

Emotional Intelligence and Entrepreneurial Self-Efficacy: An Analytical Study of Post Graduate Management Students

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Abstract—The present study highlights the relationship between emotional intelligence and entrepreneurial self-efficacy among management students and specifies gender effect. The role of gender has been evaluated for both emotional intelligence and entrepreneurial self-efficacy. The findings and outcomes of the research are very fruitful to the educational sector in India. The researcher has taken a sample of 50 students from two management colleges' i.e. Anand Engineering College and Hindustan Institute of Technology and Management. The questionnaire consists of 19 items of emotional intelligence and 9 items of entrepreneurial self-efficacy. The researcher has used regression analysis and independent sample test to get results. The results depict that there is a linear relationship between emotional intelligence and entrepreneurial self-efficacy. The researcher also finds that gender not only effects emotional intelligence but also the entrepreneurial self-efficacy among management students. This is where emotional intelligence could play a major role in developing effective entrepreneurial self-efficacy among students. Future researches in this direction will bring more useful information and will prove more beneficial aspects for the entrepreneurship development.

Keywords: Emotional intelligence, Self-awareness, Self-management, Social awareness, Social skills and Entrepreneurial self-efficacy, gender and Management students

1. INTRODUCTION

Entrepreneur is a key driver of our economy. Wealth and high majority of jobs are created by small businesses started by entrepreneurially. Honourable Prime Minister MR Narendra Modi also promotes entrepreneurship he announced a new campaign 'start-ups India; stand up India' to promote bank financing for start-ups and offer incentives to boost entrepreneurship and job creation. The previous studies are based on antecedents and consequences of entrepreneurship. However, studies based on psychological and related variables on behalf of entrepreneurial Self-efficacy on management students are few and studies on entrepreneurship and emotional intelligence are very hardly available in entrepreneurship literature. The concept of emotional intelligence is also treated as one of the important personality

part of emerging managers. Now-a-days emotional intelligence and entrepreneurship have become very important topics in research. Thus, the researchers have attempted to examine the relationship of emotional intelligence on entrepreneurial self-efficacy among postgraduate management students and analysed the role of gender on emotional intelligence and entrepreneurial self-efficacy.

1.1 Emotional Intelligence

Emotional Intelligence is a set of qualities and competencies that captures a broad collection of individual skills and dispositions, usually referred to as soft skills or inter and intra-personal skills, that are outside the traditional areas of specific knowledge, general intelligence, and technical or professional skills. According to Goleman (2001) emotional intelligence consists of four components such as self-awareness, self-management, social awareness and social skills. Bar'on (1997) has given five board area of emotional intelligence such as intra-personal skills, inter-personal skills, adaptability, stress management and general mood. ^[1]

Emotional intelligence means that being aware of emotions and how it can affect and interact to others. According to Mayer and Salovey (1993), Emotional Intelligence allows us to think more creatively and to use our emotions to solve problems. Emotional intelligence consists of five factors such as perceiving emotions, understanding emotions, using emotions and managing emotions. ^[2]

1.2 Entrepreneurial Self-Efficacy

Self-efficacy is a person's belief in his/her ability to perform certain task (Bandura, 1997). De Noble et al. (1999) explain this concept of Entrepreneurial Self-Efficacy. They define Entrepreneurial Self-Efficacy as "a construct that measures a person's belief in their own abilities to perform on the various skill requirements necessary to pursue a new venture opportunity." There are six dimension of entrepreneurial self-efficacy given by De noble et.al (1999) such as developing

new market opportunities building an innovative environment; initiating investor relationships; defining core purpose; coping with unexpected challenges; developing critical human resources.^[3]

2. LITERATURE REVIEW

Ngah and sallah (2015) observed that emotional intelligence has increased innovativeness and improves entrepreneurial success. Only regulation of emotion in others has seem to be the supreme aspect however other emotional intelligence elements have seem to be less related to innovativeness and entrepreneurial success.^[4]

Gelard & Emamisaleh (2014) have revealed that emotional intelligence have linear relationship with entrepreneurial intention. They also find that gender has effect on emotional intelligence but it has not affected entrepreneurial intention of university students.^[5]

Mortana et.al (2014) in this way the researchers analysed that two aspects of emotional intelligence, regulation and application of emotions have positively interrelated entrepreneurial self-efficacy. The perception of self-efficacy mediates the association between emotional intelligence and entrepreneurship intentions.^[6]

Bahadori (2012) the researcher emphasised that all four variable of emotional intelligence have positive connection on entrepreneurial behaviour for managers and leaders in organizations.^[7]

Pradhan and Nath (2012) in this study emotional intelligence and entrepreneurial orientation have positively significant relationship to each other. Regression analysis has revealed important influence of emotional intelligence in predicting entrepreneurial orientation.^[8]

Ahmetoglu.et.al (2011) in this study the researchers find out that higher trait emotional intelligence has connected to entrepreneurial behaviours and entrepreneurial success. The results showed that emotional intelligence predicted only some entrepreneurial outcomes beyond other variables examined, and with small influence dimensions.^[9]

Zampetakis.et.al (2009) Emotional intelligence might exhibit high tolerance to stress and environmental stressors; the second concerns individuals with high emotional intelligence, who tend to have higher affectivity, informing active and creative moods and so assisting entrepreneurial behaviour.^[10]

3. OBJECTIVE OF THE STUDY

1. To examine the relationship between emotional intelligence and entrepreneurial self-efficacy among post graduate management students.
2. To analyse the role of gender in emotional intelligence and entrepreneurial self-efficacy among post graduate management students.

4. HYPOTHESES OF THE STUDY

Based on objectives, the following hypotheses have been proposed:

H₀₁: There is no significant relationship between Emotional intelligence and Entrepreneurial self-efficacy.

This hypothesis has further been divided into four sub hypotheses which can be summarized as follows:

H_{01.1}: There is no significant relationship between Self-awareness and Entrepreneurial self-efficacy.

H_{01.2}: There is no significant relationship between Self-management and Entrepreneurial self-efficacy.

H_{01.3}: There is no significant relationship between Social awareness and Entrepreneurial self-efficacy.

H_{01.4}: There is no significant relationship between Social-skills and Entrepreneurial self-efficacy.

H₀₂: There is no significant difference between levels of Emotional intelligence across gender.

H₀₃: There is no significant difference between levels of Entrepreneurial self-efficacy across gender.

5. RESEARCH METHODOLOGY

5.1 Sample Size and Sampling Technique

For the purpose of the study, a total of 50 post graduate students were randomly selected from management departments of selected colleges, out of which 23 were male and the remaining 27 were female.

5.2 Scope of the Study

The study is restricted only management students of selected colleges of Agra district i.e. Anand Engineering College and Hindustan Institute of Technology and Management.

5.3 Data Collection

Both primary and secondary data have been used. Primary data have been collected with the help of a self-structured questionnaire and secondary data was collected from different sources such as journals, magazines, books, periodicals, reports, newspapers, websites and online resources.

5.4 Tools and Techniques

The emotional intelligence questionnaire and its four dimensions such as self-awareness, self-management, social awareness and social skills (Goleman, et.al 2002) consisted 19 items. The entrepreneurial self-efficacy questionnaire (Chen et al., 1998; De Noble et al., 1999) consisted 9 items. All questions are based on five point rating scale. To test the given hypotheses and survey findings scientifically data has been analysed by using appropriate statistical methods such as reliability statistics, levene's test for equality of variances,

correlation and regression. The data were analysed by using Statistical Package for Social Sciences (SPSS) 20.0.

6. DATA ANALYSIS

Table 1 shows the descriptive statistics Means [M], Standard deviations [SD] and alpha coefficients (reliability) of the measures of entrepreneurial self-efficacy and emotional intelligence. The reliability of all aspects of emotional intelligence (.755, .751, .783 and .798) and entrepreneurial self-efficacy (.888) varies from .70 to .88 was found to be satisfactory for the present work. The intra correlation matrix indicated significant positive correlation between emotional intelligence dimensions and entrepreneurial self-efficacy. Significant positive correlation was found not only between social awareness and entrepreneurial self-efficacy (.694**) but also between social skills and entrepreneurial self-efficacy (.774**), followed by self-awareness, self-management and entrepreneurial self-efficacy (.595**, .681**). The correlation shows that emotional intelligence is positively correlated with entrepreneurial self-efficacy. According to the result of regression analysis in table 2 and 3 the researcher have rejected null hypotheses i.e. $H_{01.2}$; $H_{01.3}$ and $H_{01.4}$ and failed to reject $H_{01.1}$. Table 2 shows that linear relationship between emotional intelligence and entrepreneurial Self-efficacy. Here, $p < 0.0005$, which is less than 0.05, and indicate that overall, the regression model statistically predicts the outcome variable. (i.e. it is a good fit for the data) In table 3 this equation is “ $EI = .332 + .181 + .521$ ” it means that emotional intelligence effect entrepreneurial self-efficacy so null hypothesis (H_{01}) is rejected. Social skills have more effect on entrepreneurial self-efficacy. Self-awareness (-.070) has not effect entrepreneurial self-efficacy. Table 4 shows the difference between the mean of male and female respondents with respect to emotional intelligence and entrepreneurial self-efficacy. In terms of emotional intelligence results indicate that women ($M = 4.0741$, $SD = .61556$) had more emotional intelligence as compared to men ($M = 3.0435$, $SD = 1.02115$). In terms of entrepreneurial self-efficacy results indicate that men ($M = 3.6087$, $SD = .65638$) had more entrepreneurial self-efficacy as compared to women ($M = 3.1481$, $SD = 1.06351$). H_{02} and H_{03} were tested by independent samples tests. Table 5 shows levene’s test for equality of variances. It can be seen from the table 5 that emotional intelligence ($p \text{ value} = .038 < 0.05$) and entrepreneurial self-efficacy ($p \text{ value} = .017 < 0.05$) which means that there are significant differences between the sample respondents (men & female) in the entrepreneurial self-efficacy and emotional intelligence.

Null Hypotheses	Result
H_{01}	Rejected
$H_{01.1}$	Failed to Reject
$H_{01.2}$	Rejected
$H_{01.3}$	Rejected
$H_{01.4}$	Rejected
H_{02}	Rejected
H_{03}	Rejected

Table 1: Descriptive, Reliability Statistics and Correlations among Variables of Emotional Intelligence and entrepreneurial self-efficacy

	M	SD	Cronbach's Alpha	1	2	3	4	5
1. Self-awareness	3.80	1.03	.755	1	.596*	.638*	.703*	.595*
2. Self-management	3.74	.777	.751		1	.626*	.567*	.681*
3. Social awareness	3.68	.957	.783			1	.672*	.694*
4. Social skills	3.78	.840	.798				1	.774*
5. Entrepreneurial self-efficacy	3.52	.838	.888					1

** Correlation is significant at the 0.01 level (2-tailed)

Table 2: ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	24.303	4	6.076	26.867	.000 ^b
	Residual	10.177	45	.226		
	Total	34.480	49			

a. Dependent Variable: Entrepreneurial self-efficacy
 b. Predictors: (Constant), Self-awareness, self-management, social awareness and social skills

Table 3: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B		
	B	Std. Error	Beta			Lower Bound	Upper Bound	
1	(Constant)	-.088	.365		-.241	.811	-.822	.646
	Self-awareness	-.070	.101	-.086	-.697	.489	-.273	.133
	Self-management	.332	.119	.307	2.778	.008	.091	.572
	Social awareness	.181	.107	.206	1.690	.098	-.035	.396
	Social skills	.521	.125	.521	4.152	.000	.268	.773

a. Dependent Variable: Entrepreneurial self-efficacy

Table 4: Group statistics of emotional intelligence

	gender of students	N	Mean	Std. Deviation	Std. Error Mean
Emotional intelligence	Male	23	3.0435	1.02151	.21300
	Female	27	4.0741	.61556	.11847
Entrepreneurial self-efficacy	Male	23	3.6087	.65638	.13686
	Female	27	3.1481	1.06351	.20467

7. FINDINGS OF THE STUDY

This study showed that emotional intelligence has positive effect on entrepreneurial self-efficacy and all four dimensions of emotional intelligence (self-awareness, self-management,

social awareness and social skills) are directly related to entrepreneurial self-efficacy. This might indicate that students with higher emotional intelligence can be expected to discover and exploit opportunities better.

The result of regression analysis showed that self-management, social awareness and social skills have significant effect on entrepreneurial self-efficacy among management students. The researchers find that self-awareness has not affected entrepreneurial self-efficacy.

The study also analysed the existence of gender difference in emotional intelligence and entrepreneurial self-efficacy. The study revealed that female participants had higher levels of emotional intelligence as compared to male participants. In the second hypothesis levene's test for equality of variances showed that null hypothesis (H_{02}) was rejected because of P Value is less than .05 which concludes that significant differences exist in emotional intelligence across gender.

The study revealed that male participants had higher levels of entrepreneurial self-efficacy as compared to female participants. In the third hypothesis levene's test for equality of variances showed that null hypothesis (H_{03}) was rejected because of P Value is less than .05 which concludes that significant differences exist in entrepreneurial self-efficacy across gender.

8. CONCLUSION

Entrepreneurs are an important source of economic development, and relatively little research exists explicating what factors may drive young peoples' Intentions to start a business. The researchers find that emotional intelligence and entrepreneurial self-efficacy are positively related to each other, and that higher levels of emotional intelligence strengthen the association with entrepreneurial self-efficacy. Furthermore, the researchers find that social skills, the dimension of Emotional intelligence are more important for entrepreneurial self-efficacy. The researchers also revealed that the gender has also affected emotional intelligence and entrepreneurial self-efficacy.

Colleges should take up initiative for students to enhance the ability to deal with one's negative emotions and to stay cool under pressure. In other words, students' ability to understand and regulate emotions in him / her and others would influence their entrepreneurial self-efficacy and they are more successful than others. These students can serve the country only if they adjust with the current social and economic situations and choose the career option for self-employment. They have to be job generators instead of job seekers. In contrast to other aspects of personality, emotional intelligence can enhance through training. Colleges should provide emotional intelligence training course for students that may improve their entrepreneurial self-efficacy.

9. LIMITATION OF THE STUDY SCOPE FOR FUTURE RESEARCH

This study was limited only two colleges. The sample size is too small to generalize the results. This study is based on primary data, the result are as good as the accuracy of the responses given by the participants.

Future research must be conducted to find out those factors which are the causes for differences in behaviour of male and female students is based on emotional intelligence and entrepreneurial self-efficacy. Moderating effect of variables can also consider. Future research in these areas will explore much more useful information.

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