



An exploratory approach to unlock the emotional intelligence of entrepreneurs

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Abstract

The primary purpose of this article is to examine the impact of entrepreneurial spirit and emotional stability towards emotional intelligence in the context of entrepreneurship. The assessment of the entrepreneurial spirit and emotional stability towards emotional intelligence of the entrepreneurs are of great relevance in the Indian context. Adhering a standardized instrument as research questionnaire, primary data are collected from the entrepreneurs of Knitted Garment Manufacturing units. The sample units regarded are the entrepreneurs of Knitted Garment Manufacturing units. Area Sampling Technique, which appertains to the prototype of probability sampling, is preferred to pick out the potential unbiased respondents. Considering the dependent and independent variables, the statistical tools used in this paper are Multiple Linear Regression analysis, Analysis of Variance, and Structural Equation Modeling (SEM) with Maximum Likelihood Estimation. The results revealed that 62.6% variance in Emotional Intelligence are accounted by Entrepreneurial Spirit and Emotional Stability. Based on the research finding, the implications and suggestions for future study were discussed.

Keywords: entrepreneurial spirit, emotional stability, emotional intelligence

Introduction

Emotional intelligence (otherwise known as emotional quotient or EQ) is the ability to understand, use, and manage your own emotions in positive ways to relieve stress, communicate effectively, empathize with others, overcome challenges and defuse conflict. S The cutting edge of adaptation and the growth of new markets domicile on the dynamic productive force of entrepreneurship (Audretsch, 1998; Clark, 2006; Dhliwayo, 2014; Fisher & Shapiro, 2004) [4, 7]. With over a million new business initiatives getting established in India every year, the small firms contribute substantially to the economic growth and economic prosperity. The considerable increase in the size of the subsisting firms as well as the creation of new firms bestow to the economic growth of the nation. Furthermore, it is of the essence to progress the organizations and economies in order to create new economic entities or entrepreneurship. By encouraging innovation, job creation, and global competitiveness among firms and countries, the entrepreneurial activity is a critical constituent of national economic growth and development. Despite the financial, managerial, and personal challenges associated with entrepreneurial career, in this present scenario, individuals banking on entrepreneurial career are growing rapidly. The present economic situation has ensued in organizational retrenchment and unconstipated periods of unemployment, which have hastened a growing number of people to aspire to entrepreneurship.

Statement of the problem

Now a days the employees or entrepreneurs fail to have problem solving skills, social skills to come up with solutions, fail to create strong relationships because of not knowing how to unlock the stress they have in their day to

day business life. Witnessing a springing up exploitation in balancing the emotional intelligence, entrepreneurs in India are having a discombobulating situation. Nevertheless, the entrepreneurial spirit and emotional stability of the entrepreneurs are tended to be the influential factors in determining the emotional intelligence of the entrepreneurs (Goleman, 2000). However, there subsist only a less number of investigations that have highlighted the pregnant level of emotional intelligence and its antecedent factors among the entrepreneurs. It is a pragmatically observation that the entrepreneurial spirit and emotional stability of the entrepreneurs are manifestly colligated with the emotional intelligence of the entrepreneurs (Cooper & Artz, 1995; Duchesneau & Gartner, 1990; Kafetsios & Zampetakis, 2008; Gunnerud, 1997). As the cosmos of the relationship between these selected attributes is not found to be ascertained, this present research sought to address these less explored variables.

Need of the study

The primary purpose of this article is to examine the impact of entrepreneurial spirit and emotional stability towards emotional intelligence in the context of entrepreneurship. The growth, profitability, and entrepreneurial success are witnessed to be bestowed by a greater degree of entrepreneurial spirit and emotional stability. As an entrepreneur, having high emotional intelligence allows you to be a better manager and leader. Not only does it impact how you handle yourself, but it also helps you relate to employees, business partners and even clients in a much greater capacity. In Tirupur, the knitted garment industry entrepreneurs are extremely splintered as they handle a large pool of skilled and unskilled work force. As a healthy economy that can be a major source of job creation is

imparted from the entrepreneurial activity performed by the entrepreneur, it is staggeringly important for the entrepreneurs to be emotionally well balanced. The individual capabilities, potentialities, aspiration, and opportunities are found to be the key determinants of the entrepreneurship (Jordan & Peter, 2002; Mayer & Salovey, 2001; Slaski & Cartwright, 2003). Thus assessing the entrepreneurial spirit and emotional stability towards emotional intelligence of the entrepreneurs are of great relevance in the Indian context.

Research Questions

This article has been intended to find answer for the following research questions.

- a. What is the impingement of entrepreneurial spirit and emotional stability towards emotional intelligence?
- b. What are the socio-demographic factors that influence the emotional intelligence of the entrepreneurs?

Objectives of the Study

The research objectives devised with regard to the above enumerated research questions are.

1. To evaluate the impact of entrepreneurial spirit and emotional stability towards emotional intelligence.
2. To measure the socio-demographic factors influencing the emotional intelligence of the entrepreneurs.

Literature review and hypotheses

Aghajani and Abbasgholipour (2012) ^[1] observed the importance of entrepreneurship as making wealth, developing technology, and creating productive employment. The authors investigated the biographical characteristics by explaining its relation to entrepreneurial spirit at Mazandaran University students. Using a survey questionnaire as the data collection instrument, the primary data were gathered. The formulated hypotheses were analyzed using

T-Student test and ANOVA. The findings revealed that, except age, other biographical characteristics comprising gender, marital status, employment, birth arrangement, parents' education level, did not have any association with the entrepreneurial spirit.

Arcand (2012) ^[3] observed limited researches on the specific topic of intergenerational transmission of the entrepreneurial spirit. Thus the author sought to elucidate the concept of entrepreneurial spirit. The purpose of this paper is to identify the main factors that influence the children of immigrant entrepreneurs in their decisions to take over from their parents or start new business ventures. Focusing on how respondents comprehend entrepreneurship, data were collected using semi-directed interviews with the children of immigrants, aged between

18 and 35, in the area of Montreal. It was found that ethno-cultural background was insignificant in the entrepreneurship transmission process.

Teng and Liu (2014) examined the service outcomes using conscientiousness and emotional stability as predictors. The authors adopted processing efficiency theory to investigate how the interaction between conscientiousness and emotional stability impacts the service quality. Embellishing a cross-sectional design, this paper employed questionnaires to the primary collect data. The findings of the study indicated that the interaction of conscientiousness and emotional stability significantly influence service quality.

Lyons (2015) reviewed the research pertaining to the entrepreneurial spirit of employees and its contribution to

the organizational success. The author examined the research and opinion over the past several years and abstracted it to help professionals in stimulating entrepreneurial spirit in the organization. It was brought out that 5-8 per cent of employees would ultimately leave to set up their own business, while a tantamount percentage produced and developed products, services, cost-savings and the like to benefit the firm and would not leave the organization.

Research Hypotheses

Following the literature review, complying hypotheses are developed.

H1: Entrepreneurial spirit will significantly influence emotional intelligence.

H2: Emotional stability will significantly influence emotional intelligence.

H3: Socio-demographic factors will significantly influence emotional intelligence.

Research methodology

Adhering a standardized instrument as research questionnaire, primary data are collected from the entrepreneurs of Knitted Garment Manufacturing units. The research instrument used in this paper was developed keeping in mind the emotional stability and emotional spirit that would influence the emotional intelligence of the respondents. The attributes and sub-scales related to this article were ascertained from the relevant literature. Face and content validity were performed by circulating the questionnaire among research experts for a critical evaluation. Later, the experts are interrogated with regard to the adequacy of each item in evaluating the necessitated information. Based on the gathered suggestions from the panel of experts, so as to enable the respondents in understanding the questionnaire better, slight modifications are made. Adopting the 5-point Likert's Scale, ranging from 'Highly satisfied' to 'Highly Dissatisfied', the respondents were asked to show how often each of the emotional intelligence items experienced by them.

Observing the Cronbach's Alpha reliability score over 0.7 for all the sub-scales, it is comprehended that each attribute has an adequate degree of internal consistency (Nunnally, 1967). The geographical area refers to Knitted Garment Manufacturing units in Tirupur. The primary data collection process was executed for a period of eight months from August 2015 to March 2016. The sample units regarded are the entrepreneurs of Knitted Garment Manufacturing units. Area Sampling Technique, which appertains to the prototype of probability sampling, is preferred to pick out the potential unbiased respondents. As per the sample size determination model (Krejcie and Morgan, 1970), the sample sizes of 240 entrepreneurs were picked out. Further to eliminating ambiguous, double-barreled, and misleading responses, 186 completed questionnaires persisted at 77.5% response rates (Churchill, 1979) which are used for analysis. Considering the dependent and independent variables, the statistical tools used in this paper are Multiple Linear Regression analysis, Analysis of Variance, and Structural Equation Modeling (SEM) with Maximum Likelihood Estimation.

Conceptual framework

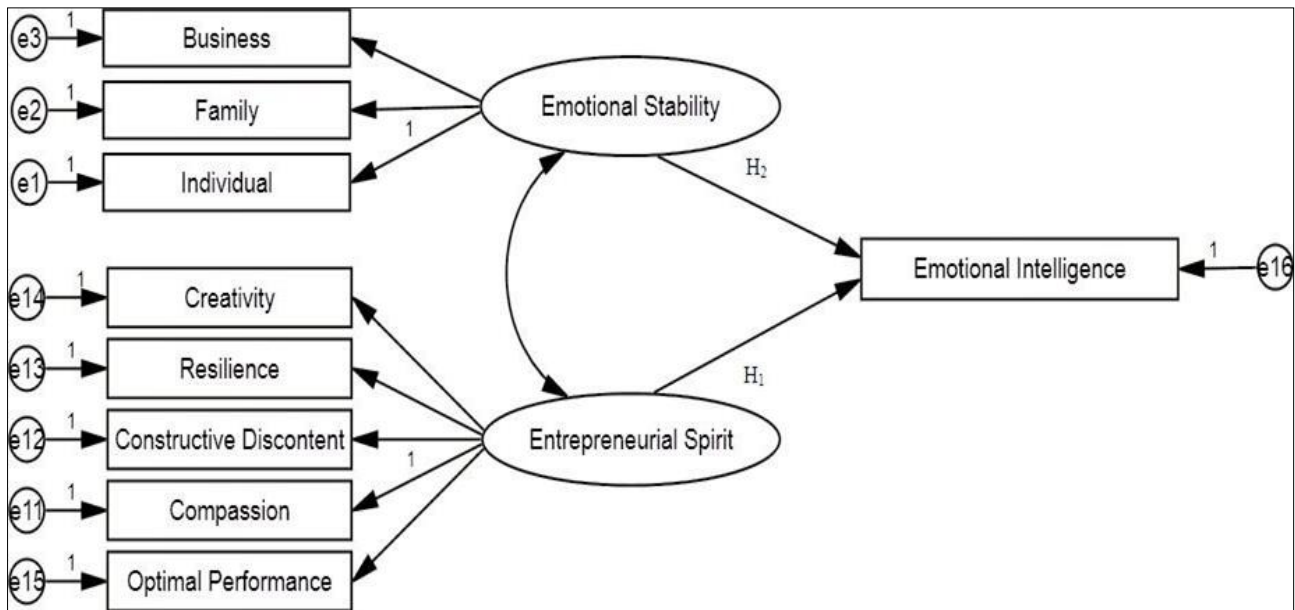


Fig 1: Conceptual Framework – “NDK Emotional Intelligence Model”

Analyses and discussion

Objective 1

The impact of Entrepreneurial Spirit and Emotional Stability towards Emotional Intelligence is examined using Multiple Linear Regression analysis. It is observed from Table 1 to 4 that the regression value ‘R’ is at 79.1%, the R Square value is at 62.6%, and the adjusted R Square value is at 62.2%. Hence it can be interpreted from the R Square value that the weighted combination of the predictor variables (Entrepreneurial Spirit like present oriented, specific or narrow focus, discomfort diminished with repentance, peace and Emotional Stability like tolerate minor stresses and

strains of day to day living without becoming emotionally upset, anxious, nervous, tense, or angry) accounts for 62.6% of the difference in the dependent variable (Emotional Intelligence). It can be concluded that 62.6% variance in Emotional Intelligence is accounted by Entrepreneurial Spirit and Emotional Stability. The results are in line with the findings of Ngah and Salleh (2015) that investigated the emotional intelligence, innovativeness, emotional stability, and entrepreneurial success of entrepreneurs in Malaysia and witnessed that better emotional stability contributed well-balanced emotional intelligence.

Table 1: Variables entered/removed^a

Model	Variables Entered	Variables Removed	Method
1	Entrepreneurial Spirits, Emotional Stability ^b	.	Enter

a. Dependent Variable: Emotional Intelligence

b. All requested variables entered.

Table 2: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.791 ^a	.626	.622	.37198

a. Predictors: (Constant), Entrepreneurial Spirits, Emotional Stability

Table 3: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	42.404	2	21.202	153.225	.000 ^b
	Residual	25.322	183	.138		
	Total	67.726	185			

a. Dependent Variable: Emotional Intelligence

b. Predictors: (Constant), Entrepreneurial Spirits, Emotional Stability

Table 4: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1	(Constant)	.364	.248		1.466	.144
	Emotional Stability	1.052	.061	.776	17.133	.000
	Entrepreneurial Spirits	.081	.035	.106	2.340	.020

a. Dependent Variable: Emotional Intelligence

Objective 2

Analysis of variance is carried out to examine the association of socio- demographic factors and emotional intelligence of the entrepreneurs. It is inferred from the results of analysis of variance that age, educational qualification, previous entrepreneurial experience, and source of finance for initial investment have significant association towards emotional intelligence of the entrepreneurs. Similar findings are observed by Talas, Celik, and Oral (2013) who determined the impact of demographic factors on entrepreneurial intention.

Conceptual framework

Complying all the essential econometric assumptions, the proposed “NDK Emotional Intelligence Model” is examined using SEM using AMOS (Arbuckle, 1997; Blunch, 2008; Byrne, 2001; Harris, 2009; Hoyle, 2012; Little, Schnabel, and Baumert, 2000; Schumacker and Lomax, 2004) [2, 5, 6]. The Chi-Square value of the proposed NDK Emotional Intelligence Model is detected to be significant. The model fit indicators of NDK Emotional Intelligence Model are noticed as: CMIN/DF value at 3.204 - instituting an acceptable fit, GFI value at 0.992 - establishing a perfect fit, AGFI value at 0.984 - depicting good fit, RMR value at 0.011 - manifesting a commendable fit, CFI value at 0.944 - indicating a passable fit, IFI value at 0.935 - demonstrating a borderline fit, and PCLOSE value at 0.000 – evidencing a perfect fit. Therefore, the proposed NDK Emotional Intelligence Model is accepted.

Conclusion

The study finally gave the insight that emotional intelligence is made of the three mantras Recognize, Understand and Manage. Also the study has literally proven that only the entrepreneur’s ability to accept the criticism and sensibilities to move on can unlock all his stress. The study has found that the Entrepreneurial Spirit (like present oriented, specific or narrow focus, discomfort diminished with repentance, peace) and Emotional Stability (like tolerate minor stresses and strains of day to day living without becoming emotionally upset, anxious, nervous, tense, or angry) must be in balance to have a “feel-good” environment. The statistically proven “NDK Emotional Intelligence Model” is a staggeringly authoritative research framework that integrates the antecedents of emotional intelligence using entrepreneurial spirit and emotional stability. The findings of this article contribute to the imperishable literature by discerning the contemporaneous efforts that ascertain the components influencing the emotional intelligence of the entrepreneurs of Knitted Garment Manufacturing units. Emotional intelligence induces the cardinal element of human behavior which is trenchant from intellectual ability of an individual.

Limitations of the study

In this context, this paper bestows to the literature by measuring how the selected attributes determine emotional intelligence amongst entrepreneurs. A hypothetical probability of common method difference exists in this article, which could be the possible limitation as the findings are evidenced on self-report data. The research findings estimate the relational answers furnished by the primary respondents. Aforesaid research limitations should be considered ahead of carrying on future research in this

domain. Despite the satisfactory degree of fitness demonstrated by the proposed “NDK Emotional Intelligence Model”, there is constantly a chance for a better model to exist.

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