

The Impact of Emotional Intelligence on Entrepreneurial Orientation: A Study of College Students in Punjab

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ABSTRACT

Entrepreneurship is assuming huge significance in the current economic situation. Entrepreneurs being Job providers rather than Job seekers not only increase the scope and opportunities for youth in an economy but also reduce unemployment and raise the standard of living of people in the economy. Entrepreneurial Orientation is a set of psychological traits, attitudes and attributes that are strongly associated with a motivation to engage in entrepreneurial activities. Entrepreneurial orientation is essential for creating entrepreneurs and thus is an important component of Entrepreneurship. In this research an attempt is being made to understand the role of Emotional intelligence on entrepreneurial orientations of college students of Punjab. Emotional Intelligence is a vital personality trait which refers to one's ability to be aware of one's own feelings and feelings of others, to differentiate among them, and use the information to guide ones thinking and behavior. The study attempts to examine the extent of influence exerted by Emotional intelligence upon Entrepreneurial intentions of college students of selected colleges in Punjab. Stratified Sampling technique is used to draw a sample of 488 college students. The results indicate that Emotional Intelligence predicts all the seven dimensions of Entrepreneurial Orientation significantly.

1. Introduction

Entrepreneurship is assuming great significance in the current economic situation, and entrepreneurial orientation has become a fundamental concept in this sphere. As a concept entrepreneurial orientation has received a generous amount of conceptual as well as empirical attention. It has many dimensions. Entrepreneurial Orientation is a set of psychological traits, values, attitudes and attributes that are strongly associated with a motivation to engage in entrepreneurial activities. It has received a substantial amount of theoretical and empirical attention. Based on Miller's (1983) conceptualization, three dimensions of entrepreneurial orientation have been identified and used consistently in literature: innovativeness, risk taking, and pro-activeness. Lumpkin and Dess (1996) suggested that competitive aggressiveness and autonomy could also be added as additional components of the entrepreneurial orientation construct.

The term 'Emotional Intelligence' was first coined by Salovey and Mayer in 1990; since then it has been developed, adapted and embraced by the business world and also by many educators. EI skills have been strongly associated with dynamic leadership (Goleman 1998a, 2000). It is as an important quality especially at the workplace as it helps one to succeed there. Emotional Intelligence is a vital personality trait that positively impacts influences job performance Emotional intelligence refers to one's ability to be aware of one's own feelings and feelings of others, to differentiate among them, and use the information to guide ones thinking and behavior (Salovey, 1990). (Goleman, 2002) refers to it as the capability of organizing one's own feelings and those of others, for motivating ourselves, and for managing our emotions well, for our own benefit as well as for the betterment of our relationships. EI is associated with emotional awareness,

accurate self-assessment and self-confidence, self-control, trustworthiness, conscientiousness, motivation, empathy and social skills.

2. Review of literature

Constructs in the psychological and cognitive domains have been most often invoked in the quest to find correlates with entrepreneurial behaviour (Mitchell et al 2002). Emotional Intelligence construct received further prominence with the publication of Daniel Goleman's best seller "Emotional Intelligence: Why it can matter more than IQ". Many studies found that emotional intelligence helps predict personal and professional success and also enhances job performance (Robbins, Judge 2009). Isen (2001) found out that emotional intelligence sharpens problem solving skills and that positive people find better solutions to complex problems. Studies have also reported a positive relationship between emotional intelligence and successful leadership (Robbins and Judge, 2009). Mair (2005) in his study found out that a manager's ability to observe his or her own feelings and emotions had a positive effect on entrepreneurial behavior within an organization. PovilasZakareviciusl, (2010) carried out an empirical study to show the relation between emotional intelligence and entrepreneurship. Personal relations and social effectiveness do play a role in the success of an entrepreneurial venture. Higher emotional intelligence leads to better social network which in turn has a positive impact on business relations (NuzhathKhattoon, 2013). One of the most important attributes of an entrepreneur is the ability to build rapport and have an effective style of communication as without them the ability of the entrepreneur to convey their vision and goals would be restricted (Bonnstetter, 2012).

3. Need of Study

An entrepreneur is a major catalyst in the process of growth of the economy because he perceives an opportunity for making a product or a service. Entrepreneurship is a dynamic process of vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. Entrepreneurial skills are essential for quick economic growth, for alleviating mass unemployment and poverty, especially in the Indian context. An attempt is being made to gain insight into the question as to why some individuals become entrepreneurs and to find out whether the strength of an individual's personal characteristics can predict entrepreneurial behavior. The research on emotional intelligence has indicated that training in appropriate skills is essential for preparing people for career success and fulfillment. Thus, it is important that students graduate with well-honed levels of emotional intelligence. Educators have the responsibility to provide their graduates with a strong foundation in both technical and emotional training so that they will be well-rounded individuals, and hence worthy employees, effective managers and dynamic leaders. This study explores whether Emotional Intelligence has any predictive validity for Entrepreneurial Orientation, and if there exist any gender-specific, stream-specific differences among college students with regard to entrepreneurial orientation. This may help us in understanding the various individual characteristics on which Entrepreneurial Orientations of students depends; and whether these orientations can be developed / enhanced through dynamic curriculum, pedagogy, competent faculty and favorable government policies.

4. Research Question

Does Emotional Intelligence has any impact upon on Entrepreneurial Orientation among college students in Punjab?

5. Objectives and hypothesis

Objectives of the study

1. To identify relationship between Emotional Intelligence and Entrepreneurial Orientation among college students of Punjab.
2. To identify the relationship between Emotional intelligence and Self confidence among college students of Punjab.
3. To identify the relationship between Emotional intelligence and Utilizing Opportunities among college students of Punjab.
4. To identify the relationship between Emotional intelligence and Bearing Risk among college students of Punjab.
5. To identify the relationship between Emotional intelligence and Control Orientation among college students of Punjab.
6. To identify the relationship between Emotional intelligence and Determination among college students of Punjab.

7. To identify the relationship between Emotional intelligence and Innovativeness among college students of Punjab.
8. To identify the relationship between Emotional intelligence and Will to succeed among college students of Punjab.

Hypotheses of the study

H₀₁: There is no significant relationship between Emotional Intelligence and Entrepreneurial orientation among college students of Punjab.

H_{01.1}: There is no significant relationship between Emotional Intelligence and Self Confidence among college students of Punjab.

H_{01.2}: There is no significant relationship between Emotional Intelligence and Utilizing Opportunities among college students of Punjab.

H_{01.3}: There is no significant relationship between Emotional Intelligence and Bearing Risk among college students of Punjab.

H_{01.4}: There is no significant relationship between Emotional Intelligence and Control Orientation among college students of Punjab.

H_{01.5}: There is no significant relationship between Emotional Intelligence and Determination among college students of Punjab.

H_{01.6}: There is no significant relationship between Emotional Intelligence and Innovativeness among college students of Punjab.

H_{01.7}: There is no significant relationship between Emotional Intelligence and Will to succeed among college students of Punjab.

6. Sampling Design:

The sampling design involves two phases: In the First phase the colleges are selected by using stratified random sampling taking Government and Private colleges as strata. Only those colleges of Punjab are selected that provide co-education degree courses and have separate departments for all the three streams i.e. Arts, Commerce and Sciences. In the second phase the students from the selected colleges are selected using stratified random sampling using gender as the stratum. A Total of 488 students (252 boys and 248 girls) are selected for study and self-administered questionnaire is filled from the sample.

7. Data Analysis and Interpretation

In order to test the hypotheses of the study, descriptive statistics were generated. The descriptive statistics were generated for the sample of 488 college students. The results reported that there were 245 males and 243 female students. Thus the data was normally distributed with regard to gender.

Table 1: Showing Gender wise Distribution of Sample

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	245	50.2	50.2	50.2
Female	243	49.8	49.8	100.0
Total	488	100.0	100.0	

8. Hypotheses Test Results

In order to test the Hypotheses, correlation analysis was applied. The Correlation results show a highly significant relationship between Emotional intelligence of college students and their Entrepreneurial orientation. The results show that with higher Emotional intelligence score the dimensions of Entrepreneurial orientation tend to show higher score. A positive correlation is found between Emotional intelligence on one side and all the dimensions of Entrepreneurial orientation on the other side. Table showing Correlation results depict

that with higher Emotional intelligence score the college students have shown higher Self Confidence (Correlation Value=.531), Utilizing Opportunities (Correlation Value=.496), Bearing Risks (Correlation Value=.572), Control orientation (Correlation Value=.528), Determination (Correlation Value=.471), Innovativeness (Correlation Value=.240), and Will to Succeed (Correlation Value=.490). All the Correlation values are significant at 1% level of significance. Therefore, all the null hypotheses are rejected in the study.

Table 3: Correlation Values showing Relationship between Emotional Intelligence and Dimensions of Entrepreneurial Orientation

		Correlations								
		EMOINTEL	ENTORIEN	SC	UO	BR	CO	DET	INN	WS
EMOINTEL	Pearson Correlation	1	.724**	.531**	.496**	.572**	.528**	.471**	.240**	.490**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000
	N	488	488	488	488	488	488	488	488	488

9. Conclusion

In nutshell, the findings of the study found out a highly significant relationship between Emotional Intelligence and all the dimensions of Entrepreneurial orientation. This shows that for higher Entrepreneurial orientation among college students, the education system should focus on the Emotional Intelligence along with the other levels of intelligence. The findings have huge relevance in the current education systems that are prevailing in the society which focus on the academic achievements and improvements in IQ level of students irrespective of the EQ level of those students. The findings

reveal great contribution of Emotional awareness and intelligence in improving the self-confidence of under graduate students. It further depict that with higher level of Emotional intelligence the students tend to bear higher level of risk and also utilize the opportunities more prudently. The innovativeness, determination and will to succeed also show a higher trend with higher Emotional intelligence. Thus, irrespective of any gender difference the Emotional intelligence has shown an inevitable influence upon Entrepreneurial Orientation of college students.

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