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Emotional Intelligence: The secret of successful entrepreneurship?

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Emotional Intelligence:
The secret of successful entrepreneurship?

Attempting to find the secret of success of certain entrepreneurs, researchers today tend to focus on the world of emotions.

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Entrepreneurship... the very term is redolent with the passion, energy, and creativity ascribed to the men and women who forge new business ventures by discovering, generating, and stimulating opportunity. Because of the mystique surrounding the popular image of entrepreneurs, they have been the focus of much academic investigation over the last three decades. Researchers have tried to unlock the secrets of successful entrepreneurs, classify their personality types, and explore their cognitive processing, but with disappointing and often contradictory results. In light of these weak results, some academics have called for a shift in the focus of research in entrepreneurship; a shift away from the individual characteristics of entrepreneurs and toward the interactions of the entrepreneur with others, and with his or her environment.

An emerging, and very promising, stream of research on entrepreneurs pertains to the role of affect - feelings and emotions - in enhancing the potential success of entrepreneurial ventures. For example, research indicates that positive emotions may enhance entrepreneurial creativity, including opportunity recognition (Baron, 2008). Additionally, entrepreneurs who display passion - positive, intense feelings - about their ventures tend to be more successful than those who do not display passion (Baum & Locke, 2004). Positive emotions also influence an entrepreneur’s ability to turn past experiences into present solutions through heuristic processing (Baron, 2008), and to deal effectively with the persistent stress (Carver & Scheier, 2001) that often plagues entrepreneurs.

While this line of research holds much hope for enhancing our understanding of entrepreneurship, it is limited in that it tends to perpetuate the iconic image of the entrepreneur as the driven genius working alone. However, the truth is that the success of most entrepreneurial ventures hinges not only on the individual characteristics of the entrepreneur, but also on the entrepreneur’s ability to recruit and manage employees and clients (Baron & Hannan, 2002).
Recent research on emerging businesses indicates that the ability to effectively manage the human side of the business plays a critical role in the success of a new venture (Barber, Wesson, Roberson, & Taylor, 1999; Graham, Murray, & Amuso, 2002; Chandler & McEvoy, 2000). Recruiting, hiring and developing employees are important in any business, but can be especially critical for an emerging venture (Baron & Hannan, 2002). Additionally, the capacity to relate to prospective clients is imperative to the progress and success of the business. One of the most crucial aspects of employee and client management has to do with how skillfully emotions are handled.

In the workplace, studies reveal how emotions affect job perception and attitudes, such as satisfaction (Thoresen, Barsky, Warren, & de Chermon, 2003; Weiss, 2002), work commitment (O’Neill, 2009), leader/follower relationships (Dasborough, Ashkanasy, Tee, & Tse, 2009), performance outcomes (Johnson, 2008), decision-making (Isen & Labroo, 2003) and evaluations and judgments (Cropanzano & Wright, 1999). In the recruitment of new clients for an emerging venture, research indicates that emotions play a significant role in the decision of a potential client to invest (Mulligan & Hastie, 2005). Additionally, emotions affect the perceptions of investors and clients regarding the favorability of the venture (Mulligan & Hastie, 2005). Each one of these themes is vital to the success of any business, but for an entrepreneurial venture that is attempting to gain competitive advantage in the market, these themes are fundamentally important.

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The vital role played by our emotions

In light of the increasing evidence surrounding the vital role that emotions play in facilitating the success of emerging ventures, savvy entrepreneurs may find it beneficial to begin enhancing their capacity to understand and manage both their own emotions as well as the emotions of others. In current management parlance, these interpersonal awareness skills are collectively known as emotional intelligence. Defined as the ability to monitor one’s own feelings and emotions as well as the feelings and emotions of others, emotional intelligence assists in the identification, definition, and processing of emotions (Salovey & Mayer, 1989). This capacity to recognize and regulate emotions may serve as a tool that helps perceive contextual clues more easily, managing our relationships more effectively and motivating ourselves and others to achieve goals.

Emotional intelligence can be categorized into four major areas, or branches, which describe the skills associated with each area (Mayer & Salovey, 1997). The first branch of the model is perceiving emotion. This fundamental area of emotional intelligence consists of the nonverbal reception and expression of emotion. The capacity to translate feelings into appropriate visual representations, such as facial expressions and other nonverbal gestures, and to accurately interpret those expressions in others, is a fundamental underpinning of emotional intelligence. For entrepreneurs, the ability to understand and accurately express nonverbal emotions as well as interpret the emotional expressions of others is extremely important for a number of reasons. Primarily, the awareness of nonverbal expressions will help entrepreneurs in relating to clients and employees alike.

The second branch of emotional intelligence is using emotions to facilitate thought (Mayer & Salovey, 1997). Emotions are often construed as separate from cognition, but research in cognitive processes indicates otherwise. Recent studies in brain functioning indicate that the area of the brain associated with logic

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And reason is not separate from the area associated with feelings and emotion; rather, the two areas interact at a neural level (Cohen, 2005). Emotional intelligence promotes the integration rather than the separation of these two important areas of the brain. In essence, this branch of emotional intelligence explores our ability to calibrate and adjust our thinking so that cognitive tasks make appropriate use of emotional information. What does this mean to the entrepreneurs? Researchers have found, for example, that creativity is generated by emotion. Creativity is construed as the ability to cognitively construct an idea or concept inspired by emotions. For entrepreneurs, the capacity to be creative is fundamental to the survival of the venture; hence, the ability to formulate original ideas triggered by emotions is of the utmost importance.

The third branch of emotional intelligence is understanding emotions (Mayer & Salovey, 1997). The ability to comprehend one's own emotional messages and those being conveyed by others comprises the basic precept of this branch of emotional intelligence. Once the accurate discernment of an emotional message has occurred, the capacity to make rational judgments about those messages needs to be in place in order to assure that an appropriate response follows. In other words, this branch deals with the capacity to discern emotional information about interpersonal interactions, follow the transitions from one emotion to another, and process verbal information regarding emotions. For the entrepreneur, the ability to understand emotions assists in enhancing interpersonal relations in numerous ways. For example, the ability to accurately comprehend the emotional messages being conveyed by potential clients can help entrepreneurs to modify their behavior in order to more comprehensively address clients' needs.

The fourth and final branch of emotional intelligence is managing emotions (Mayer & Salovey, 1997). This branch of emotional intelligence is the pinnacle of the model and is contingent upon understanding the other branches of emotional intelligence. In particular, managing emotions can be described as the capacity to actively and voluntarily regulate emotional expression, particularly in relation to others, which is essential to promoting one's own and others' personal and social goals. The ability to manage the emotional states of others within the context of interpersonal interactions is of critical importance for entrepreneurs.
The beauty of emotional intelligence is that the skills and abilities that comprise the model are not trait based, but rather are developable. For those interested in further developing their emotional intelligence skills, the following suggestions should be helpful.

Develop your emotional intelligence

First, get to know yourself. Awareness of who you are and how you are is the launchpad for a deeper understanding of your emotions. When you feel an emotion, begin asking yourself why you feel that way. Explore the source of your feelings. Examine how you manage your emotions. To help you on your journey toward self-awareness, you will find at the end of this article a self-assessment on emotional intelligence. Take it and use it as a tool for self-discovery.

Educate yourself on emotions. Learn to recognize the difference between thoughts and feelings. Find out about the basic human emotions and start asking yourself how you feel at different points in the day. Start adopting an attitude of emotional acceptance. For example, instead of ascribing the source of your emotions to others (i.e. “You make me mad!”) begin owning your emotions (i.e. “I feel angry.”). By taking ownership of your emotions, you begin developing an awareness of how you feel and how to engage your feelings.

Recognize and validate the emotions of others. As you begin discovering more about your own emotions, start developing an awareness of the emotions that others may be experiencing. Start listening to others without judging and acknowledge that you understand what they are feeling. It is not necessary to agree with how another person feels; the goal should merely be to understand how the person feels. If you find yourself becoming defensive or judgmental, ask yourself why and explore your own emotions more deeply.

Start consciously using your feelings when engaging in decision making. Too often people have been trained to make decisions based solely on the facts. Begin to challenge this assumption and explore your emotions before making a decision. Ask yourself feeling questions, such as, “How will I feel if I do this?” or, “How will my employees feel if I do this?” Purposely engage your emotions to give you a clearer picture of the situation prior to making a decision.

Finally, as you make progress on your journey of emotional literacy, start to set emotional goals for yourself. This taps into the fourth branch of the emotional intelligence model in which we engage in managing our emotions and the emotions of others. Begin to envision how you want to feel and how you want others to feel. Start asking yourself how you can create an environment that will stimulate those kinds of emotions. Question how you currently manage your emotions and imagine how you would like to manage them. As unusual as it may seem to set feeling goals of this sort, it may take a stretch of the imagination to get you to
move beyond the ordinary and into the extraordinary.

Emotional intelligence is an exciting area of research that should prove beneficial to entrepreneurs and business people of all kinds. By tapping into this previously underutilized and often ignored domain of the human psyche, we should be able to more holistically manage ourselves and our businesses.

**Emotional Intelligence Self-Assessment**

For each statement below, decide which response best indicates your attitude or position – your level of agreement with the statement. Circle the number from 1 (strongly disagree) to 5 (strongly agree) which best describes your perception.

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<td>1. I am keenly aware of the feelings of other people.</td>
<td>2. I am gifted at sensing what others around me are feeling.</td>
<td>3. I pick up the subtle signals of feelings from another person.</td>
<td>4. I have good insight into how others are feeling.</td>
<td>5. I am astute at reading others’ reactions and feelings.</td>
<td>6. I have an aptitude for reading others’ feelings.</td>
<td>7. My emotions are rarely out of control.</td>
<td>8. I can shrug off a foul mood and go on with my day.</td>
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<td>9. I feel positive emotions more strongly than other people.</td>
<td>10. I can regulate my moods so that they don’t overwhelm me.</td>
<td>11. I rarely have emotional battles inside me that interfere with my thoughts.</td>
<td>12. My feelings are rarely so intense that I feel overwhelmed.</td>
<td>13. I have good people skills.</td>
<td>14. People seem to enjoy interacting with me.</td>
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I am good at interpersonal relationships.
1 2 3 4 5

Socially, I could be described as easygoing.
1 2 3 4 5

I have good social skills.
1 2 3 4 5

I could be described as a team player.
1 2 3 4 5

I am always aware of my moods.
1 2 3 4 5

I have good insight into what makes me tick.
1 2 3 4 5

Whenever I’m in a foul mood I always know it.
1 2 3 4 5

I don’t have difficulty describing my feelings to others.
1 2 3 4 5

I can put my feelings into words.
1 2 3 4 5

I always know that I’m in a nasty mood before others point it out.
1 2 3 4 5

This instrument measures four domains of emotional intelligence: empathic response, mood regulation, interpersonal skills and self-awareness. To calculate your score, add up the numbers that you circled. The interpretations of your score are found below.

96 - 120: You perceive yourself to be highly emotionally intelligent. You see yourself as readily able to regulate your emotions, sense the emotions of others, and you feel at home in social situations.

72 - 95: You perceive yourself as moderately emotionally intelligent. You can regulate your emotions in most situations, tend to sense others’ emotions accurately, and feel comfortable in social situations most of the time. You are self-aware most of the time.

48 - 71: You perceive yourself to be somewhat emotionally intelligent. You sometimes regulate your emotions, at times you sense the emotions of others, and sometimes you feel comfortable in social situations. You are somewhat self-aware.

24 - 47: You do not perceive yourself to be very emotionally intelligent. You tend not to regulate your emotions, tend not to sense the emotions of others and tend not to feel comfortable in social situations. You may not be very self-aware.
References:


