

**IMPACT OF EMOTIONAL INTELLIGENCE ON FINANCIAL
PERFORMANCE OF SMALL BUSINESS OWNERS IN
KURUNEGALA DISTRICT**

By

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ABSTRACT

The major aim of the research paper is to measure the impact of emotional intelligence on financial performance of Small business owners. Moreover, it tries to investigate whether there are any relationship between emotional intelligence and financial performance.

Conceptual model has been developed based on reviewing literature. Wong and Law Emotional Intelligence Scale has been used as a basement to clearly derive the variables and dimensions for the study. Independent variable has been used to measure the emotional intelligence of Small business owners. The result reveals that the important element of emotional intelligence are Self-Emotions Appraisal (SEA), Others-Emotions Appraisal (OEA), Use of Emotion (UOE) and Regulation of Emotion (ROE). As the dependent variable financial performance has been used.

Primary data has been collected from the small business owners all the divisional secretarial areas in Kurunegala District. Random sampling method was used to obtain 150 responses from Small business owners. The collected data has been analyzed by using descriptive statistics, correlation analysis, regression analysis, independent sample t test and ANOVA and cross tabulation analysis.

Based on the findings of the study, the results suggest the emotional intelligence was found to have a positive impact on financial performance, only the Regulation of Emotion (ROE) alone influence the financial performance. Further results imply that there are Moderate positive relationship between emotional intelligence and financial performance. Further results imply that there were not significant differences in financial performance and emotional intelligence among age, gender, experience, educational level and civil status. The study further reveals that emotional intelligence level is also at a higher level of Small business owners in Kurunrgala district, but financial performance level is a moderate level of small business owners.

Government and non-government organizations can Provides workshops, Seminars, Social skills training, Team effectiveness programs, Career development and planning seminars to small business owners with objective information on their emotional skill. And also Government organizations have to provide financial supports for small scale entrepreneurs to enhance their financial position.

TABLE OF CONTENTS

ACKNOWLEDGEMENT	I
ABSTRACT.....	II
ABBREVIATIONS	III
CONTENTS.....	IV
LIST OF TABLE	XII

Chapter one: Introduction

1.1 Background of study	1
1.2 Problem Statement.....	2
1.3 Research Questions	4
1.4 Objectives of the study	4
1.5 Significance of the study	5
1.6 Scope of the study	6

Chapter Two: Literature Review

2.1 Introduction	7
2.2 Defining Small business.....	7
2.3 Define Emotional intelligence.....	8
2.3.1 Brief history of emotional intelligence	8
2.4 The Study of Emotions.....	10
2.4.1 Emotional Intelligence and Positive Organizational Attitudes and Behaviors	12
2.4.2 Emotional Intelligence and Job Satisfaction.....	12
2.4.3 Emotional intelligence and its association with conflict handling.....	12
2.4.4 Emotional Intelligence and Leadership	13
2.4.5 Emotional Intelligence and Workplace Performance	13
2.5 Theories/models used for using emotional intelligence	13

2.5.1	Ability model	14
2.5.2	Mixed model	14
2.5.3	Bar-On's (1997) non-cognitive model	15
2.5.4	Model Competency-based	15
2.5.5	Cascading model of emotional intelligence	16
2.5.6	Wong and Law Emotional Intelligence Scale	16
2.6	Independent variables	16
2.6.1	Self-Emotions Appraisal (SEA)	17
2.6.2	Others-Emotions Appraisal (OEA)	17
2.6.3	Use of Emotion (UOE)	18
2.6.4	Regulation of Emotion (ROE)	18
2.7	Dependent Variable: Financial performance	19
2.7.1	Growth	20
2.7.2	Business Volume	20
2.8	Linking Emotional Intelligence and financial performance of small business	20
2.9	Summary	22

Chapter three: Conceptual Framework and Operationalization

3.1	Introduction	23
3.2	Conceptualization	23
3.2.1	Independent variables - Emotional intelligence	24
3.2.1.1	Self-Emotions Appraisal (SEA)	25
3.2.1.2	Others-Emotions Appraisal (OEA)	25
3.2.1.3	Use of Emotion (UOE)	26
3.2.1.4	Regulation of Emotion (ROE)	27
3.2.2	Financial performance	28
3.2.2.1	Growth	28

3.2.2.2 Business Volume.....	29
3.3 Operationalization of Variables	29
3.4 Summary	32

Chapter Four: Methodology

4.1 Introduction.....	33
4.2. Study Setting, Study Design and Method of Survey.	33
4.3 Study population	34
4.3.1 Sampling Technique	34
4.3.2 Sample Size.....	34
4.4 Data collection	36
4.5 Methods of data presentation	36
4.5.1 Data presentation for personal factors	36
4.5.2 Data presentation for emotionala intelligence and financial performance.....	36
4.6 Methods of Measurements.....	37
4.6.1 Method of Measuring the Personal information	37
4.6.2 Method of Measuring the Emotional Intelligence	38
4.6.3 Method of Measuring the Financial performance.....	40
4.7. Method of Data Analysis	41
4.7.1 Reliability test and evaluation.....	42
4.7.2 Univariate Analysis and evaluation	42
4.7.3 Cross Tabulation Analysis	44
4.7.4 Anova test and t- test and evaluation	44
4.7.5 Bivariate Analysis and evaluation	44
4.7.5.1 Simple regression Analysis.....	45
4.7.5.2 Correlation Analysis.....	45

4.7.6	Multivariate Analysis and evaluation	46
4.8	Summary	47

Chapter Five: Data presentation and Analysis

5.1	Introduction	48
5.2	Analysis of Reliability of the Instruments	48
5.3	Data presentation	49
5.3.1	Data presentation for personal factors	49
5.3.1.1	Gender	49
5.3.1.2	Age group	49
5.3.1.3	Civil Status distribution of the sample	50
5.3.1.4	Sample distribution of education level	50
5.3.1.5	Sample distribution of owner's experience	51
5.3.2	Data presentation for Emotional Intelligence	51
5.3.2.1	Self-Emotions Appraisal (SEA)	52
5.3.2.2	Others-Emotions Appraisal (OEA)	53
5.3.2.3	Use of Emotion (UOE)	54
5.3.2.4	Regulation of Emotion (ROE)	54
5.3.3	Data presentation for Financial Performance	55
5.3.3.1	Growth of small business	55
5.3.3.2	Business Volume of small business	56
5.4	Data Analysis	56
5.4.1	Univariate Analysis	56
5.4.1.1	Mean and Standard deviation for Emotional Intelligence	56
5.4.1.1.1	Emotional Intelligence of small business owners	56
5.4.1.1.2	Self-Emotions Appraisal (SEA) of small business owners	57
5.4.1.1.3	Others-Emotions Appraisal (OEA) of small business owners	57

5.4.1.1.4 Use of Emotion (UOE) of small business owners	58
5.4.1.1.5 Regulation of Emotion (ROE) of small business owner6	58
5.4.1.2 Mean and Standard deviation for Financial Performance	59
5.4.1.2.1 Financial Performance of small Business	59
5.4.1.2.2 Growth of small business	60
5.4.1.2.3 Business volume of small business	60
5.5 Bivariate Analysis	60
5.5.1 Correlation analysis– Emotional intelligence and financial performance	61
5.6 Multivariate Analysis	62
5.7 Simple Regression Analysis	64
5.7.1 Regression Analysis – Emotional intelligence and financial performance	64
5.7.2 Regression between Emotional intelligence and Regulation of Emotion (ROE).....	64
5.8 ANOVA test and t test	65
5.9 Cross Tabulation Analysis	66
5.9.1 Mean comparison between personal factors and emotional intelligence.	66
5.9.1.1 Mean comparison between gender and emotional intelligence	66
5.9.1.2 Mean comparison between age and emotional intelligence	66
5.9.1.3 Mean comparison between civil status and emotional intelligence ...	67
5.9.1.4 Mean comparison between education level and emotional intelligence.....	67
5.9.1.5 Mean comparison between experience and emotional intelligence ...	68
5.9.2 Mean comparison between Personal factors and financial performance.	68
5.9.2.1 Mean comparison between gender and financial performance	68
5.9.2.2 Mean comparison between age and financial performance	68
5.9.2.3 Mean comparison between civil status and financial performance....	69

5.9.2.4	Mean comparison between education and financial performance	69
5.9.2.5	Mean comparison between experience and financial performance ...	70
5.10	Summary	71

Chapter six: Discussion

6.1	Introduction.....	72
6.2	Discussion on personal factors.....	72
6.2.1	Gender of small business owners.....	72
6.2.2	Age level of small business owners	72
6.2.3	Civil status of small business owners	73
6.2.4	Educational level of small business owners.....	73
6.2.5	Experience of small business owners	74
6.3	Discussion on research variables	74
6.3.1	Emotional Intelligence	74
6.3.1.1	Self-Emotions Appraisal (SEA).....	75
6.3.1.2	Others-Emotions Appraisal (OEA)	75
6.3.1.3	Use of Emotion (UOE).....	76
6.3.1.4	Regulation of Emotion (ROE).....	76
6.3.2	Financial performance	76
6.3.2.1	Growth level of small business	77
6.3.2.2	Business volume of small business	77
6.4	Discussions on Research objectives.....	77
6.4.1	Discussion on the relationship between Self-Emotions Appraisal (SEA) and financial performance.....	78
6.4.2	Discussion on the relationship between Others-Emotions Appraisal (OEA) and financial performance.....	78
6.4.3	Discussion on the relationship between Use of Emotion (UOE) and financial performance	79

6.4.4 Discussion on the relationship between Regulation of Emotion (ROE) and financial performance	79
6.4.5 Discussion to investigate how the emotional intelligence vary with demographic factors.....	81
6.5 Relationship between emotional intelligence of small business owners and financial performance of their firms	82
6.6 Summary	83

Chapter Seven: Conclusions and Recommendations

7.1 Introduction.....	84
7.2 Conclusion	84
7.2.1 Relationship between Self-Emotions Appraisal (SEA) and financial performance.....	84
7.2.2 Relationship between Others-Emotions Appraisal (OEA) and financial performance.....	85
7.2.3 Relationship between Use of Emotion (UOE) and financial performance.....	85
7.2.4 Relationship between Regulation of Emotion (ROE) and financial performance.....	85
7.2.5 How the emotional intelligence vary with demographic factors.....	85
7.2.6 Impact of emotional intelligence on financial performance.....	85
7.3 Recommendations.....	86
7.3.1 My suggestions to small business owners and their employees to improve their Self-Emotions Appraisal.....	86
7.3.2 My suggestions to small business owners and their employees to improve their Others-Emotions Appraisal (OEA).....	87
7.3.3 My suggestions to small business owners and their employees to improve their Use of Emotion (UOE).....	87