

ABSTRACT

The background of this research focuses on the vital role of Micro, Small, and Medium Enterprises (MSMEs) in Bekasi City's economy, characterized by their significant contribution to local economic development, job creation, and poverty reduction efforts. However, MSMEs are faced with various challenges that hinder their growth and business performance. This study aims to investigate the influence of entrepreneurial orientation that includes innovation, proactiveness, and risk-taking on the business performance of MSMEs in Bekasi City.

This research method uses a quantitative approach with a structured survey to MSME owners in Bekasi City. The sample was selected through convenience sampling technique to collect data relevant to the research variables. Data analysis was conducted using a covariance-based SEM (Structured Equation Modeling) approach using the AMOS version 29.0 application to assess the relationship between entrepreneurial orientation and business performance.

The research findings show that entrepreneurial orientation has a positive and significant influence on the performance of MSMEs in Bekasi City. Innovation, proactiveness, aggressiveness, and risk-taking are proven to be the key factors influencing business success, indicating that MSMEs that apply entrepreneurial orientation tend to experience improved performance.

The contribution of this research lies in the deepened understanding of how entrepreneurial orientation can be used as a strategy to improve MSME performance. It provides new insights for business owners, policymakers and other stakeholders on the importance of encouraging entrepreneurial attitudes in order to support the growth and sustainability of MSMEs.

Future research is recommended to analyze in more depth the aspects of risk-taking and proactivity of MSMEs, especially in the context of export readiness, as well as examine the effect of education level on the implementation of entrepreneurial orientation. Practically, MSMEs in Bekasi City are recommended to increase innovation through the development of an internal creative culture and increase competitive aggressiveness by actively seeking new market opportunities, adapting quickly to change, and building strong product or service differentiation. The

implementation of these suggestions is expected to improve the business performance of MSMEs while contributing to broader scientific research in entrepreneurship and management.

Keywords: *Entrepreneurial Orientation, MSME Performance, Innovation, Proactiveness, Risk-Taking.*