A survey of the relationship between EQ and organizational entrepreneurship in the state organizations of Kerman city (Iran)

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ABSTRACT

Today, any manager attempting to fulfill the organizational goals should consider the EQ of people as valuable capital and develops it for his human resources. The present study aimed to evaluate the relation between EQ and organizational entrepreneurship among the employees of state organizations of Kerman city. The present study was descriptive design with correlation-cross section method in 2012. The study population of the study was 1095 employees of the organization and the sample size was 285 people who were selected by random stratified sampling based on Cochran’s formula. To evaluate the EQ, Shrink test was applied and to evaluate the organizational entrepreneurship, researcher-built questionnaire was used. Kolmogorov test was used to determine the normality of the data and Spearman and Kendall correlation was used. The results showed that EQ had significant relation with organizational entrepreneurship and its components as risk taking, innovativeness and proactiveness, all items except innovativeness.

INTRODUCTION

EQ concept was taken into attention recently. Some believed that EQ is one of the success factors in training and occupational environments and social relations. Watkin believed that EQ leads into the success of job decision making process [1].

Emotions make a person prepared for rapid movement responses and help him to show usefulness conformity with good cognitive approach and show the complex social behaviors as flexibly. Although emotions can be involved in adapting behavior but optimum emotional responding is achieved when people know how to control, experience and express emotions and they learn when and how the required emotion form. Emotion and consideration are related closely to each other [2].

According to Mayer, Robert and Barsd (2008) EQ is consisting of a set of features as achieving motivation, flexibility, happiness and self-esteem. There is an agreement on this issue that EQ is dedicated to the ability of using exact reasoning about the emotions, the ability to use the emotions and emotional knowledge to improve thought. In EQ, intellectual and emotional methods are used to improve thought and they include the exact identification of emotions [3].

The results of various studies showed that some items as values and management philosophy, reward system, organizational structure, risk taking and the support of the top management of risk taking people and developing organizational entrepreneurship are important. Besides these factors, one of the mental variables related to organizational entrepreneurship is EQ. EQ is an array of non-cognitive capabilities, competencies, and skills that influence one’s ability to succeed in coping with environmental demands and pressures [4].

According to Kuratko (2005), entrepreneurship is including all the operation being done by the organization members related to the discovery and evaluation and using entrepreneurial opportunities. Different concepts of entrepreneurial inclination are mostly dependent upon the separate entrepreneurial events as creating the new organization, new partner or developing the new product. But in the concept presented by Mayer, entrepreneurial behavior is consisting of the range of the activities being changed from independent behavior to participative behavior. Entrepreneurial methods consider doing the tasks. With a deep view, we can say these activities and personal operation participate to create value for the organization being separated from entrepreneurial events [5]. As it was mentioned, it can be said what factors are effective on entrepreneurship of
people in the organization. Among the effective factors, EQ construct is investigated. The main question is that, is there any association between EQ and organizational entrepreneurship?

**Theoretical basics and study hypotheses:**

**The history of EQ:**

EQ is originated in the concept of “Social intelligence” and it was proposed for the first time by Servendik (1920). Social intelligence indicates the ability to understand and manage people in human relations [6]. Salovey and Mayer presented the first theory of EQ, the first journal in this field and the most functional definition of EQ [7].

Emotion is one of the mental aspects of human life. This term is derived of emovere Latin term meaning movement, stimulation, role or emotion as multi-dimensional emotions are positive or negative affective state and cognitive, physiological and behavioral reactions are based on the events [8].

EQ theory justified wide range of the abilities related to cognition and using emotions and stated that EQ in daily routine is more important than cognitive intelligence [9].

Austin et al. believed that EQ is a combination of intrapersonal and interpersonal capacities being useful for the people with high EQ. EQ is an important factor in determining the success of life and mental health as it affects the ability of people for effective coping with the demands and environmental pressures [10].

If a person doesn’t understand others feeling he can not have good social relations with them and a few friends will remain for him. Above all, low EQ reduces effective service providing of people to themselves and the society. The knowledge of people is neglected by this imbalance [11].

**The view of the theorists of EQ concept:**

**The view of Gardner of cognitive intelligence:**

Havard Gardner, psychology professor of Harvard University chose the following abilities for intelligence: linguistic, musical, logical, mathematical, bodily, interpersonal and intrapersonal. He combined different cognitive aspects with some elements of non-cognitive intelligence or personal aspects. Non-cognitive dimension (personal) of Gardner was consisting of two general components of intrapersonal and interpersonal skills. Intrapersonal intelligence is perception of emotions of self, expressing the personal feelings and respecting self, determining the inherent talents, independency in required things and controlling the self-guided emotions and feelings. Interpersonal intelligence is dedicated to the ability of understanding others and motivating factors of a person and their activities [12].

**Salovey and Mayer’s Definition:**

Salovey and Mayer defined EQ as the ability to assess, express and control self and others and useful application of the emotions. They believed that people cope with their emotions by different methods as

a. Self aware: These people are aware of their moods and they have a deep understanding of their emotional life.
b. Introvert: People who are involved in their emotions and they are not aware of their emotions and they are moody.
c. Easily give up: They are aware of their feelings but they try to accept the same morale and they don’t change them [13].

Peter and Salovey (1990) coined emotional literacy term and referred to the five aspects:

1. Self Awareness: Being aware of self and identification of their feeling as they are.
2. Emotion management: Controlling emotion and feeling as well and finding their source and the ways to control.
3. self-motivation: Guiding the emotions to the goal, emotional self-restraint and post pone the desires
4. Empathy: Being sensitive to the interests and feelings of others and tolerating their views and considering the differences
5. Communication control: Managing the others emotion and enjoying social qualification and skills [12]

**The view of Goleman of EQ:**

According to Goleman (1995) people to cope with their challenges should develop EQ components. He proposed five fields:

a. Self-awareness: Feeling the emotion, accepting them, observing self, impartial attitude to the internal states, recognizing the internal state, recognizing the weaknesses and strengths and self-confidence.
b. Self-regulation: Self-management, emotion management, the ability to recover emotionally after emotional hurt, ability of action not the reaction, the stability in the behaviors in all the situations [14].
c. Empathy: The ability for empathize with others, understanding others, awareness and giving value to the needs of others, the excitation for providing service, useful perception and accepting thinking about others and politic centralization.
d. Social skills: Exact control of their emotions, good reaction, convincing, understanding the differences, team work, discussion ability, clear relation, moderating role and communication relation.
e. Self-motivation: Obligation to do something and the lack of disappointment against the failure and optimism to the future is called self-motivation [15].

In reviewing the comments of Bar-on, EQ is consisting of five components
1- Intrapersonal intelligence: The ability of a person in being informed of the emotions and control them.
2- Interpersonal intelligence: The ability of a person in adaptability with others and reviewing their social skills
3- Flexibility, Problem-Solving and Self-Actualization
4- Stress Management (comprising Stress Tolerance and Impulse Control
5- General Mood (comprising Optimism and Happiness.

EQ provided the social relations via improving the mental health, empathy with others, social adaption, emotional wellbeing, satisfaction of life and reduction of the interpersonal problems provided the social relations. Also, emotional perception, emotional facilitation, emotional recognition and management of emotion and prediction mechanisms, preventing the increase of control and improving the strategies of person facing with the improvement of social relations [7].

There are various comments about increasing the EQ or not but it can be said that if even EQ of people is not changed, emotional skills are taught to people and increase their knowledge in this regard [16]. The studies regarding the effect of EQ on organizational results showed that the people with high EQ can have high job performance [17].

Also, it can be said that EQ is a key for effective performance and success during the organizational changes. In the organizations, the EQ teaching plans helps the staffs to be coordinated better and achieve better motivation for the best performance and this will have an important effect on organization profitability [18]. The proponents of EQ believed that to predict the personal performance, EQ is stronger than general intelligence [19].

Goleman believed that high EQ improved the life quality and personal and social success of people [20]. EQ theory provided a new view about the prediction of effective factors on success. Indeed, EQ determines the lack of success of people with high intelligence and unexpected success of the people with average intelligence; the people with average and high general intelligence are more successful than the people with high general intelligence and low emotional intelligence. Thus, EQ predicts people success in the life and suitable behavior with stress [21].

Humphrey et al. (2007) proposed that the evidences have shown that EQ is increased with the increase of age. They divided the growth stages as:
1- Emotional awareness to self and others emotions
2- Applying good emotion in conformity with the situations
3- emotional empathy or entering the feelings of others
4- selecting the emotion or achieving the level of emotional awareness to guide a person decision making [22]

Slaski & Cartwright (2002) in a study found that there is a positive relation between EQ education and improving wellbeing and tolerating the stress among the managers. The results showed that the people with high EQ have positive view to the life, they are more optimistic and report more satisfaction [23].

EQ is the ability of assessment and control the emotions of self and others and using emotion in problem solving. Any person by amount of EQ in facing with the positive and negative events of life can cope with them. A person with EQ can organize his life and experience less negative events in life [24].

Entrepreneurship definitions:

-Entrepreneurship is the skill of finding about an opportunity where others view it as contradictory and vague [25].

Tina Seelig believed that entrepreneurship is any attempt to create the new business or new risk activities as self-employment, creating new organization or developing the new organization being done via a person, a team and an organization being established before [26]. Entrepreneurship is catching the opportunities by people as individually (independent entrepreneurship) or in the organizations (organizational entrepreneurship) without considering the existing resources [27]. Schumpeter considered entrepreneurship as creative destruction process [28]. An entrepreneur is a person who can analyze the business opportunities and can collect the required resources and use them and establish suitable operation to achieve the success [29]. An entrepreneur is a person with new ideas introducing a new product or service to the society via establishment of a business and accepting risk [30].

Entrepreneurship literature showed that entrepreneurship is formed in three forms of personal entrepreneurship, intra-organizational entrepreneurship and organizational entrepreneurship. Individual entrepreneurship is the process in which a person by relying on financial resources and personality features as activity, risk taking and taking action establish a new business and guide it to achieve success [31].
The individual entrepreneur is in the center of entrepreneurship process and he is the manager guiding the process forward. Individual entrepreneurship in the framework of people is considered as free entrepreneurship, individual or independent entrepreneurship [32]. Intra-organizational entrepreneurship deals with fulfilling an innovative creation inside the organization. In other words, intra organizational entrepreneurship is the process in which the innovated products or processes are manifested via sustainability and creating entrepreneurial culture in an organization already established [33]. Organizational entrepreneurship means the implementation of entrepreneurship process inside the organization by some features as high morale, hard working, risk taking and innovation in which a group of people inside the organization are changed into the development stimulators [34].

In other words, organizational entrepreneurship means the commitment of an organization to create new products, new processes and new organization system [33].

Intra-organizational entrepreneurship deals with fulfilling an innovative creation inside the organization. In other words, intra organizational entrepreneurship is the process in which the innovated products or processes are manifested via sustainability and creating entrepreneurial culture in an organization already established [33]. Organizational entrepreneurship means the implementation of entrepreneurship process inside the organization by some features as high morale, hard working, risk taking and innovation in which a group of people inside the organization are changed into the development stimulators [34].

Two main strategies are considered for creating entrepreneurship in the organization by the managers as:

- a. Strategy, the presence of an entrepreneur or organizational entrepreneurship
- b. Strategy, creating entrepreneurship in the organization.

It should be considered that strategy a by the attempts of a person and groups lead into the implementation of creative thinking inside the organization. The affairs are related to the entrepreneur. While in strategy b, the main issue is the organization, some changes are made in the structure, culture and organization behavior to lead into the common understanding among the managers and staffs and new thinking and product, service or process [36].

Karmeli et al (2007) assumed the framework in which a set of the skills of exact evaluation of emotions in a person or others, effective control of the emotions in self and others and using emotions for motivation, planning and success in life are described. They stated that two contradictory mental processes, thinking and feeling can work with each other [37]. The staffs with high attribute of EQ are more inclined to control their feelings. Thus, they experience better behavior at workplace and they try to work as entrepreneurial [38]. Crast and Travagliuon (2004) proposed that EQ of an entrepreneur is the important factor of understanding entrepreneurial success [39].

- An entrepreneur is a moderate person who takes risk cautiously and inclination to take risk is accepting moderate risks being controlled via personal attempts [40].
- Risk taking is one of the features of EQ. Logical reasoning and intelligence helps the reasoning power but the ability of prediction of decisions outcomes is only achieved via EQ [41].
- Theoretically, an entrepreneur should have high ability in creating new ideas and innovation. The staffs after recognizing their feeling can control them to achieve their goals. Innovation is presenting the new product, process and services to the market. Peter Draker said that innovation in entrepreneurship is necessary as it is not possible without it and creativity without innovation has no result [42].
- Proactiveness is including futuristic view that the organization searches new opportunities for development of new products and services and achieving the best competitive situations and directing the environment and market [43].

Hypotheses:

- There is a relation between EQ and organizational entrepreneurship of the employees of state organizations of Kerman city.
- There is a relation between EQ and risk taking of the employees of state organizations of Kerman town.
- There is a relation between EQ and innovation of the employees of state organizations of Kerman town.
- There is a relation between EQ and proactiveness of the employees of state organizations of Kerman town.

Study method:

The present study was applied in terms of aim and descriptive in terms of data collection and field studies. The study population of the study was 1095 employees working in state organizations of Kerman town. The sample size was determined by Cochran’s formula as 285 people.

Data collection measure:

For data collection, Shrink questionnaire at 5-item Likert scale was used to evaluate EQ as including (self-awareness, self-regulation, self-motivation, empathy, social skills). For each component 5 questions were designed and researcher-built questionnaire was used for organizational entrepreneurship including (risk taking, innovation and proactiveness) and for each component 6 questions were designed.
**Validity and reliability of measures:**

The validity of EQ questionnaire was 0.87 and validity of organizational entrepreneurship was 0.90. For reliability, Cronbach’s alpha was used. Cronbach’s alpha for EQ variable was 0.94 and entrepreneurship variable as 0.86 higher than the required value as 0.70. It can be said that internal components (EQ and organizational entrepreneurship) have high correlation.

**Research findings:**

The description of EQ variable and its components

<table>
<thead>
<tr>
<th>Central measures and distribution</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>EQ</td>
<td>3.40</td>
<td>3</td>
<td>3</td>
<td>0.72</td>
</tr>
<tr>
<td>Self-awareness</td>
<td>3.82</td>
<td>4</td>
<td>4</td>
<td>0.82</td>
</tr>
<tr>
<td>Self-regulation</td>
<td>3.34</td>
<td>3</td>
<td>3</td>
<td>0.78</td>
</tr>
<tr>
<td>Self-motivation</td>
<td>3.32</td>
<td>3</td>
<td>3</td>
<td>0.89</td>
</tr>
<tr>
<td>Empathy</td>
<td>3.34</td>
<td>3</td>
<td>3</td>
<td>0.87</td>
</tr>
<tr>
<td>Social skill</td>
<td>3.28</td>
<td>3</td>
<td>3</td>
<td>0.89</td>
</tr>
</tbody>
</table>

Based on data analysis, the median of EQ and self-regulation, self-motivation, empathy and social skills was 3(average). Self-awareness component had the highest median as 4(high). The distribution of five components of EQ was equal.

Based on box chart of the study of EQ and its components.

**Chart 1:** Box chart of the study of EQ and its components.

<table>
<thead>
<tr>
<th>Central measures and distribution</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational entrepreneurship</td>
<td>3.92</td>
<td>4</td>
<td>4</td>
<td>0.66</td>
</tr>
<tr>
<td>Risk taking</td>
<td>3.64</td>
<td>3.5</td>
<td>4</td>
<td>0.68</td>
</tr>
<tr>
<td>Innovation</td>
<td>4.13</td>
<td>4</td>
<td>4</td>
<td>0.63</td>
</tr>
<tr>
<td>Prediction</td>
<td>3.84</td>
<td>4</td>
<td>4</td>
<td>0.80</td>
</tr>
</tbody>
</table>

Based on data analysis, the median of organizational entrepreneurship and innovation and proactiveness was 4(mostly). Risk taking had the lowest median as 3.5. The distribution of risk taking and proactiveness in organizational entrepreneurship was equal.

Based on box chart of organizational entrepreneurship variable and innovation, 50% of the subjects were evaluated as sometimes and often and risk taking and proactiveness scores of 75% of the subjects was evaluated as sometimes and often.

The review of the normality of criterion and predictor variables
At first before the study of hypotheses, normality of the study variables was reviewed by Kolmogorov–Smirnov test.
H0: The study variable had normal distribution.
H1: The study variable didn’t have normal distribution

Chart 2: The box chart of the study of organizational entrepreneurship and its components.

Table 3: Single-sample Kolmogorov–Smirnov test for the study variables.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>Test statistics</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>EQ</td>
<td>3.40</td>
<td>0.72</td>
<td>0.277</td>
<td>010c</td>
</tr>
<tr>
<td>Organizational entrepreneurship</td>
<td>3.92</td>
<td>0.66</td>
<td>0.269</td>
<td>010c</td>
</tr>
</tbody>
</table>

Based on the results of single-sample Kolmogorov–Smirnov test, normality of two variables is rejected. As the normality of the study variables was rejected (the studied variables didn’t have normal distribution).

To review the study hypotheses, non-parametric tests of Kendall and Spearman were applied.

First Hypothesis: There is a relation between EQ and organizational entrepreneurship.

Table 4: The study of the relation between EQ and organizational entrepreneurship.

<table>
<thead>
<tr>
<th>EQ</th>
<th>Kendall</th>
<th>Spearman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correlation coefficient</td>
<td>0.162</td>
<td>0.182</td>
</tr>
<tr>
<td>p-value</td>
<td>0.002</td>
<td>0.002</td>
</tr>
</tbody>
</table>

Based on p-values in two tests, it can be said that there is a significant direct relation between EQ and entrepreneurship of the employees and positive coefficients of Kendall and Spearman are the reasons of ascending relation.

Second study hypothesis: There is a relation between EQ and organizational entrepreneurship dimensions.

Table 5: The study of the relation between EQ and dimensions of organizational entrepreneurship.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Kendall</th>
<th>Spearman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk taking</td>
<td>0.133</td>
<td>0.152</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>0.138</td>
<td>0.161</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>0.138</td>
<td>0.161</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk taking</th>
<th>p-value</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.009</td>
<td></td>
<td>0.010</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>0.007</td>
<td>0.007</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>0.007</td>
<td>0.007</td>
</tr>
</tbody>
</table>
Based on p-value of both tests, risk taking and proactiveness variables, it can be said that there is a direct relation between EQ and risk taking of the employees of state organizations of Kerman town. Positive relations of Kendall and spearman tests are the direct relation between them. As the p-value in innovation variable test shows, there is no significant relation between EQ and innovation of the employees.

Conclusion:
The results of the study showed that there is a significant direct relation between EQ and entrepreneurship of the employees of state organizations of Kerman. The employees with high EQ are more inclined to control their feelings. Thus, they experience better behavior at work place and making them able to have entrepreneurial activities. The existing relation between EQ and entrepreneurial behavior of the employees is used in education field. If the EQ is increased, entrepreneurship is increased among the employees. The result of this study is consistent with the results of the studies done by Maqsudi (2005), Hadizade Moqadam et al. (2009), Bernard and Travaglione (2003), Rhee (2007), Brundin et al. (2008) and Zampetakis et al.(2009) [38].

- There is a significant direct relation between EQ and risk taking of the employees. When EQ is increased, it leads into risk taking among the employees. Risk taking is one of the features of EQ. Logical wisdom and intelligence helps the reasoning power but the ability to predict the decision outcomes is arising from EQ. The scientists believed that via logical intelligence, we can be employed (or begin the economical activities) but only via EQ we can continue in the company and develop and achieve income and high positions [41]. Based on the study done by Karami et al. (2011), a significant relation is between EQ and risk taking as one of the requirements of entrepreneurship.

- There is no significant relation between EQ and innovation of the employees. Among the entrepreneurship dimensions, only innovation has no significant relation with EQ. This result is not possible. Because theoretically, an entrepreneur should have high ability in creating new ideas and innovation. The employees after recognizing their feelings should control them to achieve their goals. The life of the employees is always with emotional contradictions. The employees should balance between emotional contradictions and attract the attention of the co-workers to achieve the good solutions [42]. In the research done by Rasulinia et al. (2011) investigating the relation between EQ and innovation of the employees of Sherkat Meli of oil products of Lorestan, significant relation between EQ and innovation was established. Thus, there is a significant relation between EQ and innovation and the inconsistent result is due to the measures, study population, different working conditions or underlying culture at workplace.

- There is a direct significant relation between EQ and proactiveness of the employees. When EQ is increased, it leads into the increase of proactiveness among the employees. Proactiveness is related to futuristic view that the organization is searching for new opportunities to develop new products and achieving competitive situations and directing the market and environment [43].

As EQ is acquired, it can be said that by developing EQ, proactiveness is improved. Namely in our country unemployment is one of the main problems of the society and this issue should be considered and by good training, EQ is increased to promote proactiveness. It seems that for creating successful entrepreneurship in the society, EQ should be improved.

Study recommendations:
1- Based on the study results, it can be said that EQ was effective in creating successful entrepreneurs and as EQ is acquired, it can be said that to increase the EQ among people and various classes of society.
2- Helping the organization employees to understand the opportunities
3- Increasing the ability of the employees for useful experiences.
4- Keeping competitiveness

REFERENCES


