necessitates a more directive leadership style. Leaders in manufacturing may take an authoritative approach, making quick decisions and setting firm expectations for their workforce, especially in high-pressure environments.

Case examples from this study reveal that Type 6 (The Loyalist) and Type 1 (The Perfectionist) personalities are particularly prevalent in manufacturing leadership. These leaders value stability, reliability, and adherence to standards, aligning well with transactional and authoritative leadership approaches.

2. Service Sector: Transformational and Participative Leadership

The service sector, by contrast, is characterized by its emphasis on customer satisfaction, innovation, and interpersonal relationships. Leaders in this sector must be adaptable, creative, and capable of inspiring their teams to deliver exceptional service. The most commonly observed leadership styles in the service sector are transformational and participative:

Transformational Leadership: MSME leaders in the service sector often adopt transformational leadership styles, focusing on motivating their employees to exceed customer expectations and innovate within their service offerings. These leaders tend to emphasize vision-setting, team inspiration, and fostering a positive work environment where employees are encouraged to be creative and customer-centric.

Participative Leadership: Given the importance of teamwork and collaboration in delivering high-quality service, many service sector leaders also lean toward participative leadership. This style involves engaging employees in decision-making processes, soliciting feedback, and encouraging a culture of inclusivity and openness. Leaders often focus on employee empowerment and shared responsibility, which can enhance team dynamics and service outcomes.

The study found that Type 3 (The Achiever) and Type 2 (The Helper) are common personality types among service sector leaders, reflecting a focus on motivation, interpersonal relationships, and collaborative work environments. These leaders are often driven by the need to inspire their teams and achieve high levels of customer satisfaction.

3. Trade Sector: Adaptive and Situational Leadership

The trade sector, encompassing both wholesale and retail businesses, requires leaders to navigate dynamic market conditions, supply chain complexities, and competitive pressures. Leaders in this sector must be flexible and responsive to rapidly changing environments, often adopting adaptive and situational leadership styles:

Adaptive Leadership: Trade sector leaders are often required to adapt their leadership approach based on market fluctuations, consumer demand, and logistical challenges. Adaptive leadership involves being flexible, making quick adjustments, and guiding the team through periods of uncertainty or change. Leaders in the trade

sector must balance short-term operational needs with long-term strategic planning, adjusting their leadership style as needed.

Situational Leadership: Leaders in trade frequently apply situational leadership, modifying their approach based on the immediate needs of their business and workforce. For instance, they may adopt a more participative style when collaborating with their team to solve problems but switch to an autocratic approach when making time-sensitive decisions related to inventory or pricing. This flexibility is essential in the fast-paced, competitive world of trade.

The study identified Type 7 (The Enthusiast) and Type 8 (The Challenger) as common Enneagram types among trade sector leaders. These leaders are often energized by change and innovation, thriving in environments that require adaptability and quick decision-making. Their ability to shift between different leadership styles allows them to manage the complexities of the trade sector effectively.

4. Discussion of Sectoral Leadership Trends

The comparison of leadership styles across the manufacturing, service, and trade sectors reveals key insights into how leaders adapt their behaviors to suit the demands of their industry:

Manufacturing leaders tend to favor structured, process-driven leadership styles such as transactional and authoritative leadership, which align with the operational needs of production-based businesses.

Service sector leaders are more likely to adopt transformational and participative leadership styles, emphasizing employee motivation, creativity, and collaboration to meet customer-focused goals.

Trade sector leaders demonstrate flexibility in their leadership approach, often adopting adaptive and situational leadership to navigate the dynamic and competitive nature of the trade industry.

These findings suggest that leadership styles are not only influenced by personality traits but are also shaped by the specific operational and strategic challenges of each sector. Leaders in MSMEs must therefore develop a range of leadership behaviors that allow them to effectively manage both the internal and external demands of their industry.

4.6 Discussion of Findings

The findings from this study offer a comprehensive view of the relationship between leadership styles, personality traits, and sector-specific challenges among MSME leaders in Indonesia. By combining both quantitative and qualitative data, the analysis reveals critical insights into how personality drives leadership behaviors and how leaders adapt their approaches to meet the demands of their industries.

1. The Influence of Personality on Leadership Styles

One of the key findings of this study is the strong correlation between Enneagram personality types and leadership styles. The statistical analysis showed that

personality traits significantly shape leadership behaviors, with certain Enneagram types being more closely associated with specific leadership styles:

Type 3 (The Achiever) leaders were highly correlated with transformational leadership, emphasizing motivation, goal-setting, and inspiring their teams to achieve high performance.

Type 6 (The Loyalist) leaders were more likely to adopt transactional leadership, focusing on stability, order, and performance-based rewards.

Type 9 (The Peacemaker) and Type 2 (The Helper) leaders demonstrated a strong tendency toward participative leadership, fostering collaboration and inclusivity within their teams.

Type 8 (The Challenger) exhibited both transformational and autocratic leadership behaviors, reflecting their assertiveness and desire for control, particularly in competitive or high-pressure environments.

These correlations suggest that personality plays a central role in determining how leaders approach team management, decision-making, and organizational growth. Leaders with different personality types are likely to face distinct challenges and opportunities in applying their leadership styles, and understanding these dynamics can help in developing more targeted leadership development programs.

2. Sector-Specific Leadership Trends

The comparison of leadership styles across sectors—manufacturing, service, and trade—reveals that the operational demands and strategic challenges of each sector also significantly influence leadership behaviors:

In manufacturing, leaders tend to adopt more transactional and authoritative leadership styles due to the need for efficiency, regulatory compliance, and process management.

The service sector favors transformational and participative leadership styles, as leaders must prioritize customer satisfaction, team motivation, and innovation to remain competitive.

In trade, leaders often demonstrate adaptive and situational leadership, adjusting their style based on market conditions, supply chain dynamics, and consumer demand.

These sector-specific trends indicate that leadership in MSMEs is not only driven by personality but also shaped by the unique characteristics of each industry. The ability to adapt leadership styles to fit the needs of the business environment is critical for MSME leaders, particularly in sectors where market volatility or operational complexity requires flexibility and quick decision-making.

3. Challenges Faced by MSME Leaders

The case studies and qualitative data highlight several challenges faced by MSME leaders, many of which are tied to their personality-driven leadership styles. For instance:

Type 3 leaders may struggle with balancing their ambition and focus on success with the need for sustainable growth and team well-being. Their drive for results can sometimes lead to burnout or neglect of long-term strategic planning.

Type 6 leaders, while highly effective in maintaining stability, may be overly cautious, limiting their willingness to take risks or pursue innovative opportunities that could drive business growth.

Type 9 leaders may avoid conflict to maintain harmony, leading to delays in making tough decisions or addressing performance issues within their teams.

These challenges suggest that while personality-driven leadership styles offer clear strengths, they can also create vulnerabilities for MSME leaders. Recognizing these potential pitfalls is important for personal development and leadership coaching, as leaders may need to adjust their behaviors to overcome the limitations imposed by their personality traits.

4. Leadership Development Implications

The findings of this study have significant implications for leadership development in the MSME sector. Tailoring leadership training programs to the specific

personality traits of leaders can help them maximize their strengths while addressing the challenges associated with their leadership style. For example:

Transformational leadership training for Type 3 leaders could focus on balancing short-term success with long-term sustainability, ensuring that leaders maintain high performance without sacrificing employee well-being or innovation.

Transactional leadership coaching for Type 6 leaders could emphasize risk management while also encouraging greater flexibility and openness to change, helping leaders to move beyond their natural cautiousness.

Participative leadership programs for Type 9 and Type 2 leaders could support these leaders in developing assertiveness and decision-making skills, enabling them to handle conflict and make tough decisions when necessary.

By aligning leadership development programs with the personality profiles of MSME leaders, organizations can create more effective leaders who are better equipped to manage the complexities of their businesses.

5. Contribution to Leadership Theory and Practice

This study contributes to the growing body of research on the intersection between personality and leadership. It reinforces the idea that leadership styles are not static but are influenced by both internal (personality) and external (sector-specific) factors. The use of the Enneagram as a tool to understand leadership behavior provides a nuanced perspective on how personality traits shape leadership effectiveness, offering a valuable framework for both academic research and practical leadership development.

Moreover, the study provides empirical evidence for the need to consider sector-specific challenges when developing leadership strategies for MSMEs. Leadership in manufacturing, services, and trade requires different approaches, and the ability to adapt leadership styles to fit the operational demands of each sector is critical for success.

6. Conclusion of Findings

The findings from this study highlight the complex interaction between personality, leadership styles, and the business environment. MSME leaders in Indonesia must navigate a diverse range of challenges, from motivating teams and driving innovation to managing risk and maintaining operational efficiency. By understanding how their personality influences their leadership style, MSME leaders can become more self-aware and effective in their roles, ultimately leading to stronger organizational performance and business growth.

The next chapter will further explore the implications of these findings, offering practical recommendations for leadership development, as well as suggestions for future research in this field.

CHAPTER 5: RESULTS

This chapter presents the key findings of the study, drawn from both the quantitative and qualitative data collected from MSME leaders in Indonesia. The results aim to provide a detailed understanding of the relationship between personality traits, as measured by the Enneagram Personality Types Assessment, and leadership styles, as identified through the Leadership Style Questionnaire and interviews.

The focus of this chapter is on summarizing the most important patterns and trends that emerged from the data, highlighting the prevalence of specific leadership styles, and explaining how these styles are influenced by the personality profiles of MSME leaders. The results also offer insights into how different leadership styles affect business outcomes in various sectors, shedding light on the unique challenges and opportunities faced by MSME leaders in manufacturing, service, and trade industries.

The chapter is structured into several sections:

Summary of Key Findings – A brief overview of the most significant results, including the distribution of Enneagram personality types and leadership styles.

Interpretation of Results – A discussion on the relationship between personality traits and leadership effectiveness, particularly how certain leadership styles contribute to better business outcomes.

Leadership Style and MSME Success Indicators – An exploration of how leadership styles correlate with success metrics, such as business growth, employee satisfaction, and organizational performance.

Implications for MSME Leadership Development – The practical implications of these findings for improving leadership development programs in the MSME sector.

This chapter builds on the previous analysis by synthesizing the data into actionable insights, providing a foundation for the final discussion and recommendations in Chapter 6. The results presented here will help MSME leaders, policymakers, and educators understand the critical role personality plays in shaping leadership behavior and driving business success.

5.1 Summary of Key Findings

The results of this study offer a detailed exploration of the leadership styles adopted by MSME leaders in Indonesia and how these styles are shaped by their Enneagram personality types. This section summarizes the most important findings from the quantitative and qualitative data, providing a comprehensive overview of the relationships between personality traits, leadership behaviors, and business outcomes in the MSME sector.

The key findings are divided into two main areas:

Enneagram Personality Type Distribution in MSME Leaders: This section presents the distribution of the nine Enneagram personality types among the MSME leaders

who participated in the study. It explores which personality types are most prevalent in MSME leadership and how these traits influence leadership style preferences.

Leadership Style Prevalence Among MSME Leaders: This section highlights the leadership styles most commonly exhibited by MSME leaders, including transformational, transactional, participative, and autocratic leadership. The analysis focuses on the correlation between specific personality types and leadership behaviors, providing insights into how personality-driven leadership styles impact business performance and team dynamics.

By summarizing the core results, this section provides the foundation for the deeper interpretation of findings in the following subsections. The key insights drawn from the data will inform practical recommendations for leadership development and further research in the field.

5.1.1 Enneagram Personality Type Distribution in MSME Leaders

The Enneagram Personality Types Assessment was used to classify the MSME leaders in this study according to their dominant personality traits. This analysis provides insights into which personality types are most prevalent among MSME leaders in Indonesia and how these traits may influence their approach to leadership. Understanding the distribution of Enneagram types among these leaders is crucial for interpreting the relationship between personality and leadership styles.

1. Overall Distribution of Enneagram Types

The Enneagram personality types among the 100 MSME leaders surveyed were distributed as follows:

Type 1 (The Perfectionist): 12% (12 leaders)

Type 2 (The Helper): 10% (10 leaders)

Type 3 (The Achiever): 15% (15 leaders)

Type 4 (The Individualist): 8% (8 leaders)

Type 5 (The Investigator): 10% (10 leaders)

Type 6 (The Loyalist): 18% (18 leaders)

Type 7 (The Enthusiast): 9% (9 leaders)

Type 8 (The Challenger): 10% (10 leaders)

Type 9 (The Peacemaker): 8% (8 leaders)

2. Most Prevalent Personality Types

The two most common Enneagram types among MSME leaders in this study were Type 6 (The Loyalist) and Type 3 (The Achiever), accounting for 33% of the sample combined. This finding suggests that many MSME leaders are driven by a combination of traits related to responsibility, security, and achievement:

Type 6 (The Loyalist): These leaders are characterized by their focus on stability, responsibility, and risk management. They tend to prioritize security and structure within their organizations, which may influence their preference for leadership styles that emphasize order and consistency.

Type 3 (The Achiever): Leaders with this personality type are ambitious, results-oriented, and motivated by success. Their drive for achievement and recognition likely plays a significant role in shaping their transformational leadership behaviors, as they seek to inspire their teams to reach high performance levels.

3. Lesser-Represented Personality Types

Personality types such as Type 4 (The Individualist) and Type 9 (The Peacemaker) were less common among the MSME leaders surveyed. These types may represent leaders who focus more on personal expression, harmony, and conflict avoidance, which could influence their leadership approaches in unique ways:

Type 4 (The Individualist): While this type emphasizes individuality and creativity, it may be less prevalent in the structured environment of MSME leadership, where practical decision-making and operational efficiency are prioritized.

Type 9 (The Peacemaker): Though valued for their ability to maintain harmony, Type 9 leaders may face challenges in leadership environments that require decisive action and firm decision-making.

4. Implications of Personality Type Distribution

The distribution of Enneagram types highlights the diversity of personality traits among MSME leaders, suggesting that a wide range of leadership styles are present in the sector. The dominance of Type 6 (The Loyalist) and Type 3 (The Achiever) points to a leadership culture that values both security and ambition, while the presence of other types, though in smaller numbers, adds to the complexity of leadership behaviors within MSMEs.

This distribution provides a critical foundation for the subsequent analysis of how these personality types correlate with leadership styles, which will be explored in the next section. Understanding these personality-driven dynamics can help inform leadership development programs that are tailored to the specific strengths and challenges of MSME leaders based on their personality profiles.

5.1.2 Leadership Style Prevalence Among MSME Leaders

The Leadership Style Questionnaire was used to assess the dominant leadership behaviors of MSME leaders in this study. This analysis focuses on the prevalence of key leadership styles—transformational, transactional, participative, and autocratic—among the 100 leaders surveyed. Understanding the distribution of these leadership styles provides critical insights into how MSME leaders manage their teams, make decisions, and navigate the challenges of running small and medium enterprises in Indonesia.

1. Prevalence of Transformational Leadership

Transformational leadership was the most commonly observed leadership style among the MSME leaders in the study, with 40% of leaders demonstrating a

predominantly transformational approach. Transformational leaders are characterized by their ability to inspire and motivate their teams, setting a vision for the future and fostering innovation and high performance.

Type 3 (The Achiever) was strongly associated with transformational leadership, as these leaders tend to focus on goal achievement, inspiring their teams to pursue excellence. They set high standards for themselves and their employees, often driving organizational success through vision and motivation.

Type 8 (The Challenger) also exhibited transformational leadership tendencies, particularly in environments where bold decision-making and assertiveness were required. These leaders often push their teams to exceed expectations and adapt to change.

2. Prevalence of Transactional Leadership

Transactional leadership, which emphasizes structured processes, reward-based systems, and adherence to rules, was the second most prevalent style, with 30% of MSME leaders demonstrating transactional behaviors.

Type 6 (The Loyalist) was highly correlated with transactional leadership. These leaders prioritize stability and security, ensuring that their teams follow established procedures and meet performance targets. They tend to rely on structured systems of rewards and punishments to maintain consistency and order in their organizations.

Type 5 (The Investigator), known for their analytical and process-oriented mindset, also demonstrated transactional leadership traits. Their focus on logical structures

and measurable outcomes makes them well-suited to environments that require efficiency and precision.

3. Prevalence of Participative Leadership

Participative leadership, which involves engaging team members in decision-making processes and fostering a collaborative work environment, was observed in 20% of the MSME leaders.

Type 9 (The Peacemaker) and Type 2 (The Helper) were the personality types most closely associated with participative leadership. These leaders value harmony, inclusion, and collaboration, creating environments where employees feel empowered to contribute to organizational decisions. Their leadership style promotes open communication and teamwork, often resulting in high levels of employee satisfaction and retention.

4. Prevalence of Autocratic Leadership

Autocratic leadership, which involves making decisions independently and exercising control over all aspects of the business, was the least common style among the MSME leaders, with 10% of leaders exhibiting autocratic tendencies.

Type 8 (The Challenger) was the most closely linked to autocratic leadership, as these leaders tend to be assertive and confident in their decision-making. In situations where quick, decisive actions are required, autocratic leadership can be effective, especially in industries such as construction or manufacturing, where operational control and efficiency are critical.

Type 1 (The Perfectionist) also demonstrated autocratic leadership tendencies, particularly when enforcing high standards and ensuring compliance with organizational rules. These leaders often take a directive approach to leadership, focusing on maintaining order and structure.

5. Discussion of Leadership Style Prevalence

The distribution of leadership styles among MSME leaders reflects the diversity of approaches that leaders take to manage their businesses:

Transformational leadership dominates the MSME sector, indicating that many leaders focus on inspiring their teams, driving innovation, and setting ambitious goals.

Transactional leadership is also prevalent, particularly in sectors that require structure, consistency, and adherence to performance metrics.

Participative leadership highlights the importance of collaboration and employee involvement, particularly in service-oriented industries where teamwork and customer engagement are critical.

Autocratic leadership, while less common, is still present in certain sectors where strong control and decisive action are necessary.

These findings suggest that MSME leaders adopt leadership styles that align with their personality traits, as well as the operational demands of their industries. The results underscore the importance of understanding the role of personality in

leadership development, as different leadership styles can significantly impact organizational performance, employee engagement, and overall business success.

5.2 Interpretation of Results

The results presented in the previous sections offer a comprehensive overview of the distribution of Enneagram personality types and leadership styles among MSME leaders. This section aims to interpret these findings in the context of the study's objectives, exploring the relationship between personality traits and leadership effectiveness. By understanding how different leadership styles align with specific personality types, we can gain valuable insights into the dynamics of leadership within MSMEs and the implications for organizational performance.

The interpretation of results will focus on two key areas:

Relationship Between Personality and Leadership Effectiveness: This part of the analysis examines how the personality traits of MSME leaders, as measured by the Enneagram, influence their ability to lead effectively. It will consider how different personality types align with leadership styles and how these styles impact team performance, innovation, and business growth.

Impact of Personality on Business Performance in MSMEs: This section explores how personality-driven leadership behaviors correlate with key business performance indicators, such as employee satisfaction, business growth, and operational efficiency. The goal is to understand how the leadership styles preferred by certain personality types contribute to or hinder business success in the MSME context.

The following subsections will provide a detailed interpretation of these results, offering practical implications for MSME leadership development and providing insights that can be used to improve leadership strategies in small and medium-sized businesses.

5.2.1 Relationship Between Personality and Leadership Effectiveness

The results of this study highlight a clear relationship between the personality traits of MSME leaders, as defined by the Enneagram, and their leadership effectiveness. Personality not only shapes the way leaders approach decision-making, team management, and conflict resolution, but also influences the outcomes of their leadership on organizational performance and employee engagement. This section interprets how different personality types align with leadership styles and how these styles impact leadership effectiveness in the context of MSMEs.

1. Transformational Leadership and High Performance

Leaders who demonstrate transformational leadership styles—particularly those identified as Type 3 (The Achiever) and Type 8 (The Challenger)—are highly effective in environments where motivation, innovation, and goal-setting are critical. Transformational leaders focus on inspiring and empowering their teams, setting ambitious goals, and fostering a culture of innovation. This leadership style is strongly correlated with high levels of team performance, employee satisfaction, and business growth, particularly in sectors where creativity and innovation drive success.

Type 3 (The Achiever) leaders are particularly effective in driving team performance due to their focus on results and their ability to inspire their employees to pursue excellence. Their leadership effectiveness is enhanced by their ability to set clear goals and motivate their teams to exceed expectations. However, their strong emphasis on achievement can sometimes lead to burnout or excessive pressure on their teams.

Type 8 (The Challenger) leaders also demonstrate high leadership effectiveness, especially in competitive or high-pressure environments. Their assertiveness and confidence enable them to take decisive actions, often pushing their organizations to adapt to market changes or overcome significant challenges. However, their dominant leadership style may need to be balanced with sensitivity to team dynamics to avoid creating a high-stress environment.

The effectiveness of transformational leadership, particularly among these personality types, is evident in their ability to foster innovation and motivate teams, contributing to significant business success in MSMEs.

2. Transactional Leadership and Stability

Leaders who adopt transactional leadership styles, such as those identified as Type 6 (The Loyalist) and Type 5 (The Investigator), are particularly effective in environments that require stability, order, and adherence to processes. Transactional leadership is characterized by a focus on structured systems, performance-based rewards, and clear expectations, which align well with the needs of businesses that prioritize efficiency and risk management.

Type 6 (The Loyalist) leaders excel in creating stable, secure environments where employees know what is expected of them. Their leadership effectiveness is rooted in their ability to maintain consistency and ensure that their teams adhere to established processes. This approach is especially effective in industries such as manufacturing, where reliability and compliance with regulations are crucial.

Type 5 (The Investigator) leaders bring a logical, analytical approach to leadership, focusing on optimizing systems and ensuring that operations run smoothly. Their effectiveness is most apparent in technical or process-driven environments where detailed planning and execution are essential to success.

While transactional leadership is effective in maintaining stability and operational efficiency, it may limit innovation and flexibility, which could hinder growth in rapidly changing or competitive markets.

3. Participative Leadership and Employee Engagement

Leaders who exhibit participative leadership styles—particularly those with Type 9 (The Peacemaker) and Type 2 (The Helper) personality traits—are highly effective in fostering a collaborative and inclusive work environment. Participative leadership involves involving team members in decision-making processes, encouraging open communication, and promoting teamwork. This leadership style is strongly correlated with high levels of employee satisfaction, engagement, and retention.

Type 9 (The Peacemaker) leaders are effective at maintaining harmony and ensuring that team members feel valued and heard. Their ability to create a peaceful,

inclusive environment leads to high employee engagement and a strong sense of team cohesion. However, their reluctance to engage in conflict or make difficult decisions may sometimes slow down progress or hinder necessary change.

Type 2 (The Helper) leaders are similarly effective in building strong relationships with their teams. Their empathetic and supportive nature allows them to connect deeply with employees, fostering loyalty and commitment. However, they may need to be mindful of maintaining professional boundaries to avoid being overly accommodating at the expense of organizational goals.

Participative leadership is highly effective in creating positive workplace cultures, especially in service-oriented industries where employee engagement directly impacts customer satisfaction and business success.

4. Autocratic Leadership and Decisiveness

Autocratic leadership, though less common among MSME leaders, is particularly effective in situations that require quick decision-making and strong control over business operations. Leaders with Type 8 (The Challenger) and Type 1 (The Perfectionist) personality traits tend to exhibit autocratic leadership behaviors, especially in industries where decisiveness and authority are crucial for success.

Type 8 (The Challenger) leaders, as mentioned earlier, are effective in environments that require strong, confident leadership. Their autocratic tendencies can be advantageous in high-risk or competitive industries, where quick, decisive actions are necessary to stay ahead of the competition. However, over-reliance on autocratic

leadership may alienate employees and lead to dissatisfaction if not balanced with opportunities for collaboration.

Type 1 (The Perfectionist) leaders, known for their emphasis on structure and high standards, may also adopt autocratic leadership styles, particularly when enforcing rules or maintaining organizational integrity. While this approach ensures that operations remain efficient and compliant, it may limit creativity and flexibility within the organization.

Autocratic leadership is effective in specific contexts where control and authority are essential, but it should be used with caution to avoid stifling team innovation or engagement.

5. Balancing Leadership Styles for Maximum Effectiveness

The findings suggest that no single leadership style is universally effective in all situations. Leadership effectiveness is largely dependent on the alignment between the leader's personality traits and the specific needs of the organization. MSME leaders who are able to adapt their leadership style to the context—whether it involves motivating a team, maintaining stability, or making quick decisions—are more likely to achieve long-term success.

The relationship between personality and leadership effectiveness highlights the importance of self-awareness for MSME leaders. By understanding their natural tendencies and how these influence their leadership behaviors, leaders can make more informed decisions about when to lean into their strengths and when to adjust their approach to better meet the needs of their business and team.

5.2.2 Impact of Personality on Business Performance in MSMEs

Personality traits, as defined by the Enneagram, not only shape leadership styles but also have a measurable impact on business performance in the MSME sector. This section explores how the leadership behaviors driven by specific personality types influence key business outcomes such as growth, employee satisfaction, innovation, and operational efficiency. By understanding these dynamics, MSME leaders can better align their leadership practices with the performance goals of their organizations.

1. Business Growth and Transformational Leadership

Transformational leadership, typically associated with Type 3 (The Achiever) and Type 8 (The Challenger) personalities, is strongly correlated with positive business growth in MSMEs. Leaders with transformational traits are effective at driving their businesses toward higher levels of success, motivating their teams to achieve ambitious goals, and fostering a culture of innovation. The analysis revealed several key ways in which transformational leadership influences business performance:

Innovation and Adaptability: Transformational leaders tend to create an environment that encourages creativity and innovation. MSMEs led by Type 3 and Type 8 leaders often display greater agility in adapting to market changes, launching new products or services, and exploring new growth opportunities.

Team Motivation and High Performance: The ability of transformational leaders to inspire and motivate their employees results in higher levels of productivity and

performance. Their vision-driven approach aligns the team's efforts with broader organizational goals, ensuring that the business continuously evolves and grows.

However, the drive for success and high performance can also lead to challenges such as employee burnout, particularly under Type 3 leadership, where pressure to meet ambitious targets may create stress within the team.

2. Operational Efficiency and Transactional Leadership

Transactional leadership, which is closely associated with Type 6 (The Loyalist) and Type 5 (The Investigator) personalities, plays a significant role in maintaining operational efficiency within MSMEs. Transactional leaders focus on structured processes, compliance, and performance-based management, all of which are essential for ensuring that day-to-day operations run smoothly and reliably. The study identified several key impacts of transactional leadership on business performance:

Process Optimization and Stability: MSMEs led by Type 6 and Type 5 leaders tend to have well-established processes that ensure consistency and quality control. These leaders are particularly effective at managing risk, maintaining financial stability, and ensuring compliance with industry regulations, which contributes to long-term business sustainability.

Efficiency in Task Management: Transactional leaders ensure that employees meet clear performance standards and adhere to pre-defined procedures. This approach helps to minimize operational disruptions and ensures that tasks are completed efficiently, contributing to cost savings and improved productivity.

While transactional leadership promotes stability, it may limit innovation and flexibility, especially in rapidly changing markets where adaptability is critical for business growth.

3. Employee Satisfaction and Participative Leadership

Participative leadership, often exhibited by Type 9 (The Peacemaker) and Type 2 (The Helper), has a strong positive impact on employee satisfaction and engagement. Leaders with participative traits create inclusive environments where employees feel valued, involved in decision-making, and supported by their leaders. This leadership style fosters a culture of collaboration and open communication, which leads to several key business outcomes:

High Employee Retention: The inclusive and supportive nature of participative leadership results in high levels of employee satisfaction, reducing turnover rates and increasing employee loyalty. Employees in MSMEs led by Type 9 and Type 2 leaders are more likely to stay with the company for the long term, contributing to organizational stability and continuity.

Improved Team Cohesion: Participative leaders promote teamwork and open dialogue, which enhances cooperation among employees. This collaborative approach strengthens the organizational culture, leading to better problem-solving and increased overall productivity.

However, participative leaders may struggle with making difficult decisions or asserting authority when needed, which can slow down business progress or create inefficiencies in times of conflict or rapid change.

4. Decisiveness and Crisis Management in Autocratic Leadership

Autocratic leadership, while less prevalent, has a specific impact on business performance, particularly in industries or situations that require quick decision-making and firm control. Type 8 (The Challenger) and Type 1 (The Perfectionist) leaders are more likely to adopt autocratic leadership styles, which can be highly effective in certain business contexts:

Effective Crisis Management: In high-pressure situations or crises, autocratic leaders can make swift decisions without the delays that come from consulting with a team. This decisiveness can be crucial for MSMEs facing urgent challenges, such as financial difficulties, market competition, or operational disruptions. Type 8 leaders, in particular, thrive in such environments, driving their businesses forward with strong leadership and clear direction.

Enforcement of High Standards: Type 1 (The Perfectionist) leaders, who emphasize rules and structure, ensure that their businesses maintain high operational standards. This focus on discipline and quality can lead to improved performance in industries where precision and adherence to regulations are critical.

However, over-reliance on autocratic leadership can negatively affect employee morale and creativity, particularly in organizations that rely on team collaboration and innovation.

5. Balancing Leadership Styles for Business Success

The impact of personality-driven leadership styles on business performance underscores the importance of balancing leadership approaches to meet the needs

of the business. While transformational leadership drives innovation and growth, transactional leadership ensures operational stability. Participative leadership enhances employee engagement, while autocratic leadership provides decisive control in times of crisis. Effective MSME leaders are those who can adapt their leadership styles to fit the unique challenges and opportunities of their business environments.

For example, a Type 3 leader who combines transformational motivation with participative inclusion may be more effective in sustaining long-term growth and employee satisfaction. Similarly, a Type 6 leader who balances transactional stability with occasional transformational vision may be better equipped to navigate both operational and strategic challenges.

6. Conclusion of Personality's Impact on Business Performance

The results of this study demonstrate that personality traits significantly influence business performance in MSMEs. By understanding how their leadership behaviors align with their personality types, MSME leaders can better tailor their approaches to maximize both organizational success and employee well-being. The impact of personality-driven leadership extends across key performance indicators, from innovation and growth to efficiency and employee satisfaction, making personality a critical factor in leadership effectiveness.

The next section will explore the broader implications of these findings for leadership development and future research in the MSME sector.

5.3 Leadership Style and MSME Success Indicators

The success of MSMEs is often closely tied to the effectiveness of their leadership, with different leadership styles influencing key performance indicators such as business growth, profitability, employee engagement, and innovation. This section explores how the leadership styles identified in this study—transformational, transactional, participative, and autocratic—correlate with MSME success indicators. By analyzing the relationship between leadership behaviors and business outcomes, we can better understand which leadership styles are most conducive to achieving sustainable success in the MSME sector.

The analysis in this section is divided into two parts:

Correlation Between Leadership Styles and MSME Growth: This subsection will focus on how leadership styles contribute to or hinder business growth and organizational development in MSMEs. It will examine which leadership styles are most effective at driving expansion, increasing market share, and ensuring long-term viability.

Enneagram as a Predictive Tool for Leadership Success: This subsection will explore how the Enneagram personality types can serve as a predictive tool for leadership success in MSMEs. By linking personality traits with specific business outcomes, this analysis provides insights into how certain leadership styles, driven by personality, can predict success in areas such as financial performance, employee satisfaction, and innovation.

The following subsections will provide a detailed examination of these relationships, offering practical insights into how MSME leaders can align their leadership behaviors with the success goals of their organizations.

5.3.1 Correlation Between Leadership Styles and MSME Growth

The growth of MSMEs is often a direct reflection of the leadership styles adopted by business leaders. In this study, leadership behaviors—transformational, transactional, participative, and autocratic—were analyzed to determine their influence on key growth metrics, such as market expansion, financial performance, and business sustainability. This section explores how these leadership styles correlate with MSME growth, identifying the most effective approaches for fostering long-term development in small and medium enterprises.

1. Transformational Leadership and Growth-Oriented Expansion

Transformational leadership emerged as the most strongly correlated with MSME growth in this study. Leaders who adopt transformational behaviors inspire innovation, motivate their teams, and drive their organizations to achieve ambitious growth goals. The key correlations between transformational leadership and growth are as follows:

Innovation and Market Expansion: Transformational leaders, particularly those with Type 3 (The Achiever) and Type 8 (The Challenger) personality traits, encourage their teams to think creatively and explore new opportunities. These leaders are often associated with businesses that have expanded into new markets, developed innovative products, or adopted new technologies to stay competitive.

Their ability to set a clear vision and inspire their teams leads to higher levels of innovation, which directly contributes to business growth.

Team Motivation and Performance: The ability of transformational leaders to motivate and engage their employees has a positive effect on overall business performance. MSMEs with transformational leaders often report higher productivity and efficiency, as employees are more committed to achieving organizational goals. This increased performance translates into faster growth, as the business is able to scale operations more effectively.

However, the study also revealed that transformational leaders, especially Type 3 (The Achiever), must balance their drive for rapid expansion with sustainability. In some cases, the intense focus on growth can lead to resource strain or employee burnout, which may impede long-term success.

2. Transactional Leadership and Operational Stability

While transactional leadership is not traditionally associated with rapid business growth, its emphasis on structure, processes, and rewards plays a crucial role in maintaining operational stability—an essential foundation for sustainable growth. The correlation between transactional leadership and growth is seen in the following areas:

Process Efficiency: Leaders with Type 6 (The Loyalist) and Type 5 (The Investigator) personality traits tend to adopt transactional leadership styles, focusing on efficiency and operational control. This leadership style ensures that business processes are optimized, risks are minimized, and resources are managed

effectively. The study found that MSMEs led by transactional leaders were able to achieve steady, incremental growth due to their focus on maintaining consistency and minimizing operational disruptions.

Performance Management: Transactional leaders excel at setting clear performance expectations and rewarding employees based on measurable outcomes. This focus on performance management contributes to business stability, allowing the organization to grow at a measured pace while maintaining high standards of quality and service.

Although transactional leadership is less focused on innovation, its role in ensuring the business operates efficiently makes it a valuable style for MSMEs seeking steady, controlled growth rather than rapid expansion.

3. Participative Leadership and Sustainable Development

Participative leadership has a strong correlation with sustainable business growth, particularly in service-oriented MSMEs. Leaders who involve their employees in decision-making and foster a collaborative work environment, such as those with Type 9 (The Peacemaker) and Type 2 (The Helper) traits, create businesses that are resilient, adaptable, and focused on long-term sustainability:

Employee Engagement and Retention: Participative leadership is highly effective at fostering employee loyalty and engagement. By involving employees in strategic decisions, participative leaders ensure that their teams are more committed to the success of the business. High levels of employee retention reduce turnover costs and improve organizational stability, which in turn supports sustainable growth.

Customer Satisfaction and Reputation: In service-oriented MSMEs, participative leaders excel at creating a customer-centric culture, which improves customer satisfaction and loyalty. This positive reputation helps the business grow organically through repeat business and referrals, contributing to long-term development and sustainability.

While participative leadership is beneficial for creating a supportive, engaged workforce, it may not always be the most effective style for driving rapid growth or navigating competitive markets where quick, decisive actions are required.

4. Autocratic Leadership and Rapid Decision-Making

Autocratic leadership, while less common in MSMEs, has a specific correlation with business growth in sectors that require strong control and rapid decision-making, such as construction or manufacturing. Leaders with Type 8 (The Challenger) and Type 1 (The Perfectionist) traits tend to adopt autocratic leadership behaviors when quick, decisive action is needed to capitalize on market opportunities or address urgent challenges:

Crisis Management and Growth Opportunities: Autocratic leaders are often effective in high-pressure situations that require fast decision-making. In industries with volatile markets or high competition, the ability to make rapid, unilateral decisions can help the business seize growth opportunities or navigate crises more effectively. Type 8 leaders, in particular, thrive in environments where strong leadership and assertiveness are required to achieve business success.

Efficiency in Resource Allocation: Autocratic leaders often take a direct approach to managing resources, ensuring that operations are tightly controlled and aligned with business objectives. This approach can lead to short-term growth in industries where operational efficiency and quick turnaround are critical to success.

However, the study also highlighted the potential downsides of autocratic leadership, particularly its impact on employee morale and innovation. Businesses led by autocratic leaders may struggle to foster a collaborative, innovative culture, which is essential for long-term, sustainable growth.

5. Balancing Leadership Styles for Growth

The correlation between leadership styles and MSME growth highlights the need for leaders to balance different approaches depending on the specific needs of their business. While transformational leadership drives innovation and rapid expansion, transactional leadership ensures operational stability. Participative leadership fosters a supportive and sustainable business culture, while autocratic leadership provides decisive control in times of need.

The most successful MSME leaders are those who can adapt their leadership style to fit the growth stage of their business. For example, a Type 3 transformational leader may need to incorporate transactional behaviors to ensure that growth is sustainable, while a Type 6 transactional leader may need to adopt a more transformational approach to drive innovation and market expansion.

5.3.2 Enneagram as a Predictive Tool for Leadership Success

The Enneagram Personality Types Assessment provides a valuable framework for predicting leadership success in MSMEs by linking specific personality traits to leadership behaviors and business outcomes. This section explores how the Enneagram can serve as a predictive tool for identifying leadership strengths, potential challenges, and the overall likelihood of success in the MSME context. By understanding the personality-driven leadership tendencies of MSME leaders, the Enneagram offers a practical method for forecasting leadership effectiveness and aligning leadership development with business needs.

1. Personality Traits and Leadership Success Indicators

The Enneagram identifies nine distinct personality types, each associated with unique leadership behaviors. The data collected in this study shows strong correlations between certain personality types and business success indicators such as growth, employee satisfaction, innovation, and operational efficiency. These correlations allow the Enneagram to be used as a predictive tool for identifying which personality types are more likely to lead successful MSMEs.

Type 3 (The Achiever) is highly predictive of success in growth-oriented businesses. Leaders with this personality type are driven by achievement and performance, often excelling in competitive environments where goal-setting, ambition, and motivation are key factors in business expansion. The study found that Type 3 leaders were consistently associated with MSMEs that reported high levels of innovation, market expansion, and overall business growth.

Type 6 (The Loyalist) is predictive of success in stable, process-oriented businesses. Leaders with this personality type focus on creating secure, well-structured organizations where operational efficiency and risk management are prioritized. MSMEs led by Type 6 leaders tend to perform well in industries that require consistency, compliance, and long-term stability, such as manufacturing and logistics.

Type 9 (The Peacemaker) is predictive of success in service-oriented MSMEs where employee satisfaction and customer loyalty are critical success factors. Leaders with Type 9 traits excel at fostering harmonious, inclusive work environments, which contribute to high levels of employee retention and strong customer relationships. These businesses tend to achieve sustainable growth through repeat business and a positive organizational culture.

2. Predicting Leadership Challenges

While the Enneagram provides valuable insights into leadership strengths, it also helps predict potential leadership challenges based on personality traits. Understanding these challenges allows MSME leaders to proactively address areas that may hinder their leadership effectiveness or business performance.

Type 3 (The Achiever) leaders may face challenges related to sustainability and work-life balance. Their strong drive for success and constant focus on achievement can lead to overwork, burnout, and high-pressure environments for their teams. The Enneagram predicts that Type 3 leaders may need to focus on balancing their

ambition with the well-being of their employees and ensuring that growth is sustainable in the long term.

Type 6 (The Loyalist) leaders may struggle with risk-taking and innovation. Their emphasis on security and consistency may make them hesitant to pursue bold, innovative strategies, which can limit business growth in rapidly changing markets. The Enneagram suggests that Type 6 leaders should work on developing their risk management skills to balance stability with flexibility and adaptability.

Type 9 (The Peacemaker) leaders may encounter difficulties in making tough decisions or addressing conflict within their teams. Their preference for harmony and conflict avoidance can lead to delays in addressing performance issues or making critical business decisions. The Enneagram predicts that Type 9 leaders will need to develop their assertiveness and decision-making skills to ensure that their businesses can navigate challenges effectively.

3. Enneagram and Leadership Development

The Enneagram is not only a predictive tool for identifying leadership success but also a powerful resource for designing targeted leadership development programs. By understanding the personality traits of MSME leaders, leadership training can be customized to enhance their strengths and address their weaknesses, improving their overall leadership effectiveness.

Type 3 leaders can benefit from training that focuses on sustainable growth, team collaboration, and work-life balance, helping them to lead more effectively without overburdening themselves or their teams.

Type 6 leaders can develop their innovation and risk management skills, allowing them to explore new growth opportunities while maintaining operational stability.

Type 9 leaders can work on enhancing their decision-making and conflict resolution abilities, ensuring that they can lead their teams with confidence even in difficult situations.

This personalized approach to leadership development ensures that MSME leaders can align their leadership behaviors with the specific needs of their businesses, leading to more effective and sustainable business success.

4. Application of Enneagram in Business Strategy

The Enneagram's predictive power also extends to broader business strategy. By understanding the leadership style of the business leader, organizations can tailor their business strategies to align with the leader's strengths. For example:

Type 3 leaders may thrive in competitive markets where aggressive growth and high performance are necessary, making them ideal for expanding into new markets or launching new products.

Type 6 leaders may excel in industries where compliance, operational efficiency, and risk management are key to success, making them well-suited for sectors such as manufacturing, logistics, or healthcare.

Type 9 leaders may be most effective in service-oriented businesses where employee engagement and customer satisfaction are critical, making them ideal for hospitality, retail, or client-service industries.

By leveraging the predictive insights of the Enneagram, MSMEs can align their leadership strategies with their business goals, ensuring that both leadership and organizational development are in sync.

5. Conclusion of Enneagram's Predictive Power

The Enneagram serves as a valuable predictive tool for leadership success in MSMEs, offering insights into both the strengths and challenges of different personality-driven leadership styles. By understanding how personality traits influence leadership behaviors, MSME leaders can better anticipate their potential for success, identify areas for improvement, and develop leadership strategies that align with their business objectives. This predictive framework also provides a foundation for targeted leadership development programs that enhance the effectiveness of MSME leaders and contribute to the long-term success of their businesses.

5.4 Implications for MSME Leadership Development

The findings of this study have significant implications for the development of leadership within the MSME sector, where leaders often face unique challenges such as limited resources, market volatility, and the need for agility in decision-making. The analysis of leadership styles and personality traits provides a roadmap for creating leadership development programs that are tailored to the needs of MSME leaders, helping them to enhance their strengths and address potential weaknesses. This section explores the practical applications of these findings for improving leadership effectiveness in MSMEs.

1. Customized Leadership Development Based on Personality Types

The use of the Enneagram as a tool for understanding leadership behaviors opens up new opportunities for personalized leadership development. By aligning training programs with the specific personality traits of MSME leaders, organizations can provide more targeted and effective development strategies.

Type 3 (The Achiever): Leadership programs for Type 3 leaders should focus on balancing ambition with sustainability. These leaders benefit from training that helps them manage their high performance while also ensuring the well-being of their teams and maintaining long-term business health. Programs emphasizing work-life balance, team collaboration, and sustainable growth strategies are particularly useful.

Type 6 (The Loyalist): For Type 6 leaders, development programs should encourage innovation and risk-taking while maintaining a focus on stability. These leaders may need support in stepping outside of their comfort zones, adopting new strategies, and navigating uncertain business environments. Training that focuses on innovation management, strategic planning, and decision-making in dynamic markets can help them achieve business growth without compromising their need for security.

Type 9 (The Peacemaker): Leadership training for Type 9 leaders should focus on improving decision-making and conflict resolution skills. While these leaders excel at fostering harmony and collaboration, they may need help in asserting authority and making tough decisions. Programs that build assertiveness, enhance negotiation

skills, and provide tools for handling conflict can help Type 9 leaders navigate complex business challenges.

2. Leadership Flexibility and Adaptive Behaviors

The study demonstrates that the most effective MSME leaders are those who can adapt their leadership styles based on the needs of their organization. Leadership development programs should therefore focus on enhancing flexibility in leadership behaviors, encouraging leaders to switch between transformational, transactional, participative, and autocratic styles as required.

Transformational and Transactional Balance: Leaders should be trained to balance the visionary aspects of transformational leadership with the structured, process-driven aspects of transactional leadership. For example, Type 3 leaders, who naturally lean toward transformational behaviors, may need to develop their skills in managing operational details and maintaining consistency, while Type 6 leaders, who are more transactional, may benefit from learning how to inspire innovation and motivate teams.

Participative Leadership and Decision-Making: Leaders should also learn how to foster inclusive, participative environments while retaining the ability to make decisive, authoritative decisions when necessary. Type 9 and Type 2 leaders, who excel at participative leadership, should be equipped with the tools to balance collaboration with leadership decisiveness, ensuring that their businesses remain agile in fast-changing markets.

3. Developing Leadership in Specific Business Sectors

The study highlights that different business sectors—manufacturing, service, and trade—require distinct leadership approaches. Leadership development programs should take these sector-specific demands into account, offering tailored training that helps leaders address the unique challenges of their industry.

Manufacturing Sector: Leaders in the manufacturing sector, where operational efficiency and process control are critical, benefit from training in lean management, process optimization, and quality control. For Type 6 (The Loyalist) leaders, this means building on their strengths in stability and consistency while learning to implement more innovative, flexible strategies to cope with industry disruptions.

Service Sector: Leaders in the service industry need to focus on customer satisfaction, innovation, and team motivation. Training programs for Type 3 (The Achiever) and Type 9 (The Peacemaker) leaders should emphasize service excellence, customer engagement, and employee collaboration. These leaders should also develop skills in managing customer relationships and adapting their services to evolving market needs.

Trade Sector: In the fast-paced trade sector, leaders need to be adaptable and decisive. Type 8 (The Challenger) leaders may need to balance their strong control with collaborative leadership strategies to foster innovation and responsiveness. Training in supply chain management, market adaptation, and strategic decision-making will be valuable for these leaders.

4. Promoting Emotional Intelligence and Self-Awareness

One of the key findings of this study is the importance of emotional intelligence and self-awareness in leadership effectiveness. MSME leaders who understand their personality traits and how these traits influence their leadership behaviors are better equipped to lead their organizations successfully. Leadership development programs should therefore place a strong emphasis on emotional intelligence, helping leaders to:

Enhance Self-Awareness: Programs should focus on helping leaders gain insight into their own strengths, weaknesses, and leadership tendencies. By becoming more self-aware, leaders can better manage their interactions with employees, make more informed decisions, and avoid potential leadership pitfalls.

Develop Empathy and Interpersonal Skills: Emotional intelligence training should also help leaders improve their ability to understand and respond to the needs of their employees. Leaders with high levels of empathy and strong interpersonal skills are better able to build cohesive teams, manage conflict, and create positive work environments.

5. Fostering Long-Term Leadership Growth

The leadership development strategies for MSME leaders should not only focus on immediate improvements but also foster long-term growth and adaptability. Continuous learning, mentorship, and leadership coaching can help MSME leaders refine their skills over time and adapt to changing business environments.

Mentorship and Peer Learning: MSME leaders benefit from learning from their peers and more experienced leaders in their industry. Leadership development programs should include opportunities for mentorship, where experienced leaders can provide guidance, share insights, and help younger leaders navigate the challenges of business growth and leadership development.

Leadership Coaching: Personalized leadership coaching can help leaders address specific challenges related to their personality traits and business context. For instance, a Type 3 leader struggling with burnout may benefit from coaching focused on work-life balance, while a Type 6 leader facing innovation challenges may need coaching in strategic risk-taking.

6. Conclusion of Leadership Development Implications

The findings from this study underscore the need for leadership development programs that are tailored to the unique personality traits and business contexts of MSME leaders. By focusing on customized training, emotional intelligence, and adaptability, these programs can help leaders enhance their effectiveness, improve business performance, and achieve long-term success. The Enneagram offers a valuable framework for guiding these development efforts, providing MSME leaders with the insights they need to grow as effective, adaptive, and self-aware leaders.

CHAPTER 6: DISCUSSION AND CONCLUSION

This final chapter integrates the key findings of the study with broader leadership theory and practice, offering a comprehensive discussion of how personality traits, leadership styles, and sector-specific challenges interact to influence leadership effectiveness in MSMEs. By reflecting on the results, this chapter highlights the practical implications of the study for MSME leaders, provides theoretical contributions to the field of leadership studies, and outlines limitations that should be considered. Additionally, recommendations for future research are offered, addressing gaps and proposing new directions for exploring leadership in the MSME context.

The structure of this chapter is organized into the following sections:

Summary of Research Objectives and Questions: A recap of the study's aims, research questions, and the key findings that address them.

Integration of Findings with Existing Literature: A discussion of how the findings align with or challenge existing leadership theories, particularly in the context of personality and leadership effectiveness.

Implications for Leadership Theory and Practice: An exploration of the practical and theoretical implications of the findings, offering guidance for MSME leaders and contributions to leadership scholarship.

Limitations of the Study: A reflection on the study's design, methodology, and data collection, acknowledging any limitations and their potential impact on the findings.

Recommendations for Future Research: Suggestions for future research that can build on the insights gained from this study, addressing areas that warrant further exploration.

Conclusion: A final reflection on the study's contributions to both leadership theory and MSME practice, summarizing the key takeaways and offering closing thoughts on the role of personality in leadership.

6.1 Summary of Research Objectives and Questions

The primary objective of this study was to explore the relationship between Enneagram personality types and leadership styles among MSME leaders in Indonesia, and how these relationships impact business performance and leadership effectiveness. By examining the unique dynamics of personality-driven leadership within the MSME context, the study aimed to provide practical insights that could help MSME leaders improve their leadership practices and achieve greater business success.

The key research questions that guided the study were:

1. What is the distribution of Enneagram personality types among MSME leaders in Indonesia?

This question aimed to identify the most common personality traits among MSME leaders and explore how these traits influence leadership behaviors and decision-making processes.

2. How do Enneagram personality types correlate with leadership styles in MSMEs?

   The study sought to analyze the relationship between personality types and leadership styles such as transformational, transactional, participative, and autocratic leadership. It also examined how personality-driven leadership styles influence key aspects of leadership effectiveness.

3. What impact do leadership styles have on MSME business performance, including growth, employee satisfaction, and innovation?

   This question focused on understanding how different leadership styles, as shaped by personality, affect important business outcomes, particularly in the areas of growth, team engagement, and operational success.

4. Can the Enneagram serve as a predictive tool for leadership success in MSMEs?

   The study also explored whether the Enneagram could be used to predict leadership success, identifying personality traits that correlate with effective leadership and strong business performance.

The findings of the study addressed these questions by demonstrating clear correlations between personality types, leadership styles, and business outcomes. The data showed that personality traits play a significant role in shaping leadership

behaviors, and that different leadership styles are more effective in certain business environments and industries.

By achieving the study's objectives, this research contributes to the understanding of how personality impacts leadership effectiveness in the MSME sector, offering valuable insights for leadership development and future research.

6.2 Integration of Findings with Existing Literature

The findings of this study provide valuable insights into the relationship between personality, leadership styles, and business outcomes in MSMEs, while also contributing to the existing body of leadership literature. This section integrates the results of the study with existing theories and research on leadership, highlighting areas where the findings align with, expand upon, or challenge established leadership concepts, particularly within the context of personality-driven leadership.

1. Personality and Leadership Effectiveness

The relationship between personality traits and leadership effectiveness has been extensively studied, with a focus on how individual characteristics influence leadership behaviors. Research by Northouse (2021) and Hogan and Kaiser (2005) highlights that personality plays a crucial role in determining leadership styles and effectiveness. This study's use of the Enneagram model offers a nuanced view of personality's impact on leadership, aligning with prior research that emphasizes the importance of self-awareness and emotional intelligence in leadership development.

Alignment with Trait Theory of Leadership: The study's findings support the trait theory of leadership, which posits that certain innate characteristics, such as drive, ambition, and assertiveness, can predict leadership success (Judge et al., 2002). Leaders identified as Type 3 (The Achiever) and Type 8 (The Challenger) exhibited strong transformational leadership tendencies, consistent with prior research suggesting that personality traits like ambition and confidence are key predictors of transformational leadership (Bass & Bass, 2008). These leaders demonstrated high levels of business growth and innovation, confirming the link between personality traits and leadership effectiveness.

Expansion of Situational Leadership Theory: The study also expands on situational leadership theory (Hersey & Blanchard, 1969), which suggests that effective leadership depends on adapting behaviors to fit the needs of the situation. Leaders in this study, particularly those with Type 6 (The Loyalist) and Type 9 (The Peacemaker) traits, demonstrated an ability to modify their leadership style based on their business environment, showing that personality traits influence flexibility in leadership. This expands the situational leadership theory by providing a deeper understanding of how personality shapes a leader's ability to adapt to different situations.

2. Enneagram and Leadership Style Alignment

The use of the Enneagram in leadership research remains relatively underexplored, but this study contributes to the growing body of research by demonstrating the Enneagram's value as a tool for understanding leadership behaviors. The correlation

between Enneagram types and leadership styles found in this study aligns with broader personality models, such as the Big Five personality traits (Goldberg, 1993), while providing additional detail on how specific personality types manifest in leadership behaviors.

Alignment with the Big Five Personality Traits: The findings related to Type 3 (The Achiever), who tends to adopt transformational leadership styles, align with research on the Big Five trait of Extraversion, which is often linked to transformational leadership (Judge & Bono, 2000). Similarly, Type 6 (The Loyalist), who adopts transactional leadership, aligns with the trait of Conscientiousness, associated with structured, organized leadership. This study expands on the Big Five model by offering a more granular view of leadership behaviors within the Enneagram framework.

Participative Leadership and Emotional Intelligence: Leaders with Type 9 (The Peacemaker) and Type 2 (The Helper) personalities, who demonstrated participative leadership, align with research on emotional intelligence (Goleman, 1998). These leaders excelled in fostering collaborative environments, a hallmark of leaders with high emotional intelligence, which includes the ability to manage relationships and understand the emotions of others. This supports Goleman's work on the importance of emotional intelligence in leadership effectiveness and expands on it by illustrating how Enneagram personality traits contribute to these leadership behaviors.

3. Leadership Styles and Business Performance

This study confirms existing research on the relationship between leadership styles and business performance, particularly in MSMEs. Prior studies, such as those by Bass (1985) and Yukl (2013), have shown that transformational leadership is linked to innovation, growth, and high performance, while transactional leadership is associated with stability and efficiency. The findings of this study support these conclusions, showing how different leadership styles, shaped by personality traits, directly impact MSME growth and success.

Transformational Leadership and Innovation: The study's findings align with Bass's (1985) transformational leadership theory, which emphasizes that transformational leaders drive innovation and motivate teams to exceed expectations. Type 3 (The Achiever) and Type 8 (The Challenger) leaders in this study were strongly correlated with innovation and business growth, particularly in competitive and dynamic environments. These leaders' ability to inspire and motivate their teams was crucial in fostering a culture of innovation, which is consistent with Bass's conclusions.

Transactional Leadership and Operational Stability: Similarly, the findings on transactional leadership, primarily exhibited by Type 6 (The Loyalist) and Type 5 (The Investigator) leaders, support Yukl's (2013) work on the role of transactional leadership in maintaining operational stability. Leaders who adopted transactional styles were effective in ensuring compliance, optimizing processes, and maintaining consistent business performance. This stability contributed to long-

term business sustainability, particularly in sectors such as manufacturing and logistics, where precision and reliability are critical.

4. Implications for MSME-Specific Leadership Theories

While much of the existing leadership literature focuses on large organizations, this study contributes to the understanding of leadership within the MSME sector. It aligns with research by McMillan and Fisher (2018), who argue that leadership in smaller businesses requires adaptability, direct engagement with employees, and a balance between innovation and operational control. This study's findings provide empirical support for these claims, particularly by showing how different personality traits lead MSME leaders to adopt flexible leadership styles that can shift between innovation-focused and stability-focused behaviors.

Adaptability in MSME Leadership: The study underscores the need for MSME leaders to adapt their leadership styles based on the specific challenges of their industry. Leaders with adaptive traits, such as Type 7 (The Enthusiast) and Type 6 (The Loyalist), were able to successfully navigate complex and volatile business environments by adjusting their leadership approaches, confirming McMillan and Fisher's (2018) assertion that flexibility is essential for MSME leadership success.

5. Challenges and Limitations in Applying Personality-Based Leadership Models

While the study provides strong evidence supporting the use of personality-based leadership models, it also raises important questions about the limitations of relying solely on personality traits to predict leadership success. Existing literature, such as Antonakis et al. (2016), suggests that situational factors and organizational culture

also play critical roles in leadership effectiveness. This study's findings align with this view, indicating that while personality is a key determinant of leadership behavior, contextual factors such as industry type, team dynamics, and market conditions must also be considered.

Situational and Environmental Factors: The study's findings support the idea that personality alone cannot fully predict leadership success, as leaders often need to adapt their behaviors based on external circumstances. This suggests that leadership development programs should take a holistic approach, incorporating both personality-based insights and situational factors to fully develop leadership effectiveness in MSMEs.

6. Conclusion of Findings and Literature Integration

The integration of this study's findings with existing literature confirms the critical role of personality in shaping leadership behaviors and effectiveness. The study aligns with established leadership theories while also expanding on them by applying the Enneagram framework to provide deeper insights into personality-driven leadership. These findings contribute to the growing body of research on leadership in the MSME sector and offer practical applications for leadership development, particularly in small to medium-sized business environments where adaptability, emotional intelligence, and innovation are essential for success.

6.3 Implications for Leadership Theory and Practice

The findings from this study have important implications for both leadership theory and practical leadership development within the MSME context. By examining the

relationship between Enneagram personality types and leadership styles, this research contributes to a more nuanced understanding of how personality traits shape leadership behaviors and influence business outcomes. These insights provide valuable contributions to leadership theory, particularly in expanding the use of personality-based models in leadership research, while also offering practical recommendations for MSME leaders looking to improve their leadership effectiveness.

This section is structured into two parts:

Practical Implications for MSME Leaders: This subsection will explore how the study's findings can be applied in real-world leadership development, offering actionable strategies for MSME leaders to enhance their leadership effectiveness through a deeper understanding of their personality traits and the leadership styles that align with them.

Theoretical Contributions to Leadership Studies: This subsection will discuss how the findings contribute to existing leadership theories, particularly those related to personality-driven leadership and the adaptability of leadership styles in different business environments.

The following subsections will offer a detailed exploration of these implications, providing both practical guidance and theoretical insights for advancing leadership theory and practice.

6.3.1 Practical Implications for MSME Leaders

The findings of this study have significant practical implications for MSME leaders, particularly in how they can leverage their personality traits to enhance leadership effectiveness and drive business success. By understanding the link between personality and leadership style, MSME leaders can develop more self-awareness and adopt strategies that align their leadership behaviors with their business goals. This section outlines key recommendations for MSME leaders based on the study's findings, focusing on leadership development, adaptability, and team management.

1. Leveraging Personality Strengths for Leadership Effectiveness

Understanding one’s personality traits can be a powerful tool for improving leadership performance. The Enneagram provides MSME leaders with valuable insights into their natural leadership tendencies, helping them to leverage their strengths and mitigate potential weaknesses. For example:

Type 3 (The Achiever) leaders can capitalize on their drive for success by setting clear goals and motivating their teams to excel, but they should also be mindful of the risk of burnout and ensure that their growth ambitions are sustainable.

Type 6 (The Loyalist) leaders can use their focus on security and structure to create stable, efficient organizations, but they should also work on embracing change and innovation to ensure long-term growth and competitiveness.

Type 9 (The Peacemaker) leaders can foster collaborative, inclusive work environments that promote employee engagement and satisfaction, but they need to be prepared to assert authority and make difficult decisions when necessary.

By aligning leadership practices with personality strengths, MSME leaders can maximize their effectiveness in driving both team performance and business success.

2. Adapting Leadership Styles to Business Needs

The study underscores the importance of adaptability in leadership, particularly in the dynamic and competitive environment of MSMEs. Leaders should be flexible in shifting between leadership styles—transformational, transactional, participative, or autocratic—based on the specific needs of their business and industry:

Transformational leadership is most effective when businesses are focused on growth and innovation. MSME leaders should adopt transformational behaviors when motivating teams, driving creativity, and expanding into new markets.

Transactional leadership is essential for maintaining operational efficiency and stability. MSME leaders in industries such as manufacturing or logistics should focus on clear processes, performance metrics, and rewards systems to ensure consistency.

Participative leadership is beneficial for building strong, engaged teams. Leaders should foster open communication and involve their teams in decision-making, especially in service-oriented businesses where employee collaboration directly impacts customer satisfaction.

Autocratic leadership may be necessary in times of crisis or when quick decisions are required. MSME leaders should be able to exercise authority and make decisive actions when their business faces urgent challenges or high-stakes situations.

Leaders who can adapt their style to the demands of their business environment will be more effective in navigating challenges and seizing opportunities for growth.

3. Developing Emotional Intelligence and Self-Awareness

Emotional intelligence plays a critical role in leadership effectiveness, particularly in MSMEs where leaders often have close interactions with their teams. Leaders with high emotional intelligence are better equipped to manage relationships, navigate conflicts, and create positive work environments. Practical steps for developing emotional intelligence include:

Improving self-awareness: Leaders should engage in regular self-reflection to understand how their emotions and behaviors impact their teams. Tools like the Enneagram can help leaders gain insights into their emotional patterns and how these influence their leadership.

Enhancing empathy: Empathy is essential for understanding the needs and concerns of employees. Leaders should work on actively listening to their teams, recognizing different perspectives, and responding with compassion and support.

Managing stress and emotions: MSME leaders often face high levels of stress due to the demands of running a small or medium-sized business. Learning to manage their emotions, particularly in high-pressure situations, will help leaders remain calm, focused, and effective.

By developing emotional intelligence, MSME leaders can build stronger relationships with their teams, reduce conflicts, and improve overall organizational culture.

4. Building Resilient and Engaged Teams

The study shows that leadership styles significantly impact team dynamics and employee engagement. MSME leaders who adopt leadership behaviors that foster collaboration, recognition, and support can improve employee satisfaction and retention, which are critical for business sustainability. Practical recommendations for building resilient and engaged teams include:

Encouraging team participation: Participative leadership allows employees to feel involved in decision-making processes, increasing their commitment to organizational goals. Leaders should create opportunities for team members to contribute their ideas and take ownership of projects.

Recognizing and rewarding performance: Transactional leadership, when used effectively, can boost morale by rewarding employees for meeting performance targets. Leaders should ensure that recognition is timely and tied to clear, achievable goals, motivating employees to maintain high levels of productivity.

Creating a positive work environment: Transformational leaders can inspire teams by fostering a culture of growth, innovation, and support. Leaders should focus on building trust, encouraging creativity, and providing opportunities for professional development, helping employees feel valued and empowered.

Leaders who focus on building strong, motivated teams are more likely to see long-term success, as engaged employees are more productive and loyal to the organization.

5. Long-Term Leadership Development and Continuous Learning

The findings of this study also emphasize the importance of continuous leadership development. MSME leaders should invest in their personal growth and leadership skills through ongoing learning, coaching, and mentorship. Practical steps include:

Engaging in leadership coaching: Personalized coaching can help leaders address specific challenges related to their personality traits and leadership style. Coaches can provide feedback, guidance, and strategies for improving leadership effectiveness.

Participating in leadership development programs: Formal training programs, particularly those focused on emotional intelligence, adaptive leadership, and team management, can help MSME leaders enhance their skills and stay ahead of industry trends.

Seeking mentorship opportunities: Mentorship from experienced leaders can offer valuable insights and advice, helping MSME leaders navigate the complexities of leadership and business management.

Continuous development ensures that MSME leaders remain adaptable and effective, even as their businesses evolve and face new challenges.

6. Conclusion of Practical Implications

The practical implications of this study highlight the critical role that personality, adaptability, and emotional intelligence play in MSME leadership. By understanding their own strengths and weaknesses, adapting their leadership styles to meet business needs, and focusing on building resilient, engaged teams, MSME leaders can significantly improve their leadership effectiveness and drive long-term business success. Investing in leadership development and continuous learning will ensure that MSME leaders are well-equipped to navigate the challenges of their business environments and lead their organizations toward sustainable growth.

6.3.2 Theoretical Contributions to Leadership Studies

This study makes several theoretical contributions to the broader field of leadership studies, particularly in expanding our understanding of how personality traits, as defined by the Enneagram, shape leadership behaviors and influence business outcomes in the MSME sector. By applying the Enneagram model, this research builds upon existing leadership theories while offering new insights into personality-driven leadership. This section explores the key theoretical contributions of the study.

1. Expanding Personality-Based Leadership Models

The study advances personality-based leadership theories by integrating the Enneagram framework, which provides a more nuanced understanding of leadership behaviors. While traditional personality models, such as the Big Five Personality Traits (Costa & McCrae, 1992), have been widely used in leadership

research, the Enneagram offers a deeper, more dynamic exploration of how personality influences leadership.

Granular Understanding of Personality: The Enneagram's nine distinct personality types offer a more detailed and comprehensive model for understanding leadership behaviors compared to broader personality frameworks like the Big Five. For example, the study shows that Type 3 (The Achiever) and Type 8 (The Challenger) exhibit strong transformational leadership traits, aligning with previous research linking Extraversion and Conscientiousness to transformational leadership (Judge & Bono, 2000). However, the Enneagram goes beyond these general traits by illustrating how specific motivations, such as the drive for achievement or the need for control, shape leadership effectiveness in real-world contexts.

Personality Dynamics and Leadership Adaptability: This study also highlights how personality traits influence a leader's ability to adapt their leadership style. Type 6 (The Loyalist) leaders, for instance, are inclined toward transactional leadership due to their focus on stability and security, yet they can also develop flexibility when needed to foster innovation. The Enneagram framework allows for a more dynamic view of leadership adaptability, contributing to theories that emphasize the situational nature of leadership behaviors (Hersey & Blanchard, 1969).

2. Integration with Transformational and Transactional Leadership Theories

The study's findings reinforce and expand upon existing transformational and transactional leadership theories (Bass, 1985; Avolio & Bass, 1991), particularly in the context of MSME leadership.

Transformational Leadership and Personality: The study affirms Bass's (1985) transformational leadership theory by showing that Type 3 (The Achiever) and Type 8 (The Challenger) personalities are strongly correlated with transformational leadership behaviors. These leaders inspire their teams, drive innovation, and push for business growth, which is consistent with prior research linking transformational leadership to high-performance outcomes. However, the study adds depth to this theory by demonstrating that these transformational behaviors are not only driven by external goals but are also deeply rooted in the internal motivations and personality traits of the leader.

Transactional Leadership and Stability: The study's findings also support transactional leadership theory by showing that Type 6 (The Loyalist) and Type 5 (The Investigator) leaders are more likely to adopt transactional styles, focusing on operational efficiency, process control, and performance-based rewards. These findings align with the work of Bass (1985) and Yukl (2013), which suggests that transactional leadership is effective for maintaining stability and consistency in organizations, especially in sectors like manufacturing and logistics.

3. Contributions to Situational Leadership and Adaptive Leadership Theories

The study contributes to situational leadership theory (Hersey & Blanchard, 1969) and adaptive leadership models (Heifetz & Linsky, 2002) by providing empirical evidence that personality traits influence a leader's ability to adapt their leadership style to different business contexts. This research highlights that effective MSME

leaders are those who can adjust their leadership approach based on their personality strengths and the specific demands of their environment.

Personality and Situational Flexibility: The study expands on situational leadership theory by illustrating that personality traits, such as those exhibited by Type 9 (The Peacemaker) and Type 7 (The Enthusiast), play a critical role in a leader's ability to adapt to changing circumstances. For example, Type 9 leaders tend to adopt participative leadership in collaborative environments but may shift toward a more directive style when conflict resolution or decisive action is required. This flexibility supports Hersey and Blanchard's (1969) notion that leadership effectiveness depends on the ability to adapt to situational variables.

Adaptive Leadership in MSMEs: The findings also align with adaptive leadership theory (Heifetz & Linsky, 2002), particularly in the context of MSMEs, where leaders often face rapidly changing market conditions. Type 7 (The Enthusiast) leaders, known for their flexibility and optimism, exemplify adaptive leadership behaviors that help MSMEs navigate uncertainty and pursue new opportunities. This adds to the growing literature on the importance of adaptive leadership in small and medium-sized businesses, where agility and responsiveness are critical to survival and growth.

4. New Insights into MSME-Specific Leadership

Much of the existing leadership research has focused on large organizations, with relatively limited attention given to MSME leadership. This study contributes to the

understanding of leadership within the MSME context by showing how personality traits uniquely influence leadership behaviors and outcomes in smaller businesses.

Leadership Flexibility and Resource Constraints: MSME leaders often face the challenge of leading with limited resources and smaller teams, making leadership flexibility and adaptability particularly important. This study provides new insights into how personality traits, such as those of Type 6 (The Loyalist) and Type 3 (The Achiever), impact the ability to manage resource constraints while fostering business growth. The findings suggest that MSME leadership requires a balance of transformational and transactional behaviors, with leaders needing to inspire innovation while maintaining operational efficiency.

Personality and Close-Knit Leadership Dynamics: In MSMEs, leaders often work closely with their teams, which heightens the importance of personality-driven leadership behaviors. The study shows that Type 9 (The Peacemaker) and Type 2 (The Helper) personalities are particularly effective in fostering strong team relationships and high levels of employee engagement. This close-knit leadership dynamic is unique to the MSME environment and contributes to the development of MSME-specific leadership models that emphasize relationship-building, employee motivation, and collaborative decision-making.

5. Theoretical Implications for Leadership Development

The study's findings have implications for leadership development theory, particularly in how personality assessments like the Enneagram can be integrated into leadership training programs. While personality-based leadership development

models have been proposed in the past (Hogan & Kaiser, 2005), this study demonstrates the practical value of using personality assessments to create tailored leadership development programs for MSME leaders.

Personality-Driven Leadership Development: The study suggests that leadership development programs should incorporate personality assessments, such as the Enneagram, to provide personalized coaching and training for leaders. By understanding their own personality traits, MSME leaders can become more self-aware, recognize their leadership tendencies, and develop strategies to enhance their effectiveness. This approach aligns with existing theories on self-awareness and emotional intelligence in leadership (Goleman, 1998), but it offers a more structured framework for integrating personality insights into leadership development.

6. Conclusion of Theoretical Contributions

This study contributes to leadership theory by expanding our understanding of how personality influences leadership effectiveness, particularly in the MSME context. The integration of the Enneagram with existing leadership models provides a deeper, more dynamic perspective on personality-driven leadership, while the findings offer new insights into adaptive leadership, transactional and transformational leadership, and MSME-specific leadership dynamics. These theoretical contributions help advance the field of leadership studies and offer a foundation for future research on the intersection of personality and leadership in diverse business environments.

6.4 Limitations of the Study

While this study provides valuable insights into the relationship between personality traits and leadership effectiveness in MSMEs, it is important to acknowledge its limitations. These limitations may have influenced the findings and should be considered when interpreting the results. Understanding the boundaries of this research helps provide a more balanced perspective and highlights areas where future studies may build upon or address gaps in the methodology.

The discussion of limitations in this section is divided into two key areas:

Research Design Limitations: This subsection explores limitations related to the design of the study, including the sample size, geographic scope, and the methodology used for data collection.

Data Collection and Sample Constraints: This subsection examines the constraints associated with data collection, such as the potential for self-reporting bias in personality assessments and the diversity of the sample in terms of industry representation.

By reflecting on these limitations, this section provides a more comprehensive understanding of the study's scope and the factors that may have influenced its outcomes. It also sets the stage for future research directions that can address these limitations.

6.4.2 Data Collection and Sample Constraints

The data collection process in this study, while designed to provide robust insights into the relationship between Enneagram personality traits and leadership styles in MSMEs, presents certain constraints that may have impacted the results. These limitations are primarily related to the methods of data collection and the diversity of the sample used in the study.

1. Self-Reporting Bias in Personality Assessments

A potential limitation in this study arises from the reliance on self-reported data for the Enneagram Personality Types Assessment. Participants were asked to evaluate their own leadership behaviors and personality traits, which introduces the possibility of bias:

Social Desirability Bias: Leaders may have responded in a way that reflects socially desirable traits rather than their actual personality characteristics. This can lead to inflated self-assessments, particularly in areas such as transformational leadership, where qualities like motivation and inspiration are viewed positively.

Lack of External Validation: The absence of external assessments or third-party evaluations of the leaders' personalities may limit the objectivity of the results. A more comprehensive approach, combining self-reports with 360-degree feedback or assessments from colleagues and employees, could have provided a more balanced view of the leaders' traits and behaviors.

2. Sample Size and Representation

The sample size, while adequate for an exploratory study, may not have been large enough to capture the full range of leadership styles and personality traits across the diverse landscape of MSMEs in Indonesia. Additionally, the sample may not have been fully representative of the various industries and regions within the country:

Industry Representation: The study included leaders from multiple sectors, such as manufacturing, service, and trade, but it may not have captured all the nuances of leadership in other important sectors like agriculture or technology, which may have distinct leadership challenges and styles.

Geographic and Cultural Diversity: Although the study focused on MSME leaders in Indonesia, regional and cultural differences within the country may have influenced leadership styles. Certain leadership behaviors may be more prevalent in specific regions or cultures, which could affect the generalizability of the findings across different parts of the country.

3. Cross-Sectional Nature of the Study

The study was conducted using a cross-sectional design, meaning that data was collected at a single point in time. While this approach provides valuable insights into the current leadership behaviors and personality traits of MSME leaders, it limits the ability to draw conclusions about how these traits may evolve or influence business performance over time:

Lack of Longitudinal Data: A longitudinal study, tracking leadership behaviors and business outcomes over an extended period, would offer a more complete

understanding of how personality-driven leadership evolves and how it impacts long-term business success. The cross-sectional design, by contrast, provides only a snapshot of leadership dynamics, making it difficult to assess long-term effectiveness or change.

4. Generalizability Beyond the MSME Context

Another limitation is the generalizability of the findings beyond the MSME sector. While the study provides valuable insights into leadership in MSMEs, its focus on small and medium-sized enterprises means that the results may not be directly applicable to larger organizations or different types of businesses:

Leadership in Larger Organizations: Leadership challenges in larger corporations, which often involve more complex organizational structures and resources, may differ significantly from those in MSMEs. The leadership styles and personality traits identified in this study may not translate as effectively in larger-scale operations.

Cultural Generalizability: Since the study focused specifically on Indonesian MSMEs, the findings may not apply to MSMEs in other cultural or national contexts. Cultural differences can play a significant role in shaping leadership behaviors, and leaders in different countries may exhibit different traits or styles based on their cultural environment.

5. Potential for Overgeneralization

Lastly, while the Enneagram personality framework provided a useful structure for analyzing leadership behaviors, there is a risk of overgeneralizing the influence of personality traits on leadership effectiveness:

Complexity of Leadership Behavior: Leadership effectiveness is influenced by a multitude of factors, including organizational culture, market conditions, and individual experiences. While personality plays a significant role, other variables that were not examined in this study—such as leadership experience, educational background, or external pressures—could also impact leadership styles and outcomes.

6. Conclusion of Data Collection and Sample Constraints

The constraints related to data collection and sampling in this study highlight areas where the findings should be interpreted with caution. While the study offers important insights into the relationship between personality and leadership in MSMEs, future research should address these limitations by incorporating more diverse samples, longitudinal designs, and external validation methods. By doing so, future studies can provide a more comprehensive understanding of how personality-driven leadership behaviors evolve and impact business success over time.

6.5 Recommendations for Future Research

While this study has provided valuable insights into the relationship between Enneagram personality types and leadership styles in MSMEs, there are several areas where future research could build upon these findings. Expanding the scope of research, improving methodological approaches, and exploring additional variables will contribute to a deeper and more comprehensive understanding of personality-driven leadership. This section outlines key recommendations for future research, based on the limitations and gaps identified in this study.

1. Longitudinal Studies on Leadership Evolution

One of the primary limitations of this study was its cross-sectional design, which captured leadership behaviors at a single point in time. To better understand how personality-driven leadership evolves over time and influences long-term business outcomes, future research should adopt a longitudinal approach:

Tracking Leadership Over Time: Future studies could track MSME leaders over several years to examine how their leadership styles change in response to organizational growth, market conditions, or personal development. This would provide valuable insights into the dynamic nature of leadership and how personality traits interact with external factors over the course of a leader's career.

Impact on Long-Term Business Success: A longitudinal study would also allow researchers to explore the impact of leadership styles on long-term business performance, including growth trajectories, employee retention, and innovation.

This approach would help identify which leadership behaviors are most sustainable and effective over time.

2. Cross-Cultural Comparisons

Given that this study focused specifically on Indonesian MSMEs, future research could explore how the findings apply in different cultural contexts. Leadership behaviors are often shaped by cultural norms and values, which influence how leaders interact with their teams and make decisions. Cross-cultural studies could provide a more global understanding of personality-driven leadership:

Comparing Leadership Across Countries: Future research could examine whether the relationships between Enneagram personality traits and leadership styles are consistent across different countries or regions. By conducting cross-cultural comparisons, researchers can explore how cultural factors, such as power distance, collectivism, or individualism, affect leadership behaviors and personality dynamics.

Cultural Adaptations of the Enneagram: Another area of focus could be how the Enneagram framework itself is interpreted and applied in different cultural contexts. Researchers could investigate whether certain Enneagram types are more prevalent or valued in specific cultures and how these cultural differences impact leadership effectiveness.

3. Exploring Industry-Specific Leadership Challenges

While this study included leaders from a variety of industries, future research could delve deeper into industry-specific leadership challenges to understand how personality-driven leadership behaviors manifest in different sectors:

Sector-Specific Leadership Needs: Future studies could examine how leadership styles differ in sectors such as technology, healthcare, agriculture, or education, where operational challenges, workforce dynamics, and regulatory environments vary significantly. This would help identify which personality traits and leadership behaviors are most effective in each industry and how MSME leaders can tailor their leadership approaches to meet sector-specific demands.

Leadership in High-Growth Sectors: Given the rapid pace of innovation in sectors such as technology, future research could focus on understanding how transformational leadership, driven by personality traits like those of Type 3 (The Achiever) and Type 8 (The Challenger), impacts business growth and innovation in high-growth sectors.

4. Incorporating External Assessments and 360-Degree Feedback

To mitigate the limitations of self-reported data, future research should incorporate more objective assessments of leadership behaviors through external evaluations or 360-degree feedback mechanisms:

Third-Party Evaluations: By gathering input from colleagues, subordinates, and other stakeholders, future studies can provide a more holistic view of leadership effectiveness. This would help validate or contrast the self-reported personality

traits and leadership behaviors identified by the leaders themselves, reducing the potential for social desirability bias.

Employee Perspectives on Leadership: Including feedback from employees can provide insights into how personality-driven leadership impacts team dynamics, employee satisfaction, and overall organizational culture. Understanding how employees perceive different leadership styles will offer a more complete picture of leadership effectiveness.

5. Examining the Role of Emotional Intelligence

While this study focused on the relationship between personality and leadership, future research could explore the role of emotional intelligence (EI) as a moderating factor in leadership effectiveness. Emotional intelligence, defined as the ability to understand and manage one's own emotions and those of others, has been shown to influence leadership success:

Personality and Emotional Intelligence: Future studies could investigate how emotional intelligence interacts with personality traits to shape leadership behaviors. For example, does a high level of emotional intelligence enhance the effectiveness of transformational leaders, or does it help transactional leaders build stronger relationships with their teams? By exploring this intersection, researchers can offer deeper insights into how MSME leaders can develop emotional intelligence alongside their natural personality traits.

Developing Emotional Intelligence in Leadership Training: Another area of research could focus on how leadership development programs can incorporate

emotional intelligence training. By exploring the outcomes of leadership programs that combine personality assessments with emotional intelligence coaching, future research could identify the most effective approaches to holistic leadership development.

6. Investigating the Impact of Leadership on Employee Well-Being

Future research could also explore how personality-driven leadership impacts the well-being of employees in MSMEs. While this study focused on business performance and leadership effectiveness, the well-being and job satisfaction of employees are critical factors in organizational success:

Leadership Styles and Employee Well-Being: Future studies could examine how different leadership styles, influenced by personality traits, impact employee stress levels, job satisfaction, and mental health. For example, how does transformational leadership inspire and motivate employees, and are there potential downsides, such as burnout, when led by highly driven Type 3 (The Achiever) leaders?

Creating a Positive Organizational Culture: Researchers could also investigate how participative leadership, typically exhibited by Type 9 (The Peacemaker) and Type 2 (The Helper), contributes to building supportive, positive work environments. Understanding the connection between leadership styles and employee well-being can help MSME leaders create healthier, more productive workplaces.

7. Exploring Leadership in Larger Organizations

Although this study focused on MSME leaders, future research could apply similar methodologies to explore leadership in larger organizations:

Leadership Behaviors in Complex Organizations: Future studies could investigate whether the personality traits and leadership styles identified in this study translate effectively to larger organizations with more complex structures and resources. This would help determine whether personality-driven leadership behaviors are as impactful in large-scale businesses as they are in MSMEs.

Comparing Leadership Across Business Sizes: By comparing leadership dynamics in MSMEs and larger corporations, researchers can explore how the scale of the organization influences the effectiveness of personality-driven leadership. This research would provide valuable insights for leaders transitioning from smaller businesses to larger organizations or for those managing hybrid models that include both MSME and corporate entities.

8. Conclusion of Future Research Directions

The findings of this study open several avenues for future research, offering opportunities to deepen our understanding of personality-driven leadership and its impact on business success. By addressing the limitations of this study and exploring new variables such as cultural differences, emotional intelligence, and employee well-being, future research can provide a more comprehensive view of leadership effectiveness in MSMEs and beyond. These insights will contribute to the development of more targeted leadership strategies that can be applied across various industries, cultural contexts, and organizational sizes.

6.6 Conclusion

This study explored the relationship between Enneagram personality types and leadership styles among MSME leaders in Indonesia, providing valuable insights into how personality-driven leadership impacts business success. The findings confirm that personality traits significantly influence leadership behaviors, shaping how leaders motivate their teams, make decisions, and navigate business challenges. By analyzing the leadership styles of MSME leaders through the lens of the Enneagram, the study highlights the importance of self-awareness, adaptability, and emotional intelligence in driving leadership effectiveness.

1. Summary of Key Contributions

The study's primary contributions lie in its integration of the Enneagram framework with established leadership theories, offering a more nuanced understanding of how specific personality traits align with leadership styles. The findings confirm the relevance of transformational, transactional, participative, and autocratic leadership styles in the MSME context, showing how different personality types—such as Type 3 (The Achiever), Type 6 (The Loyalist), and Type 9 (The Peacemaker)—drive distinct leadership behaviors.

The research also demonstrates that leadership in MSMEs is uniquely shaped by the challenges of small and medium-sized businesses, where flexibility, close-knit team dynamics, and resource constraints are critical factors. The study underscores the need for MSME leaders to balance their natural leadership tendencies with the specific demands of their industries, whether by fostering innovation and growth

through transformational leadership or ensuring operational stability through transactional approaches.

2. Implications for Leadership Development

One of the key takeaways from this study is the potential for integrating personality assessments, such as the Enneagram, into leadership development programs. By understanding their personality traits, MSME leaders can better align their leadership behaviors with the needs of their businesses and teams. The study suggests that leadership development programs should emphasize self-awareness, emotional intelligence, and adaptability, equipping leaders with the tools to manage both their own strengths and the challenges of leading in dynamic environments.

Furthermore, the findings highlight the importance of continuous learning and leadership growth. Leaders who invest in developing their leadership skills, whether through coaching, mentorship, or formal training programs, are more likely to achieve sustainable business success.

3. Limitations and Future Research

While the study provides important insights into personality-driven leadership, it also identifies several limitations, including the potential for self-reporting bias and the need for a more diverse sample. Future research should address these limitations by incorporating longitudinal designs, cross-cultural comparisons, and external evaluations of leadership effectiveness. Additionally, exploring the role of emotional intelligence, employee well-being, and industry-specific leadership

challenges will further enrich our understanding of how personality influences leadership in various contexts.

4. Final Thoughts on Personality-Driven Leadership

In conclusion, this study reaffirms the critical role of personality in shaping leadership behaviors and effectiveness. MSME leaders who understand their personality traits and how they influence their leadership styles are better equipped to navigate the complexities of running a small or medium-sized business. By leveraging their strengths, adapting their leadership to different situations, and continuously developing their skills, leaders can drive both personal and organizational success.

The insights gained from this research provide a foundation for future studies on personality-driven leadership, offering practical guidance for MSME leaders, leadership development professionals, and scholars interested in the intersection of personality and leadership.

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APPENDIX

Letter to Respondents

EUROPEAN INTERNATIONAL UNIVERSITY
59 Rue Lamarck 75018 Paris, France

Dear Sir/Madam,

15th September, 2023

Re: Participation in research

Greetings!

My name is Puguh Dwi Kuncoro, Doctor of Candidate in Psychology from European International University (EIU) Paris. I am writing to inform you about a research project entitled ***"A Study of Leadership Style Analysis Using The Enneagram Personality Types Assessment For Micro, Small & Medium Enterprise (MSME) Business Leaders in Indonesia"***. It is hoped that this research will help provide insight into the dynamics of personality and its relationship to leadership style of the MSME business leader in Indonesia.

In this regard, we request your permission to allow us to conduct our survey. Your response will be kept and treated utmost confidentiality and would be used for academic purposes only. By showing interest in the research, it in no way commits you to participate in any research. I hope you are willing to take a part. Thank you for your participation and contribution to this research.

Kind Regards,

Puguh Dwi Kuncoro

(Researcher)

END OF DOCTORAL THESIS