

The Impact of Emotional Intelligence on Entrepreneurial Success: Qualitative Analysis Result

Imad Boussalam^a, Chaymae Eljai^b, Rahhal Lahrach^c, Nadia Tamouh^d

^a PhD student, MADEO Research Lab, ESTO, Mohammed First University, Oujda, Morocco
E-mail: imad.boussalam@ump.ac.ma

^b PhD student, MADEO Research Lab, ESTO, Mohammed First University, Oujda, Morocco
E-mail: chaymae.eljai@gmail.com

^c Professor, MADEO Research Lab, ESTO, Mohammed First University, Oujda, Morocco
E-mail: r.lahrach@ump.ac.ma

^d Professor, MADEO Research Lab, ESTO, Mohammed First University, Oujda, Morocco
E-mail: n.tamouh@ump.ac.ma

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Abstract

Emotional intelligence considered the keystone of professional and entrepreneurial success. It favors teamwork and stimulates creativity and innovation (Goleman, 1997). Moreover, the most successful companies are requiring from their leaders not only technical skills but also emotional skills. Peter Salovey and John D. Mayer, EI defines it as " The capacity to reason about emotions, and of emotions to enhance thinking. It includes the abilities to accurately perceive emotions, to access and generate emotions to assist thought, to understand emotions and emotional knowledge, to promote emotional and intellectual growth." (Mayer, Salovey, and Caruso 2004). A considerable number of entrepreneurs struggle to maintain the same level of motivation from intention to action, especially when the entrepreneur is unable to manage their emotions (Valéau, 2007). However, the success of entrepreneurs lies largely in their ability to manage their emotions (Sogbossi and Sabin, 2018). The ultimate goal of this research was to explore the relationship between emotional intelligence and entrepreneurial success using the qualitative analysis method. This study is conducted via semi-directive interviews with a sample composed of a set of entrepreneurs. The analysis shows that entrepreneurial success is to a greater extent, due to emotional intelligence.

Keywords: emotional intelligence, emotion, entrepreneurial intention, success.

Jel Codes: A10, L26

1. Introduction

Emotional intelligence is a topic that plays a prominent part in scientific, academic, and entrepreneurial debates. It is an essential key to the success of intrapersonal and interpersonal relations. Besides, it is considered a variable that can predict the level of life satisfaction, as well as healthy psychological adaptation, and positive interactions with others. Emotional Intelligence, dubbed (EI), is defined by these pioneers, Solvey and Mayer (1990), as a sub-group of social intelligence forms that involves the capacity to monitor one's feelings and emotions, discriminate among them, and use such information to guide one's thinking and action.

To be of real use to the company, emotional intelligence must be integrable. Therefore, entrepreneurship is usually explained by the behavior sometimes urging the individual to undertake a new activity, and find the necessary resources to achieve an objective while taking into account emotions and risks (Ellouze and Rim, 2017).

Entrepreneurs are certainly considered project implementers who are in a permanent search for new avenues of development. They will accordingly privilege leadership, control, risk-taking, and emotional management. In fact, entrepreneurial actions are conditioned upon the state of mind of the entrepreneur, as they present a reading of their emotions. Moreover, entrepreneurs who display positive and intense feelings about their daily entrepreneurial activities are more prone to success and tend to achieve more throughout their careers (Baume and Locke, 2004).

This article attempts to provide answers to the following question:

"To what extent does emotional intelligence impact entrepreneurial success?"

The ultimate goal of this research was to explore the relationship between emotional intelligence and entrepreneurial success using the qualitative analysis method. This study is conducted via semi-directive interviews with a sample composed of a set of entrepreneurs. The analysis shows that entrepreneurial success is to a greater extent, due to emotional intelligence. To answer our research question, this article will be centered on two major points. The first point tackles a theoretical and conceptual analysis of emotional intelligence and entrepreneurial success, while the second one attempts to identify, through a qualitative approach (an interview guide), the determinants of emotional intelligence impacting entrepreneurial success.

2. Literature Review

Emotional intelligence is a relatively new term coined by John Mayer and Peter Salovey in 1990. The concept is defined, at the most general level, as the ability to recognize one's own and others' emotions for a better adaptation to different situations (Goleman, 2000). Writers state that the personality characteristics that constitute emotional intelligence are: empathy, intrinsic motivation, perseverance through adversity, self-regulation, the ability to patiently achieve the satisfaction of one's desires, to maintain an equable mood, and to cope with grief before it hinders thinking, and the capacity for hope. It is due to Daniel Goleman (1995) that the concept of emotional intelligence has gained such huge popularity both with the general public as well as with academics. Sternberg (1999) explains that such popularity is due to the reassuring nature of emotional intelligence which supports the dominant idea that career success does not depend only on high intellectual capacities.

Michellod et al. (2013) postulate that emotional intelligence is a substantial constituent of the entrepreneurial attitude, that is, the importance given to emotional competencies to explain the individual's entrepreneurial behavior.

Table 1. Definition of emotional intelligence

Auteurs	Définitions
<u>(Bulmer Smith, 2009)</u>	<i>«Refers to the capacity for recognizing our feelings and those for others, for motivating ourselves, and for managing emotions well in ourselves and relationships »</i>
<u>Salovey and Mayer (1990)</u>	<i>« The capacity to reason about emotions, and of emotions to enhance thinking. It includes the ability to accurately perceive emotions, to access and generate emotions to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions to promote emotional and intellectual growth»</i>
<u>Bar-On (1996)</u>	<i>« An array of non-cognitive (emotional and social) capabilities, competencies, and skills that influence one's ability to succeed in coping with environmental demands and pressures. »</i>
<u>Team (1997)</u>	<i>« The capacities to create optimal results in your relationships with yourself and others. »</i>
<u>Bradberry and Jean Greaves (2009)</u>	<i>« Emotional intelligence is your ability to recognize and understand emotions in yourself and others, and your ability to use this awareness to manage your behavior and relationships »</i>

Source: Writers – A compilation of articles

3. The extent of emotional intelligence

Following the emergence of the term "Emotional Intelligence", three models suggested respectively by Mayer and Salovey, Goleman, and Bar-On are proved most dominant:

- a) The Mayer-Slovey ability-based model defines the concept as the ability to perceive, understand and use emotions to assist thought, and o manage them in a way that enhances social relations. (Salovey et al., 2004)
- b) The mixed models of:
 - Goleman considers the concept as an array of emotional and social competencies clustered around 4 major aspects (self-awareness, self-regulation, social awareness, and relationship management) (MERSINO, 2013).
 - Bar-On who describes EI as a set of interrelated emotional and social skills, abilities, and behaviors that impact a person's behavior.
- c) The Peptides-Furhman trait EI model, is conceptualized as a set of personality characteristics theoretically arranged in four conceptual facets. These include (emotional well-being, self-control, emotionality, and socializing) (Karim and Weisz, 2010).

Table 2. Comparison of the central characteristics of the main emotional intelligence EI models

Models	Description	Variables
Salovey and Mayer's model (1990); Mayer and Salovey (1997)	EI is perceived as a hierarchical construct with 4 facets	-Emotion perception, verbal and non-verbal appraisal of emotions; -Capacities of integration and assimilating emotions; - Knowledge about the sphere of emotions - Managing one's own and other's emotions
Goleman's model (1995,1997)	EI is divided into 25 competencies centered around five major factors	-Self-awareness; -Self-regulation; -Motivation; -Empathy; -Social skills.
Bar-On's model (1997)	EI is broken down into a set of non-cognitive skills, competencies, and abilities. These are classified into 5 factors that are also divided into 15 scales	-Intrapersonal skills; -Interpersonal skills; -Adaptation; -Stress management; -General mood;

Source: Elaborated by the authors

Mayer's model emphasizes EI as a cognitive ability, in contrast to other models which consider emotional intelligence as a personality characteristic that is specifically associated to affect. (Cherniss, 2010).

4. Entrepreneurial success and EI

Dyke and Murphy, (2006) define entrepreneurial success as the creation of wealth, prestige, reputation, social status, or honor. Wach et al. (2016) define entrepreneurial success based on criteria such as wealth creation and personal satisfaction. In this respect, (Kirkwood, 2016) argues that the personal satisfaction criterion can be subject to different interpretations for satisfaction can be derived from work performance, achieving creative satisfaction, monitoring one's emotions, or achieving one's goals. This demonstrates that entrepreneurs can give different meanings to the criteria applied to personal satisfaction.

Solymossy (1998) divides entrepreneurial success into two distinct types: Economic and non-economic success. On one hand, economic success comprises several dimensions, e.g. the average annual sales growth (an objective criterion for success, related to the start-up), the income received by the entrepreneur (an objective criterion for success, related to the start-up), and the job growth rate of the startup (an objective criterion for success, related to startup). Non-economic success, on the other hand, is concerned with the satisfaction of the entrepreneur (a subjective criterion).

Schumpeter considers that the entrepreneur's characteristics are instrumental in understanding the success or failure of the business that they have started. This opinion has been widely supported in literature reviews. However, several studies have shown a positive correlation between the entrepreneur's profile and the success of firms (Bouchikhi 1993, Bhide 1994; Kidan and Harvey 2009).

Baron and Markman (2003), as well as Tang (2009), stress that entrepreneurs with a fine and persuasive personal style are more likely to convince the key stakeholders of their projects to enhance their products/ services. These stakeholders involve potential investors, clients, and suppliers, with whom a project leader is supposed to reach a prior agreement to develop its firm. These considerations align with what Ferris, Davidson, and Perrewé (2005) hold, as they highlight the entrepreneur's ability to influence their collaborators with the view of requesting their help. Therefore, better management of emotions leads to successful decision-taking (Hess and Bacigalupo, 2011).

The works of Byrne and Shepherd (2015) introduce new insights into the role of emotions in the entrepreneurial area. For instance, they hold that strong negative emotions help executives give sense to the loss of their business. Each emotion has an advantage, such as fear, which helps avoid dangerous situations and rapidly develop strategies in the event of threat; sadness as well helps to realize what matters the most for one; or anger, which brings about the desire to keep struggling and fighting for one's goals.

Every entrepreneur must be able to:

- Evaluate and express emotions: To define one's own emotions, understand them, and express them in the most natural way possible.
- Evaluate and recognize others' emotions: To detect others' emotions (mainly through facial expressions), and understand them to manage them well to enhance the collaborator's performance.
- Regulate one's own emotions: To adjust and ensure a good regulation of one's own emotions.
- Make use of emotions to enhance performance: To know how to well manage and channel one's own and others' emotions to direct them properly, which results in good work performance and optimal satisfaction.

In this way, some studies have shown that entrepreneurs who can interpret others' emotions earn more money than those who are less capable.

5. Research methodology and data processing

This exploratory research has been conducted following a qualitative approach through individual semi-structured interviews which lasted from 45mins to 1h15 on average, with the help of an interview guide with open questions. It is worth noting that individual semi-structured interviews align adequately with our research objectives, as they enable us to address in detail each interviewee's conception of emotions, emotional intelligence, as well as entrepreneurial success. Our research sample was based on convenience, in a way that allows for a broad and diverse range of perspectives regarding our research theme. General guidelines for conducting interviews (to start with general questions, and use understandable and simple language ...) (Gavard-Perret et al., 2008) have been followed in writing the interview guideline. The latter includes three theme-related parts. In addition to the main questions, follow-up questions were also prepared. We used codes to represent different units of analysis for the anonymity of the surveyed participants. Codified names attached to companies as well as the data arising therefrom are listed in the following table:

Table 3. Summary presentation of the interview entrepreneurs

Code	Business Industry	Position (Quality) of the interview
Company A	Steel construction	Entrepreneur 1
Company B	Construction and road works	Entrepreneur 2
Company C	Renewable energy	Entrepreneur 3
Company D	Transit- International transport	Entrepreneur 4
Company E	Water treatment	Entrepreneur 5

Source: Authors

The interviews were analyzed according to the content analysis approach (Bardin, 1977; Bauer, et al., 2012; Robert & Bouillaguet, 2007; Schreier, 2014) in three steps: Pre-analysis, which helps us carry out a segmentation of the ideas. Secondly, the processing of the material consists of coding (paragraph, sentence, and word) (Thiétart, 2007), and finally, the last step which serves to process, interpret, and, infer manually the results obtained (Wanlin, 2007).

The last step enables the data to be analyzed. Manual coding is selected by fragmentation and then by the categorization of the main themes based on a thorough reading of the transcripts. (Miles & Hyberman, 1994).

This procedure can be further developed by converting speech into writing and can be used as a measuring instrument to decode the interviewee's speech (often containing ambiguous or incomplete information) and thus interpret it with the utmost objectivity (Bardin, 1977). An analysis grid was ultimately established, grouping the comments gathered by category.

Table 4. Thematic axes of the qualitative study

Themes	Description
1	Emotional intelligence
2	Emotion management
3	The link between emotional intelligence and entrepreneurial success

Source: Authors

6. Data analysis

Before the treatment of the series of interviews was made, content analysis has been carried out using the thematic analysis method. In a qualitative study “Thematic analysis is widely used in qualitative research in economics and management because it advocates a rigorous and methodical approach based on the application of rules of reading, interpretation, and coding “(Belerson, 1954). In order to simplify the content of the interviews conducted, we will reproduce separately large passages of the interviews, mentioned in the three themes.

6.1. Emotional intelligence

The analysis of the interviews revealed the multidimensional aspect of the emotional intelligence construct in the minds of the interviewed entrepreneurs.

Company B and D declared that: “*Emotional intelligence helps motivate, persuade, direct, lead teams, negotiate and manage conflicts, which is why motivated employees are usually ones who contribute a lot to their company.*” In the same sense, company C underlined that “*IE allows you to identify and manage your emotions to use them positively. To be able to improve one's emotional intelligence is to control one's impulses and be able to defer the fulfillment of one's desires, maintain an emotional balance, to empathetic and cultivate harmonious relationships with others, know how to motivate oneself, and be persistent in achieving goals despite the potential difficulties.*” Entrepreneur A adds that: “*Emotional intelligence is the innate capacity to feel, use, communicate, recognize, recall, learn, manage, understand and explain emotions.*” Other interviews show that entrepreneurs who are in control of their emotions will have the ability to manage them when faced with different situations. These emotions, instead of hindering them, will rather help them to keep calm, remain positive in the most difficult moments, and even focused instead of losing temper and self-control.

Entrepreneur C holds that *“emotional intelligence is a form of intelligence that enables us to orient our thoughts and behavior depending on our own emotions. It also helps influence or monitor others’ emotions and comprises 3 consecutive faculties: the access to one’s emotions, the transposition of feeling into comprehension, and comprehension into competence to act and react.”* The points of view of entrepreneurs 1, 3, and 5 were similar in their perception of emotional intelligence: *“Emotional intelligence allows us to act more efficiently. The higher the entrepreneur’s role, the more important this mental capacity to reason about and of emotions becomes in terms of performance. It enables entrepreneurs to better manage their stress and to better understand their fatigue, their fear, or their anger. Provided that a manager has done the task of listening to his or her emotions, they will become better at spotting those of others to guide their collaborators in their emotional effectiveness.”*

6.2. Emotion management

To act upon one’s own emotions, a person must be aware of their feelings (previous dimension). If the person is not self-conscious, their emotions might well then control them. Regulating emotions help ease tense situations that occur in the workplace. According to interview 2, *“Self-consciousness is the fundamental characteristic or feature of emotional intelligence. To be aware of our mood in the present moment and of our thoughts generated by that mood enables us to decipher our emotions and feelings, and ultimately understand why they affect our thinking and reaction to help curb the negative impact of our emotions.”*

Interview 3 states that *“being able to manage one’s relationships is knowing how to welcome and manage the emotions of others and to cope with them effectively by guiding others in finding solutions. Thus, it means showing a certain ability to support others in emotional situations and being able to manage conflicts. It is also the ability to have a positive impact on others and to work in harmony with them towards a common goal to promote learning.”*

Interview 5 states: *“The conscious leader perceives their own emotions as well as those of others, understands the needs to be fulfilled, uses and regulates their emotions to achieve a well-defined goal, is of service to others, contributes to the success of their team, and establishes strong connections with people around. Therefore, s/he is aware of their authority over others, his/her words and actions, and their impact.”*

Interview 1: *“Emotions serve to signal a change, be it real or imagined, within the person, in others, or the environment. Emotional intelligence helps find an adapted and effective response to many situations. It has numerous benefits: personal fulfillment; well-being; better social relationships; less inner conflict or with others; better self-confidence; objective and constructive choices”.*

6.3. The link between emotional intelligence and entrepreneurial success

We have examined questions related to the development and strengthening of emotional intelligence with our interviewees. In this regard, several interviews confirmed that the entrepreneur’s emotions have a strong influence on their daily decision-making life, in all the stages of the development of the business project.

Interview 3 holds that *“When a potential entrepreneur attempts to predict the likely outcomes of the success of the business, they will picture scenarios of whether or not they are reaching their goals. Each of the anticipated scenarios will trigger certain emotions. If the potential entrepreneur is afraid to imagine the possibility of failure to achieve their goals, they might give up choosing a startup so as not to end up in a situation of failure.”*

According to a company C interviewee, *“ It is the confidence in one’s ability to succeed and put the necessary effort to accomplish difficult tasks. Positive emotions (optimism, hope, empathy) can somehow contribute to the learning process. The capacity to express and feel is vital to rational behavior.”*

Interviews 4 and 2 underline that *“For emotional intelligence to be effective, you have to first start with yourself. You cannot boost the well-being, sense of fulfillment, and sense of self of others without understanding how you function emotionally. Leaders are typically distinguished based on their emotional intelligence level. It is these capacities that help create a more effective workplace.”*

In the same line of thought, interview 1 holds that *“an entrepreneur who manages his/her emotions effectively will be able of managing complex situations and make sound financial decisions, either individually or at the level of the organization. The higher the level of emotional intelligence, the higher the professional success. The most emotionally intelligent employees exhibit better work performance.”*

Given these findings, we consider that an entrepreneurial attitude must conform to the personality and emotions of each entrepreneur to ensure emotional stability within the team and a flourishing work environment, and achieve entrepreneurial success.

7. Discussion and conclusion:

The data analysis of these interviews enabled us to extract the following notions: “To be used to overcome negative emotions”, “to command one’s business industry field.”, “to believe in one’s capacity to succeed.”, “to share one’s emotions with credible people”, and “to be ready to face potential administrative and social obstacles related to the environment”. It should be noted that throughout this work, we have tackled the two concepts of emotional intelligence and entrepreneurial success.

Through the interviews we have conducted, we can observe that emotional intelligence contributes directly and positively to emotional well-being. It ensures, via the attitudes it inspires, better mental and physical health, in addition to more empathetic, fruitful, and constructive social relationships. Emotions are omnipresent in every work environment; for this reason, it is imperative to know how to manage them to face all detrimental and stressful situations.

Moreover, the personal qualities of the entrepreneur constitute an instrumental aspect in explaining their entrepreneurial success. In other words, the emotional abilities of the entrepreneur are essential to better conduct the business project.

The inquiry we carried out revealed a favorable link between the entrepreneur’s management skills and the success of their project, and that emotional intelligence is a prerequisite for the success of any project leader. This finding raises interesting ideas and questions regarding the promotion of emotional intelligence as a future key skill.

Furthermore, the impact of emotion on the entrepreneur's success will be inescapable during the entrepreneurial intention. Therefore, it would be relevant to include the emotional factor in the modeling of entrepreneurial intention by associating it with the desires and beliefs of the potential entrepreneur. In theory, emotional intelligence should help entrepreneurs to foster stronger interpersonal relationships, and managers positively influence the work atmosphere and performance, by instilling and understanding the emotions of subordinate employees.

Finally, the claim that emotional intelligence is important in the work environment and its relation with leadership is an avenue worth exploring thoroughly. However, our work was limited to a narrow sample of entrepreneurs. This network should surely be expanded later through another quantitative study to enrich the research results.

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