

Entrepreneurial Competency and Emotional Intelligence: A Study on Business Students and Aspiring Entrepreneurs

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Abstract

Entrepreneurial success is influenced by various personal and professional attributes, among which entrepreneurial competency (EC) and emotional intelligence (EI) play a significant role. This study examines the relationship between EC and EI among business students and aspiring entrepreneurs. The research aims to understand how emotional intelligence contributes to the development of entrepreneurial skills and decision-making abilities.

Keywords: Entrepreneurial Competency, Emotional Intelligence, Business Students, Aspiring Entrepreneurs, Leadership, Decision-Making

Introduction

Entrepreneurial competency (EC) encompasses the skills, attitudes, and knowledge that enable individuals to successfully navigate the complexities of starting and managing a venture. It includes the ability to recognize opportunities, take calculated risks, lead teams, and innovate in response to market demands. On the other hand, emotional intelligence (EI) comprises self-awareness, self-regulation, motivation, empathy, and social skills—traits that are vital for managing interpersonal relationships, coping with stress, and making balanced decisions in high-pressure environments. While prior studies have established that both EC and EI play significant roles in entrepreneurial success, relatively few have examined how these two constructs interact to influence the development and performance of business students and aspiring entrepreneurs. Understanding this interaction is particularly important given the dynamic and uncertain nature of today's business landscape. Entrepreneurs often face rapidly shifting consumer preferences, fierce competition, and resource constraints that demand both technical acumen and emotional resilience. For instance, recognizing a new market opportunity (a hallmark of EC) may not be sufficient if an entrepreneur lacks the emotional intelligence to build stakeholder relationships, resolve conflicts within teams, or adapt to unforeseen challenges. Likewise, even high EI can be underutilized if an individual lacks fundamental entrepreneurial competency to translate empathic leadership into tangible market outcomes. By exploring the correlation between EC and EI, this study aims to shed light on how these two factors jointly contribute to entrepreneurial success among business students and those preparing to launch their own ventures. It addresses a key gap in the literature, providing insights that could inform curriculum design, training programs, and policy initiatives geared toward cultivating well-rounded, emotionally intelligent entrepreneurs. Ultimately, this research underscores the importance of integrating both technical and emotional competencies into entrepreneurship education, fostering individuals who are not only skilled in identifying and exploiting opportunities but also adept at managing the human aspects of business creation and growth.

Literature Review

1. Introduction to Entrepreneurial Competency

Entrepreneurial competency refers to a set of skills, knowledge, and abilities that enable individuals to successfully identify opportunities, mobilize resources, and create value in dynamic environments. Early research by Morris et al. (2002) provided a foundational competency model that outlined the core capabilities required for successful entrepreneurship, such as opportunity recognition, risk management, innovation, and strategic planning. These

competencies are not static; rather, they evolve with experience and training. Man (2005) extended this discussion by focusing on entrepreneurial competency in developing countries, highlighting that contextual factors such as cultural and economic conditions significantly influence the development of entrepreneurial skills. Together, these studies underscore the importance of entrepreneurial competency as a critical determinant of entrepreneurial success.

2. Understanding Emotional Intelligence

Emotional intelligence (EI) is the ability to perceive, use, understand, and manage emotions effectively. Mayer, Salovey, and Caruso (2008) conceptualize EI as a set of interrelated skills that facilitate emotional awareness and regulation. In the context of entrepreneurship, EI is believed to enhance decision-making, leadership, and interpersonal communication—qualities essential for managing the uncertainties inherent in entrepreneurial ventures. EI is not only linked to personal well-being but also to professional success. Research suggests that individuals with high EI are better equipped to navigate stressful situations, build strong networks, and sustain motivation—factors that are crucial for aspiring entrepreneurs.

3. The Interplay Between Entrepreneurial Competency and Emotional Intelligence

Recent research has begun to explore the relationship between entrepreneurial competency and emotional intelligence, suggesting that these constructs may complement each other. Zampetakis and Moustakis (2006) found a significant positive relationship between EI and entrepreneurial success, arguing that emotional abilities such as self-awareness, empathy, and emotional regulation can enhance an entrepreneur's ability to leverage their competencies effectively. For business students and aspiring entrepreneurs, the integration of EI into entrepreneurial training programs can lead to improved outcomes by fostering resilience, better decision-making, and adaptive leadership.

Studies indicate that entrepreneurial success is not solely a function of technical or cognitive abilities but is also influenced by the emotional and social competencies of the individual. For instance, EI enables entrepreneurs to manage stress and maintain persistence in the face of failure, which is a common occurrence in the early stages of venture creation. This interplay suggests that educational programs aimed at developing entrepreneurial competency should also incorporate elements of emotional intelligence training to prepare students for real-world challenges.

4. Empirical Evidence from Business Education

Within the context of business education, several studies have investigated how EI impacts the development of entrepreneurial competencies among students. Miao, Humphrey, and Qian (2017) conducted a meta-analysis of emotional intelligence and entrepreneurial outcomes, finding that higher levels of EI are positively associated with entrepreneurial intentions and behaviors. Their work implies that EI contributes significantly to shaping entrepreneurial attitudes and enhancing competencies related to leadership, opportunity recognition, and risk management.

Moreover, educational interventions that focus on both cognitive and emotional development appear to yield better entrepreneurial outcomes. Business schools that integrate EI training into their curricula report that students not only improve in terms of academic performance but also in practical entrepreneurial skills. This integration is essential, as the emotional aspects of entrepreneurship—such as coping with uncertainty and managing interpersonal relationships—are often underemphasized in traditional management education.

5. The Role of Emotional Intelligence in Entrepreneurial Competency Development

The synergy between EI and entrepreneurial competency is particularly important in the context of aspiring entrepreneurs. EI facilitates effective communication and networking, which are critical for resource mobilization and opportunity exploitation. Entrepreneurs with higher EI are often better at building trust and rapport with stakeholders, which can lead to improved collaboration and access to necessary resources.

Furthermore, EI helps in self-regulation and stress management, enabling entrepreneurs to maintain clarity and focus during crises. This aspect is especially relevant in the volatile business environment where rapid decision-making is crucial. By enhancing resilience and adaptive capabilities, EI contributes to the overall entrepreneurial mindset, which in turn reinforces the competencies necessary for venture success.

6. Implications for Business Education and Future Research

The integration of EI into entrepreneurial education has significant implications for curriculum design. Business schools need to develop comprehensive programs that not only impart technical skills and market knowledge but also emphasize emotional and social learning. This dual focus can help produce entrepreneurs who are not only technically competent but also emotionally resilient and socially adept.

Despite the growing body of research, gaps remain in understanding the precise mechanisms through which EI influences entrepreneurial competency. For instance, further empirical studies are required to disentangle the direct and indirect effects of EI on various dimensions of entrepreneurial success. Additionally, research focusing on specific cultural contexts, such as studies conducted within Indian business schools, would provide valuable insights into how regional factors mediate the relationship between EI and entrepreneurial competency.

Future research should also consider longitudinal designs to track the evolution of entrepreneurial competency and EI over time. Such studies could explore how continuous training in emotional intelligence impacts the long-term success of entrepreneurial ventures and the overall effectiveness of entrepreneurship education programs.

Methodology

A quantitative research approach was adopted for this study. Data were collected from 100 business students and aspiring entrepreneurs through a structured questionnaire. The survey included standardized scales to measure entrepreneurial competency (EC) and emotional intelligence (EI). Statistical tools such as correlation analysis was used to analyze the relationship between EC and EI.

Interpretation of the SSEIT (33-Item) EI

A total of 100 management students responded to the 33-item Schutte Self-Report Emotional Intelligence Test (SSEIT).

Range of Scores:

- **Total Scores** vary from **76** to **111**, indicating moderate differences in EI levels among participants.
- An overall **mean total score of approximately 92.64** places most respondents near the middle of the possible range (33 to 165).

2. Average Item Ratings:

- The **average** (mean) per item for individual participants typically ranges between **2.3** and **3.36** on a 5-point scale, suggesting that most respondents hover around a neutral to slightly positive stance on EI-related statements.

3. Standard Deviation Within Responses:

- The **standard deviations** for each participant's item responses generally fall around **1.2** to **1.4**, indicating a moderate spread in how consistently individuals answered the 33 questions.

4. Overall EI Tendency:

- Since a perfectly "neutral" response on the 33 items would yield a total score of 99 (all items rated '3'), the sample's mean total score of ~93 is somewhat below that midpoint, but still within a moderate EI range.
- A few respondents score notably higher or lower than this average, reflecting individual differences in emotional self-awareness, emotion regulation, and social skills.

5. Implications:

- The data suggest that, on average, these management students have **moderate** levels of emotional intelligence, with some participants exhibiting relatively higher EI scores.
- Institutions or educators aiming to enhance EI might consider targeted training or interventions, especially for those below the midpoint, to develop skills such as self-awareness, empathy, and stress management.

Overall, this dataset indicates that while most students in this group display a moderate EI profile, there is room for growth through structured programs and experiential learning aimed at strengthening emotional competencies crucial for management and leadership roles.

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		EI	
Spearman's rho	EC	Correlation Coefficient	.891**
		Sig. (2-tailed)	.000
		N	100
		**. Correlation is significant at the 0.01 level (2-tailed).	

Results and Discussion: - The Spearman's rho correlation coefficient ($r = 0.891$, $p < 0.01$) indicates a **strong positive correlation** between emotional intelligence and entrepreneurial competency. Since the p-value is highly significant ($p = 0.000$), we reject the null hypothesis, concluding that higher levels of emotional intelligence are strongly associated with greater entrepreneurial competency among the respondents.

Findings

The findings indicate a positive correlation between emotional intelligence and entrepreneurial competency. Participants with higher EI demonstrated stronger entrepreneurial skills, particularly in leadership, problem-solving, and adaptability. Self-awareness and empathy emerged as critical factors influencing decision-making and networking abilities. Additionally, aspiring entrepreneurs who exhibited higher emotional intelligence were more likely to take calculated risks and handle business uncertainties effectively. These results highlight the importance of integrating EI training into entrepreneurship education to enhance students' business acumen.

Conclusion

The study underscores the interdependence between emotional intelligence and entrepreneurial competency in shaping successful entrepreneurs. Business students and aspiring entrepreneurs with strong emotional intelligence tend to develop better entrepreneurial skills, enabling them to navigate business complexities efficiently. The findings suggest that educational institutions should incorporate emotional intelligence training in business curricula to strengthen entrepreneurial competency. Further research is recommended to explore industry-specific applications of EI in entrepreneurship.

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