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THE EFFECT OF EMOTIONAL INTELLIGENCE ELEMENTS ON THE PERFORMANCE OF ENTREPRENEURSHIP

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Rational vs. Emotional intelligence:

Try to make balance!



Emotional intelligence (EI)

- The term emotional intelligence first appeared in the title of thesis written by Wayne Payne (1985)
- Peter Salovey from Yale University and John Mayer from the University of New Hampshire made first attempt to operationalize this term
 - According to these authors emotional intelligence is the ability of people to monitor their own and others' feelings and emotions, and to use the information obtained in that way for thinking and behaviour adjusting

Traditional and modern view of emotions (Boyatzis, Goleman, & Rhee)

Traditional view of emotions	Modern view of emotions
Emotions obstruct	Emotions motivate
Emotions make people vulnerable	Emotions make people trustworthy
Emotions cloud judgment	Emotions accelerate analysis
Emotions must be controlled	Emotion are source of trust
Emotions hinder the flow of information	Emotions provide feedback

EI benefits

- EI encourages employees to:
 - have a better self-image
 - connect easier with other employees
 - reduce stress level
- EI provides creating enthusiasm in the organization, improves relationships between employees, and finally, ensures that employees feel fulfilled and happy, which is an important prerequisite for their commitment

What employers want?

- As the most important employees' characteristics employers emphasize:
 - Ability of listening and oral communication
 - Adaptability and creative responses to setbacks and obstacles
 - Self-control
 - Confidence
 - Motivation
 - Readiness for teamwork
 - Successful conflict resolution

Research results

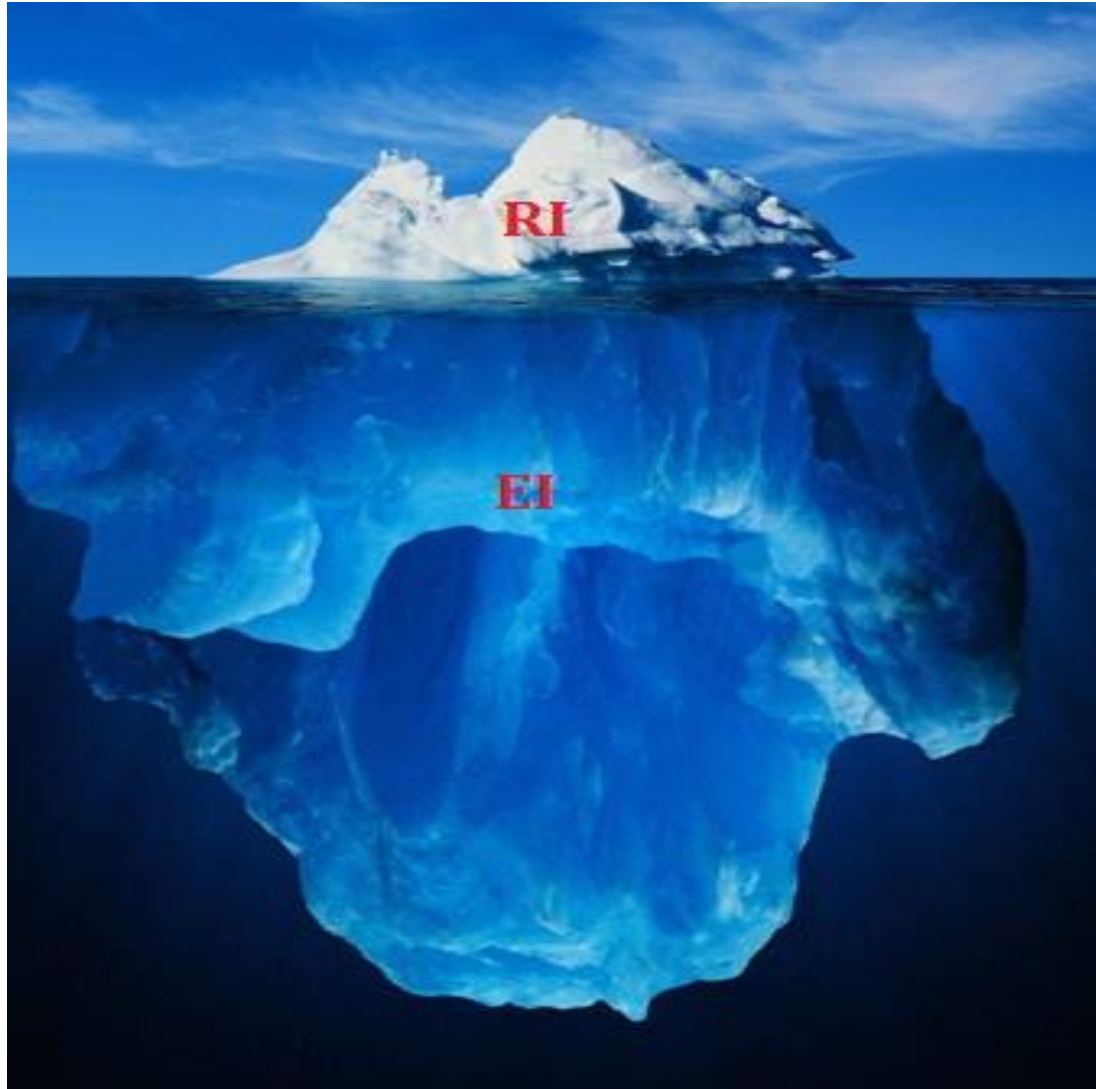
- According to the research study which included 1000 most successful managers, it was found that the most successful are those who know how to combine their thoughts, feelings and knowledge and to convert their potential into action
- Specifically, this study has shown that the most successful managers are characterized by the following features: self-confidence, reliability, flexibility, intuitiveness

EI vs. RI

- Some authors claim that person who has high coefficient of rational intelligence (RI) can be a brilliant physicist, scientist or analyst
- But she/he will become a successful manager, lawyer or politician only if she/he has developed emotional intelligence, in addition to rational intelligence
 - Rational intelligence slightly changes after 10
 - Emotional intelligence of people develops over a lifetime

- Many people who have IQ 140 work for people who have IQ 100
- In everyday life, there is no intelligence that is more important than interpersonal
- If you do not own this one, you will make a bad choices in terms of who to enter into marriage, which job to choose, etc.

EI vs. RI - connection



RI - rising!

- Based on the research, conducted few decades ago, it was found that the IQ has increased for 24 points
- Reasons for increasing the level of RI:
 - better nutrition
 - higher levels of education for the most of children
 - the use of computers (computer games) and puzzles and similar games that help children to improve the orientation in space,
 - reducing the number of children in the family

EI - problems!!!

- The same research shows that, while the level of rational intelligence grows, the level of emotional intelligence decreases
- The children are lonely, unruly, nervous, worried and aggressive in last few decades
- This consequently leads to a variety of issues regarding the behavior of children, such as alienation, drug use, crime, depression, eating disorders, etc.

EI models

- The two most known models for the conceptualization of emotional intelligence are:
 - capability model and
 - combined model

EI Capability model (Salovey & Mayer)

- Perceiving emotions - identify their own emotions, but also to decode the emotions of others (through their face, voice, body language)
- Using emotions - direct emotions to stimulate cognitive activities (thinking and problem solving)
- Understanding emotions - understand why and how emotions arise, and what are their consequences
- Managing emotions - manifest or distance from certain emotions depending on the assessment of their usefulness in a given situation

EI Combined model (Goleman)

- Combined model is based on the Capability model but includes some other dimensions:
 - Self-awareness
 - Self-control
 - Self-motivation
 - Empathy
 - Social skills
- Later, Goleman the last two elements has presented as Social intelligence

Self-awareness

“Knowing yourself is beginning of all wisdom”.

- Aristotle

Self-control

“He who conquers himself is the mightiest warrior.”

- Confucius

Self-motivation

“The great leaders of business, industry and finance, and the great artists, poets, musicians and writers all became great because they developed the power of self-motivation”

- Napoleon Hill

Empathy

“Empathy is walking a mile in somebody else's moccasins. Sympathy is being sorry their feet hurt.”

- Rebecca O’Donnell
(novelist and artist)

Social skills

“We're losing social skills, the human interaction skills, how to read a person's mood, to read their body language, how to be patient until the moment is right to make a point”.

- Vincent Nichols
(English cardinal)

The empirical research

- The pre-research is based on the sample which included 12 entrepreneurs
- Hypotheses
 - H1: Among the elements of emotional intelligence, there is positive correlation
 - Based on the entrepreneurs' self evaluation
 - H2: All the elements of emotional intelligence are equally important for entrepreneurs' success
 - Entrepreneurs' success is presented via its profit target accomplishment (1 - target value exceeded, 2 - target value achieved, 3 - target value unachieved)

Correlation between EI elements

EI elements		S	C	M	E	SS
Self-awareness (S)	Correl. coef.	1.000				
	Significance	.				
	Sample size	12				
Self-control (C)	Correl. coef.	.648(**)	1.000			
	Significance	.000	.			
	Sample size	12	12			
Self-motivation (M)	Correl. coef.	.671(**)	.714(**)	1.000		
	Significance	.000	.000	.		
	Sample size	12	12	12		
Empathy (E)	Correl. coef.	.680(**)	.682(**)	.726(**)	1.000	
	Significance	.000	.000	.000	.	
	Sample size	12	12	12	12	
Social skills (SS)	Correl. coef.	.657(**)	.806(**)	.624(**)	.758(**)	1.000
	Significance	.000	.000	.000	.000	.
	Sample size	12	12	12	12	12

Regression analysis

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
S	.239	.019	.256	12.396	.000
C	.135	.023	.158	5.911	.000
M	.192	.020	.250	9.754	.000
E	.241	.022	.251	10.987	.000
SS	.137	.019	.179	7.239	.000

Dependent variable: Entrepreneurs' success

How can we rise EI?

- Refrain from criticism - means that instead of focusing on the weaknesses of others, people should focus on their abilities, the criticism is justified only if it is constructive and inspiring
- Balancing emotions - means readiness for dialogue and problem solving, openness to criticism and respect of other people's opinion
- Impact on others - includes establishing communication with others, taking into account the effects on their feelings and trying to understand other people's emotions

How can we rise EI?

- Stress management - refers to an individual's ability to cope with stress and overcome the negative feelings about it
- Conflict management - refers to the ability to find optimal and creative solutions, which provide avoiding hostility between individuals
- Anger management - includes the ability to control one's own negative emotions and destructive behaviour



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Thank you for your attention!