

EMOTIONAL INTELLIGENCE AND SOCIAL SUPPORT AS DETERMINANTS OF ENTREPRENEURIAL SUCCESS AMONG BUSINESS OWNERS IN ONITSHA METROPOLIS, NIGERIA

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ABSTRACT

The study investigated the role of emotional intelligence and social support as determinants of entrepreneurial success among business owners in Onitsha metropolis, Nigeria. The study adopted a cross-sectional survey design. One hundred and seventy-four (174) participants took part in the study using the purposive sampling technique. The results show that emotional intelligence and social support significantly related with entrepreneurial success. Level of emotional intelligence and level of social support of business owners in Onitsha Metropolis Nigeria led to significant difference in entrepreneurial success. Thus, emotional intelligence and social support jointly predicted entrepreneurial success. The analysis of the independent predictions indicated that only social support had significant independent influence on entrepreneurial success. Hence, it was concluded that emotional intelligence and social support are significant predictors of entrepreneurial success among business owners in Onitsha metropolis, Nigeria. The study however recommended emotional intelligence training and education; and introduction of social support programme for business owners.

Keywords: Emotional intelligence, Social support, Entrepreneurial success, Business owners.

INTRODUCTION

Entrepreneurship is vital to the development of an economy by way of wealth creation and poverty reduction. In Nigeria today, the present economic situation has resulted in organizational downsizing and regular periods of unemployment, which have induced growing numbers of people to aspire to self-employment. For many individuals, self-employment represents both an escape from life in traditional organizational bureaucracies and an opportunity to generate greater personal wealth (Walker and Webster 2007). Successful entrepreneurship today is about how well entrepreneurs manage themselves and others. Entrepreneurs pursue businesses without fully knowing how the market will react and whether their new products or services will succeed.

Thus, It is evident that understanding factors relating to entrepreneurial success is critical for the field of entrepreneurship; particularly for the entrepreneur, the stakeholders, and the health of the economy as a whole (Lussier and Halabi, 2010). It was estimated that 80% of

human success could be attributed to emotional intelligence while the remaining 20% belong to intelligence quotient (Goleman, 1995). This means that the emotional intelligence of the business owners could determine their ability to understand their competence, access their knowledge to adapt to their immediate occupation and become more successful in their environment.

Emotional intelligence has been defined as the ability to monitor one's own and others' feelings and emotions, to discriminate among them, and to use this information to guide one's thinking and actions. (Salovey & Mayer, 1990). It could be concerned with understanding of self and others, relating to people, adapting to and coping with immediate surroundings and to be more successful in dealing with environmental demands (Salovey, 2002). Meanwhile, Social support has been shown to reduce the negative effect of business on business owners and international entrepreneurship (Webster-Stratton, 1997) and to ameliorate the risk of failure in business transactions (Garbarino, 1987). Social support is broadly defined as the resources provided by other persons and can be conceptualized as the function of one's network. Barkley et al (1992) posits that business owners with low support were two to three times more likely to be depressed than those with high social support due to restricted activities of the condition as differentiated from an isolated condition. The problems associated with entrepreneurial success are individual burden of societal implications. The focus of any organization be it small, medium or large, is to excel in all areas of its operations towards attainment of organizational goal but this objective is usually constrained by a number of factors (Zahra, 1996). Given the complex task involved for an individual to set up a business and build it into successful entity, it deters many young potential entrepreneurs from even thinking about starting a new venture. The fear of business failure leaves many discouraged and afraid that he or she will not succeed even before making an attempt. Kuratko (2009) argue that the more accurate statement about business failure is that about half of all start ups last between five and seven years, depending on economic conditions following the start. In the United States, 595,600 businesses are faced with closures and 43,546 with bankruptcies in 2008 (Small Business Association, 2008). The same body noted in 2009 that seven out of 10 new employer firms survive at least two years, and about half survive five years.

In Nigeria, Owoseni and Akanbi (2011) observed that most new ventures do not survive the first two years of establishment. It could be due to business owners' inability to understand their competence, access their knowledge to adapt to their immediate business occupation and environment lead to downfall/closure of their businesses. Social networks (in diverse ways) provide entrepreneurs with a wide range of valuable resources not already in their possession and help them achieve their goals (Jensen & Greve, 2002). Successful business owners typically have a large group of contacts that can bring potential investors to the table. Lacks of social support also inhibit the success of a business. Thus, factors determining entrepreneurial success have not been fully explored in the existing literature. Providing a better understanding of the role of emotional intelligence and social support in entrepreneurial success among business owners in Onitsha Metropolis Nigeria is a primary focus of this investigation. The environments in which successful entrepreneurial endeavors can be found are also important in entrepreneurial success research, in part because such contexts appear to have an influence on entrepreneurial activity and provide government officials the ability to influence endeavors in form and size (Shane, 2003). By having a good understanding on these psychological constructs determining entrepreneurial success among business owners; it will help the government to come up with workable programmes when creating enabling environment for businesses to thrive; which will in turn boost the morale of

business owners who help the nation to move towards more advanced and prosperous economy.

Therefore, the study investigated the role of emotional intelligence and social support as determinants of entrepreneurial success among business owners in Onitsha Metropolis Nigeria.

LITERATURE REVIEW

Entrepreneurship is considered one of the most important factors contributing to economic development and has numerous benefits for the society. To this effect, the field of entrepreneurship focuses on how to create and grow new ventures through the discovery and exploitation of opportunities that bring goods and services into existence (Shepherd, 2004), and how to succeed (McGrath, 1999). Gaglio and Katzamework, (2001) suggested that successful entrepreneurs possess a mental framework, or cognitive schema, called entrepreneurial alertness, or being alert to opportunities. The authors contend that the complex, adaptive mental frameworks of entrepreneurs allow them to think outside of the box more than individuals lacking these skills. Cognitive theory has attempted to explain entrepreneurship as a series of definitive thought processes where entrepreneurs perceive their abilities to be greater than the norm and hence obtain greater outcomes (Neck, Neck, Manz and Godwin, 1999) Research into the cognitive processes of entrepreneurs attempts to understand more about the how entrepreneurs think (Mitchell et al., 2007) and considers the ways entrepreneurs process information (Baron, 2004). Entrepreneurs not only use affective judgment (their emotive responses and feelings), they also use cognitive reasoning (their beliefs, thoughts and perceptual skills) to make decisions on whether or not to act. Bandura (1992) argue that self-confidence in our abilities to successfully perform specific tasks comes from four key sources: mastery experiences, modelling, social persuasion, and judgments of our own physiological states. This mastery experience, or simply put, "learning by doing," appears to be basic in determining our self-confidence to successfully perform future tasks that are perceived to be similar or related (Cox, Mueller, & Moss, 2002). Ogundeji (2014) attributed the internal factor mainly to entrepreneurial capability i.e. the capability of the entrepreneurs to set up and manage business successfully while external factor is environmental uncertainty occasioned by harsh economic environment in which the SMEs operate in Nigeria.

Emotional intelligence has also been recognized as extremely important in interpersonal tasks (O'Boyle et al, 2010); thus, the potential mediating role of interpersonal task is also important to the investigation of the emotional intelligence-entrepreneurial success relationship. Ahmetoglu et al (2011), who connected emotional intelligence to entrepreneurial behavior and success, controlling for personality traits, demographic variables and individual differences in entrepreneurial personality. Results showed that emotional intelligence correlates significantly with most entrepreneurial outcomes they examined. They suggest that emotionally intelligent individual are more likely to engage in innovative entrepreneurial activities, and tend to have higher affectivity, informing creative dispositions and facilitating innovation, which are key aspects of entrepreneurship. Boyd and Vozikis (2009) suggest that individuals with higher degrees of emotional intelligence in the early stages of entrepreneurial development will have higher entrepreneurial success, and that those with both higher supportive entrepreneurial information and higher intentions will have a higher probability of being involved in entrepreneurial activity later in life and more successful.

Social support has been considered an important variable in the explanation of a person's behavior. Individuals with higher social support and entrepreneurial self-efficacy have higher entrepreneurial success (Reilly and Carsrud, 2000). In 1999, Vandervoort studied satisfaction with social support and its effect on physical and mental health. He found that an individual's satisfaction with social support was significantly correlated with both mental and physical health. In terms of entrepreneurial outcomes, the quality of social support was more important for entrepreneurial success. From the empirical evidence, Juan A. M. L., Francisco José P. D and José F. M. D (2007) in their study found out that social support have a significant influence on entrepreneurial intention. Achchuthan and Nimalathasan (2012) reported that problems in the financial assistance, lack of infrastructure facilities, lack of technological facilities, lack of support from governmental and non-governmental organizations in the Jaffna district Sri Lanka becomes a barrier for potential young entrepreneurs in starting up a new venture. Olufunso (2010) also reported that lack of access to capital, lack of competency, government support, risk and the macro-economy are the obstacles that inhibit graduates who have an intention to launch a successful business in South Africa.

Based on the literature reviewed, the following hypotheses were tested:

1. There will be a significant relationship between emotional intelligence, social support and entrepreneurial success
2. Participants who have high emotional intelligence will score significantly higher on entrepreneurial success than those with low emotional intelligence
3. Participants who have high social support will score significantly higher on entrepreneurial success than those with low social support
4. Emotional intelligence and social support will jointly and independently predict entrepreneurial success.

METHODOLOGY

The study adopted a cross-sectional survey design. The study was conducted in Onitsha Main Market, Nigeria. This setting is suitable for the study due to the larger population of traders within the selected setting. One hundred and seventy-four (174) participants took part in the study using the purposive sampling technique during the questionnaire administration. Three research instruments were used for the study which includes: Emotional intelligence scale developed by Wong and Law (2002), Social support scale developed by Sanchez-Almagro (2003) and Schutte Emotional Intelligence Scales (SEIS) developed by Schutte *et al.* (1998). The instruments were reported to have high validity and the internal consistency reliability coefficients. The psychometric properties for three scales reported to have reliability coefficient of .72, .70, and .85. From this present study, Cronbach alpha Coefficient of .80, .68, and .70, was established. The analyses of data include zero order correlation, t-test for independent samples and multiple regressions,

RESULTS

Hypothesis One

There will be a significant relationship between emotional intelligence, social support and entrepreneurial success. This was tested with zero order correlations and results are presented in table 1:

Table 1: summary of zero order correlations showing the relationship between emotional intelligence, social support and entrepreneurial success.

Variable	1	2	3	X	SD
Emotional intelligence	-	.862**	.781**	36.00	8.765
Social support		-	.921**	28.07	9.341
Entrepreneurial success			-	17.76	5.688

** Correlation is significant at the 0.01 level (1-tailed).

The results in table 1 showed that emotional intelligence, social support and entrepreneurial success had significant correlation ($P < .01$). Emotional intelligence had significant relationship with entrepreneurial success ($r = .781$; $P < .01$); and the strength of the relationship is strong and in positive direction. Social support had significant relationship with entrepreneurial success ($r = .921$; $P < .01$), and the strength of the relationship is very strong and in positive direction. In addition, the result of the analyzed data indicated that emotional intelligence had significant relationship with social support ($r = .862$; $P < .01$) and the relationship is very strong and in positive direction. These results imply that entrepreneurial success among business owners in Onitsha metropolis increases with increase in emotional intelligence and social support. However, these results confirm the stated hypothesis, and it is retained and accepted.

Hypothesis Two

Participants who have high emotional intelligence will score significantly higher on entrepreneurial success than those with low emotional intelligence. It was tested using t-test for independent samples and the results are presented on table 2:

Table 2: T-test summary showing the influence of level of emotional intelligence on entrepreneurial success.

	Emotional intelligence	N	Mean	SD	df	t	p
	High	80	21.46	4.178			
Entrepreneurial success					172	9.503	<.01
	Low	94	16.56	3.815			

Table 2 result indicates that participants with high level of emotional intelligence scored significantly higher on entrepreneurial success among business owners in Onitsha metropolis Nigeria at $t(172) = 9.503$; $P < .01$). Participants with high emotional intelligence had a mean score of (21.46); whereas participants with low emotional intelligence had a mean score of (16.56). This implies that differences in level of emotional intelligence of business owners in Onitsha metropolis Nigeria led to significant difference in entrepreneurial success. Hence the results fully support the stated hypothesis.

Hypothesis Three

Participants who have high social support will score significantly higher on entrepreneurial success than those with low social support. It was tested using t-test for the independent samples and the results are presented on table 3:

Table 3: T-test summary showing the influence of level of social support on entrepreneurial success.

	Social support	N	Mean	SD	df	t	p
	High	69	24.86	5.321			
Entrepreneurial success					172	10.421	<.01
	Low	105	15.53	3.245			

Table 3 result indicates that participants with high level of social support scored significantly higher on entrepreneurial success at $t(172) = 10.421$; $P < .01$): participants with high social support had a mean score of (24.86); while participants with low emotional intelligence had a mean score of (15.53). This implies that differences in level of social support of business owners in Onitsha metropolis led to significant difference in entrepreneurial success. Hence the results confirmed the stated hypothesis and it is accepted.

Hypothesis Four

There will be a significant joint and independent influence of emotional intelligence and social support on entrepreneurial success. This hypothesis was tested using multiple regressions and the results are presented on table 4:

Table 4: summary of multiple regressions showing the influence of emotional intelligence and social support on entrepreneurial success.

Variable	R	R ²	F	P	β	t	Sig
Emotional intelligence	.821	.931	532.483	<.01	.052	.870	>.05
Social support					.786	13.462	<.01

Dependent variable: Entrepreneurial success

The results in table 4 showed that emotional intelligence and social support jointly predicted entrepreneurial success, ($R = .821$; $R^2 = .931$; $F(2,171) = 532.483$; $P < .01$). This implies that emotional intelligence and social support jointly accounted for about 83.1% variance in entrepreneurial success while the remaining 16.9% could be attributed to other variables not considered in this study. However, the analysis of the independent predictions indicated that only social support had significant independent influence on entrepreneurial success, ($\beta = .786$; $t = 13.462$; $P < .01$). This implies that emotional intelligence and social support accounted for significant joint variance in entrepreneurial success while only social support contributed a significant independent influence in the study samples.

DISCUSSION

This study investigated the role of emotional intelligence and social support as determinants of entrepreneurial success among business owners in Onitsha metropolis Nigeria. Four hypotheses were developed and tested using appropriate statistical tool. The first hypothesis which predicted that there would be significant relationship between emotional intelligence, social support and entrepreneurial success was confirmed. Thus, the result of the study revealed that participant with high level of emotional intelligence scored significantly higher on entrepreneurial success than those with low emotional intelligence. This implies that

differences in level of emotional intelligence of business owners in Onitsha metropolis Nigeria led to significant difference in entrepreneurial success. This was also in line with the conclusions made by the Boyd and Vozikis (2009) that those individuals with higher degrees of emotional intelligence in the early stages of entrepreneurial development will have higher entrepreneurial success. Meanwhile, participants with high social support scored significantly higher on entrepreneurial success. This implies also that differences in level of social support of business owners in Onitsha Metropolis Nigeria led to significant difference in entrepreneurial success. This was reported in another similar study that individuals with higher social support and entrepreneurial self-efficacy have higher entrepreneurial success (Krueger, Reilly and Carsrud, 2000). On the other hand, emotional intelligence and social support jointly predict entrepreneurial success significantly. This implies that emotional intelligence and social support jointly accounted a significant variance in entrepreneurial success. However, the analysis of the independent predictions indicated that only social support had significant independent influence on entrepreneurial success.

It is imperative to state here that even though the present study provides important clues for future researches, it is not free from limitations. The sample selected for the study was limited to the business owners in Onitsha Metropolis Nigeria. Results of the study may not be adequate to generalize the findings to a broad population of business owners in Nigeria. Further studies should consider business owners in other states for either replication of this study or carry out the effect of entrepreneurial success on business owners' involvement in ethics guiding business concept in other states. This research suggests that larger sample size could as well be considered due to the inadequate population sample used in this study.

In conclusion, it has been established that emotional intelligence and social support influence entrepreneurial success of business owners in Onitsha metropolis Nigeria. Since, emotional intelligence plays a role in financial entrepreneurial firm success. Business owners should pursue emotional intelligence training and education that will help them to reap important benefits when it comes to entrepreneurial behaviours such as negotiation, identifying and exploiting opportunities', as well as obtaining and maintaining customers. Regarding the role successful businessmen plays in job creation and contribution to the economy in developing countries. As matter of urgency, government should introduce social support programme for all business owners, and as well create enabling environment for their businesses to thrive.

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