

Review of Literature

CHAPTER II

REVIEW OF LITERATURE

2.1 Need for women entrepreneurship

In the words of former President Late APJ Abdul Kalam, empowering women is a prerequisite for creating a good nation. When women are empowered, society with stable growth is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation. Women entrepreneurship promotes empowerment of women in the society and leads them in their march towards nation-building.

Melanne S. Verveer, Ambassador-at Large, Office of Global Women's issues, US Department of State (2010) remarked that "Women's economic empowerment is critical to driving economic growth. They are the agents of change in the society. When women are given opportunity, when their potential is tapped, all of the society benefits".

Women entrepreneurship has been globally felt as a developmental and progressive idea for business world (Scott, 1986). Therefore it is considered as vital ingredient for not only globalization but at the same time for creating diverse opportunities for future potential performers (Mitra, 2002).

Women entrepreneurship is a crucial part of a developmental effort of any economy to empower the women (Bade *et al.*, 2015). According to them, it is considered to be an important resource of economic growth of any nation. Women entrepreneurs shape the economy by creating wealth, employment opportunities and assist in creating innovative products and services. Immense growth opportunities provided through entrepreneurial initiatives can empower the women and can wield better impact in the socio-economic development of our nation. Women entrepreneur is a person who accept challenging role to meet her personal needs and become economically independent. A strong desire to do something positive, is an inbuilt quality of entrepreneurial women, who is capable of contributing to her family and society. Increased participation of women-owned business in the global economy, extending financial support to the women entrepreneurs, sufficient training and entrepreneurial education can foster women entrepreneurship.

Attempt is made in this section to review the earlier studies and present the motivational and support factors for women entrepreneurs, barriers they face in the course of their business and how emotional intelligence, work engagement and subjective well-being have influenced their business performance.

2.1.1 Motivational and Support factors for Women entrepreneurship



Figure 2.1 Studies representing the motivational factors for women entrepreneurship

There are numerous researches over the past few decades that have examined the motivations and reasons of men to initiate ventures (Shane *et al.*, 2000 ; Birley *et al.*, 1994; Hisrich *et al.*, 1994; Cooper *et al.*, 1989; Denison *et al.*, 1986; Dubini 1988; Scheinberg *et al.*, 1988; Shapero *et al.*, 1982). However, there are few studies involving women entrepreneurs such as factors that make women leave the corporate world to become entrepreneurs (Nguyen, 2005), limitations and boundaries faced by women entrepreneurs when they decided to start up their own businesses (Brown, 1997; Chandralekha *et al.*, 1995; Gundry *et al.*, 2002; Helms, 1997; Hamilton, 1993; Stoner *et al.*, 1990; Winn, 2005), and pattern of ICT usage among women entrepreneurs (Ndubisi *et al.* 2006).

Based on the review of earlier studies, this research study has identified the motivational and support factors for the growth of women entrepreneurs like passion, financial security, family support, work experience, inspiration through role-models and favorable government support (Cooper, 1981; Brockhaus *et al.*, 1979; Choudhary, 2000;

Marlow, 2002; Moore, 2003; Nguyen, 2005; Budhwar *et al.*, 2005; Van der Sluis *et al.* 2005 Kolstad *et all.*, 2013; Sharif, 2014). In Malaysia, psychological motives such as self-satisfaction, the search for independence, and source of finance have been found to be motivational factors for women entrepreneurs to start-up business (Nordin, 2005).

Brockhaus *et al.*, (1979) have suggested that workers with low education would choose entrepreneurship as a way of escaping a salary-worker environment where their low formal education give little opportunity for internal promotion. Cooper (1981) proposed that three factors influence women entrepreneurship- antecedent influences (i.e., back-ground factors such as family influences and genetic factors that affect motivation, skills and knowledge), the "incubator organization" (i.e., the nature of the organization that the entrepreneur was employed in just prior to starting a business, the skills learned there), and environmental factors (e.g., economic conditions, access to venture capital and support services; role models).

The growth of women entrepreneurs in any society may be attributed to three reasons- force, chance and ambitions. Some women come into entrepreneurial activities due to force of circumstances and some others take this activity merely by chance. There are some others who aim to become entrepreneurs by passion and take up entrepreneurial initiatives intentionally (Choudhary, 2000). Entrepreneurship is not just confined to any one gender now rather due to multi-faceted economic pressures, women have turned up and realized that the survival of their families and their own potential lies only in working side by side with men (Marlow, 2002).

Women entrepreneurs carry on their business for the following reasons- challenges in entrepreneurship, freedom to take decisions, to extend support to the family, economic independence and organizational dynamics like power and politics (Moore, 2003). Most of the women start their own business to provide additional flexibility and work-life balance in managing their traditional responsibilities as wife and primary caretaker of children (Nguyen 2005). Women entrepreneurs have also entered into business after getting the needed technical and management education, required to operate their business. Education can also reduce the pressure for staying at home of social stereotypes and can increase women's overall confidence when involved in

business environments (Budhwar *et al.*, 2005). Education is also a positive factor in fostering entrepreneurship by improving management skills (Kolstad *et al.*, 2013; Van der Sluis *et al.*, 2005). Dileepkumar (2006) and Khanka (2009) have reported that Indian women have started becoming entrepreneurs in sizeable numbers only recently. This is partly due to the formation of various self-help groups (SHGs), support from NGOs, higher levels of education and economic liberalisation. However, despite all of this support for women, female entrepreneurs are still far from on par with men in India.

Many studies have also shown that women have entered into business as a result of glass-ceiling phenomenon in their workplace. Though, they had enough skill sets and experience, the male domination did not allow them to get promoted into top level managerial jobs. This forced many women to enter into business related to their work experience or not. Sharif (2014) in his study, found that the glass ceiling phenomenon in corporate firms has a positive effect to spur the creation of women entrepreneurs among legal professionals in Malaysia. Glass-ceiling is a concept created by Wall Street Journal in 1970's to describe the invisible, artificial barriers created by attitudinal and institutional prejudices which deter qualified women folks in advancing within their organisations and reaching their full potential (Mattis,2004; Moore *et al.*,1997). This study points out that lack of promotional opportunities in the corporate world, had driven many women legal professionals to start their own business firms in Malaysia.

Lalhunthara (2015) in his study on women entrepreneurs at Mizoram, reported that the passion and ambition to contribute to the financial needs of the family, need for an independent living, improved skillsets, knowledge and training received, motivation from family members, desire to do something positive, managerial talents and abilities in business, and ambitious mind served as motivators to initiate a business venture. The study proved that women entrepreneurs in Mizoram were becoming more competent, ambitious and confident to exploit their entrepreneurial talents and opportunities.

According to Olabisi *et al.*, (2012), Human capital has been considered as crucial to women entrepreneurial development. They concluded in their study about human capital theory that education and training received by women folks has raised their productivity by imparting useful knowledge and skills, thereby raising their future

income and life time earnings. Kyalo *et al.*, (2014) reported in his study that, the term ‘human capital’ was originally used by Nobel economist, Gary Becker, to refer to the stored value of knowledge or skills of members of the work force. It includes the time taken to acquire skill sets, experience, knowledge and abilities in an individual, which can be used in the production process. Elizabeth *et al.*, (2015) in their study about ‘Challenges facing women entrepreneurs in the Gauteng Province of South Africa’, observed that women entrepreneurs remain very active in business, thereby uplifting their standard of living in the society. They can develop their entrepreneurial attitude, managerial skills and business knowledge through proper education and training programmes.

Table 2.1 Summary of Motivational factors for Women to become an Entrepreneur

Author (Year)	Motivational factors
Mohiuddin,1983	Women became entrepreneurs to satisfy their economic needs as a challenge to satisfy some of their personality needs.
Cromie,1985	The need for autonomy and more money were motivators for women entrepreneurs.
Huntley, 1985	Desire to be independent and to be in control of their lives made women venture into business.
Nelson, 1991	Small financial outlay to start business motivated women to start a business unit.
Starcher,1996	Women entrepreneur is motivated for change in order to improve the living conditions of her family, provide a sharing hand to her husband in income generation, provide quality education to her children, contribute positively by creating job opportunities, empowering other women and bringing out the society out of economic disparity and unemployment.
Naser <i>et al.</i> , 2000	Financial support from the government motivates women to start their own business.
Robb, 2002	Gender discrimination in work place forced women to enter into business.
Koshy <i>et al.</i> , 2000	Support given by the Government and non-governmental agencies and changing attitude towards women entrepreneurship encouraged women to enter into business.

Author (Year)	Motivational factors
Kyro, 2001	Personal gains like financial independence and increased recognition made women take up business initiatives.
Sitterly, 2001	Presence of parent entrepreneurial role-model was associated with an individual business performance. The emergence of knowledge as an important determinant of growth and competitiveness in global markets encourage self-employment.
Marlow, 2002	Women have entered into business due to multi-faceted economic pressures and realized that the survival of their families and their own potential lies only in working side by side with men.
Brockhaus <i>et al.</i> , 1979	Workers with low education would choose entrepreneurship as a way of escaping a salary-worker environment.
Cooper, 1981	Three factors influence women entrepreneurship- antecedent influences, the "incubator organization" and environmental factors.
Choudhary, 2000	The growth of women entrepreneurs in any society may be attributed to three reasons- force, chance and ambitions.
Moore, 2003	Women entrepreneurs carry on their business for the following reasons- challenges in entrepreneurship, freedom to take decisions, to extend support to the family, economic independence and organizational dynamics like power and politics.
Nguyen, 2005	Most of the women start their own business to provide additional flexibility and work-life balance in managing their traditional responsibilities as wife and primary caretaker of children.
Budhwar <i>et al.</i> , 2005	Education can also reduce the pressure for staying at home of social stereotypes and can increase women's overall confidence when involved in business environments.
Kolstad <i>et al.</i> , 2013; Van der Sluis <i>et al.</i> , 2005	Education is also a positive factor in fostering entrepreneurship by improving management skills.
Dileep, 2006; Khanka, 2010	Indian women have started becoming entrepreneurs in sizeable numbers only recently, partly due to the formation of various self-help groups (SHGs), support from NGOs, higher levels of education and economic liberalization.
Sharif, 2014	The glass ceiling phenomenon in corporate firms has a positive effect to spur the creation of women entrepreneurs among legal professionals in Malaysia.

Author (Year)	Motivational factors
Lalhunthara, 2015	The ambition to contribute to the financial needs of the family, need for an independent living, improved skillsets, knowledge and training received, motivation from family members, desire to do something positive, managerial talents and abilities in business, and ambitious mind served as motivators for women entrepreneurs to initiate a business venture.
Olabisi <i>et al.</i> , 2012	Human capital has been considered as crucial to women entrepreneurial development.
Elizabeth <i>et al.</i> , 2015	Women entrepreneurs remain to be very active in business, thereby uplifting their standard of living in the society. They can develop their entrepreneurial attitude, managerial skills and business knowledge through proper education and training programs.
Hani, 2015	Women ventured into business out of their own strong passion. They believed that it can lead to economic independence and can help in earning additional income to their family.

Reviewing the earlier studies, it is found that participation of women in business initiatives has improved tremendously. In spite of the entry of women into business stream, many of them are not able to succeed like others. They face lots of barriers and obstacles in managing their business. The next section will highlight the barriers faced by women entrepreneurs in managing their business.

2.1.2 Barriers for Women entrepreneurship

Barriers for women entrepreneurship are defined as any obstacles or problems or challenges that blocks or hinders the progress of a woman entrepreneur in the process of managing their business enterprise, which requires great mental and physical effort to overcome it (Singh, 2009).

The United Nations Development Program (UNDP) in 2010, had created a ‘Gender Inequality Index(GII). The GII refers to a new index for measurement of gender disparity. According to UNDP (2010), this index is a composite measure which captures the loss of achievement, within a country, due to gender inequality. It indicates the disadvantages faced by women as they were discriminated against, in health, education, business and in the labour market. Generally, in terms of GII, the European countries seem to perform better than American, Asian and Arabian countries.

India has a rank of 132 in the GII study, scoring high on gender inequality. The UNIDO preparatory meeting on the role of women in industrialization in the developing economy, held at Vienna during 6th -10th of February 1978, identified several constraints like social, attitudinal and institutional barriers, lack of technical knowledge, lack of training opportunities, insufficient mobility, poor information base and networking, which held the women back from participating in business related activities.

The barriers for women entrepreneurs as reported by Singh in 2009 are presented in the figure 2.2

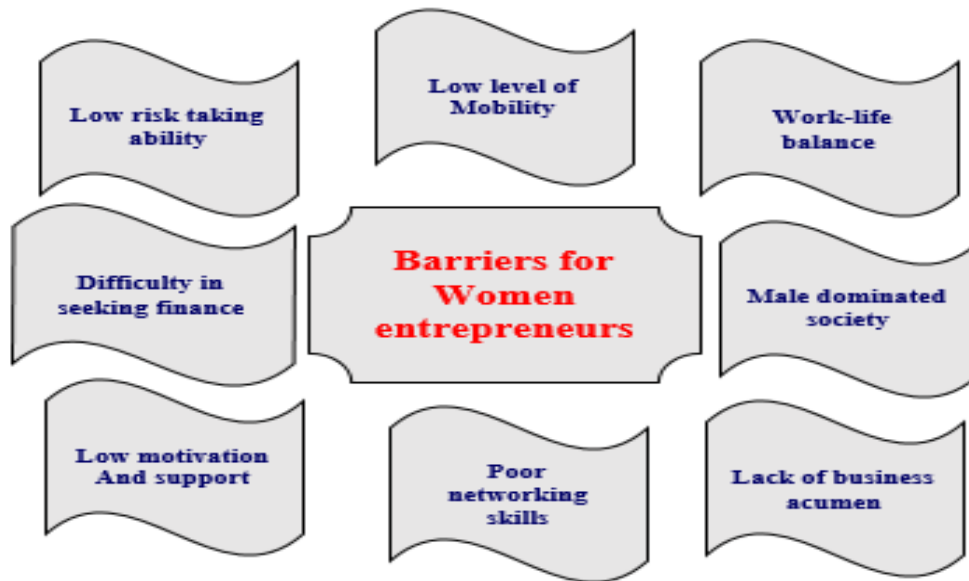


Figure 2.2 Barriers for Women Entrepreneurs

Accordingly, based on the reviews collected, the common barriers for the women entrepreneurs are highlighted as difficulty in maintaining business work- family life balance, prevalence of male-dominated society and male chauvinism, lack of business acumen and managerial skills, poor networking support, lack of motivation and support from family members, difficulty in seeking finance and lack of collateral security, low risk taking ability, low self-confidence, and low level of mobility (Gayathri 2014; Ghani, 2011; Ebrahim *et al.*, 2010; Marlow *et al.*, 2008; Minniti *et al.*, 2007; Carter *et al.*, 2006;

Shaw *et al.*, 2006; Marlow *et al.*,2005; Rao, 2004; Greene *et al.*, 2003; Punitha *et al.*, 1999; Collette *et al.*, 1990; Grise *et al.*, 1990; Belcourt *et al.*, 1991; Tovo, 1991; DeWine *et al.*, 1989; Kent, 1988; Van der *et al.*,1987; Stevenson, 1986; Timmons, 1986; Goffee *et al.*, 1985; Hisrich *et al.*,1984).

The findings that reveal the barriers for women entrepreneurs are

1. Difficulty in striking work-life balance

According to Ebrahim *et al.*, (2010), women entrepreneurs find it difficult to strike a chord in their business work-family life balance. They give more importance to family ties and relatives. Family responsibility and obligation gives them little energy and time for business. They get stressed with the work pressure and entangle themselves in different role-conflicts, which make it difficult for them to take effective decisions in their business. Even though, there is an increase in women entrepreneurs, many women are struggling to find the right work-life balance. They are overburdened with family responsibilities, which take away a lot of their time and energy. Very few women are able to manage their dual responsibilities at home and business life. The family members and society are reluctant to stand beside their entrepreneurial growth (Henry *et al.*, 2015).

2. Prevalence of male dominated society

Women entrepreneurs find it difficult to grow and compete in the male-dominated Society (Khan *et al.*, 2012). Women are not treated equal to men and their business approval to start is decided by the head of the family. Mitchell (2004) points out that besides the risk the women entrepreneurs face, they encounter additional problem of being a women in the male-dominated society. Singh (2005) propounds that though women entrepreneurs operate in the same environment as men entrepreneurs, there are gender biasedness embedded in the society, which limit women from active economic participation and access to business and development services. Male-chauvinism is still prevalent, though our constitution speaks of equality between genders (Bade *et al.*, 2015). They are taken for granted by the bank managers, government officials, middle-men and the work-force in the business organization.

3. Lack of Business acumen and Managerial skills

Any successful women entrepreneur needs to take risk, organize resources in an efficient manner and be innovative in managing their business. Most of them have low level of business acumen and managerial skills (Minniti *et al.*, 2007). They have poor technical knowledge, planning, decision-making, communicating, delegating and negotiating skills. They have low self-confidence perceiving their entrepreneurial skills to be lower than men and thereby express higher fear of failure. Akhalwaya *et al.*, (2012) indicated that negative attitudes discourage women from taking risks in business and the social environment deters them from pursuing career paths in science, engineering and technology.

4. Poor networking skills

Women entrepreneurs find it difficult to interact with other people involved in business and have poor networking skills and fewer informal support systems and networks. Thus, they lack professional interaction (Ghani *et al.*, 2012; DeWine *et al.*, 1989). As a result, their social network is less powerful compared to men (Marlow *et al.*, 2005; Brush *et al.*, 2002) and tend to be clustered with family members and friends (Shaw *et al.*, 2006). In the competitive market, they have to struggle hard to survive in the market against the organized sector and their competitive male counterpart, who have huge experience and competence to adopt advanced technology in managing enterprises (Rao *et al.*, 2015).

5. Low motivation and support

Women entrepreneurs are not sufficiently interacting with other successful entrepreneurs, to get motivated. Their challenge lies in being accepted as a woman in business, difficulty in gaining the confidence of their clients and suppliers and the lack of adequate training. They lack guidance and mentoring support to take up a successful business enterprise. (Belcourt *et al.*, 1991; Collette *et al.*, 1990). Lack of interaction with successful entrepreneurs to learn from their experience and knowledge sharing, serves as a barrier for women entrepreneurs (James *et al.*, 2015).

6. Difficulty in seeking finance

Many of the women entrepreneurs experienced hardships in getting start-up capital. Access to finance is one of the major hurdle they face and thereafter they end up using their own limited funds to start their business venture (Atieno, 2009). Commercial banks were hesitant to lend loans as they are not confident with the abilities of women in generating profits and repaying the loans (Pretorious *et al.*, 2004). Banks were unwilling to grant credit without collateral security and extend financial support to women entrepreneurs in expanding their business (Valla, 2001).

Akhalwaya *et al.*, (2012) observed that inability to get finance from banks such as commercial loans and equity, external bootstrapping from customers and suppliers act as a major barrier for women entrepreneurs. It is clear that women entrepreneurs suffer from inadequate financial resources and working capital and they are not able to acquire external financial assistance due to the absence of tangible security and credit in the market (Phillips *et al.*, 2014). Moreover, women business ventures are still perceived as risky by bankers, creditors and financial institutions and they are not willing to come forward and extend loans in bigger amount for women to expand their business, as they feel it is less credit worthy and have more chances of business failure (Rao, 2015).

7. Low risk taking ability

In general, women entrepreneurs prefer to do business within safe-limits. They show no interest to expand their business as they remain content in their growth and do not want to take additional risks in expanding business further. (Kent, 1988; Vander *et al.*, 1987; Hisrich *et al.*, 1986; Goffee *et al.*, 1985). As most of the women entrepreneurs are interested to have a protected life, they shun taking risks in their business operations. They have a high sense of fear in their minds while taking any major decision in their business and have less direct, relevant experience than men (Stevenson, 1986). Women entrepreneurs tend to operate in smaller business as they tend to have lower level of skills and experience. Low confidence is linked to women's tendency to be more risk averse compared to men. This is partly due to greater sense of responsibility leading to a fear that it would threaten their family security through their business activity. (Carter *et al.*, 2006; Marlow *et al.*, 2005).

8. Low level of mobility

Women entrepreneurs have low mobility as they have limited freedom to move and travel to far-off places for promoting their business. They have a tough time dealing with bureaucracy, tax-obligations, legal problems and sexual harassment. The legal statutory and procedural formalities to be completed before and after launching an enterprise terrorize women in initiating business ventures (James *et al.*, 2015).

9. Lack of entrepreneurial education and training

Herrington *et al.*, (2003) found that education and training system is the number one limiting factor for entrepreneurship in South Africa. Fatoki *et al.*, (2010) confirm that lack of entrepreneurial education is still one of the prime factors limiting the growth of the economy in South Africa. Running a business is very risky for any entrepreneur, even more so for women entrepreneurs who not only have to survive in a male-dominated environment but also often lack the education and training in this field (Phillips *et al.*, 2014). Due to lack of proper education, they are not aware of technological advancements, new production process, marketing strategies and financial assistance and schemes extended by the Government, which will help them to scale up their business (Rao *et al.*, 2015). Achievement motivation of the women folk is less compared to male members. The low level of education and confidence result in low level achievement and advancement motivation among women entrepreneurs (James *et al.*, 2015). Inadequate education and business knowledge results in wrong selection of business idea and mostly they land up with traditional and conventional business. Lack of education and ignorance deters them from knowing about Government support programs and opportunities.

Many women entrepreneurs fail to upgrade to the latest technological developments, which in turn makes them less innovative in their business. Perceived lack of innovation is a more common problem for women. They tend to concentrate on sectors that are considered to be less profitable, have low growth potential and value-addition. They participate less in high tech sector (Marlow *et al.*, 2008).

Women entrepreneurs lack interest in updating the information which leads them to have poor marketing knowledge about their business. They always need the support of intermediaries to market their products. Tovo (1991) observed that self-employed women

faced several problems in small scale enterprises due to limited access to inputs and markets. They faced tough competition and their products are dependent on limited number of suppliers. Moreover, they cannot produce quality products due to lack of standardized equipment and poor quality of raw materials (Jebadurai, 2007). This made women entrepreneurs economically vulnerable and being exploited by the middle-men.

Some of the researchers carried out an extensive study on the problems faced by women entrepreneurs and reported a plethora of problems faced by them in managing their business. Punitha *et al.*, (1999) examined the problems of women entrepreneurs and reported the major problems clouding women entrepreneurs as stiff competition from better quality products, difficulty in seeking loans and marketing difficulties. Sivaloganathan (2000) pointed out that the problems faced by women entrepreneurs are inequality, inadequate training, unfriendly government practices, exploitation by middlemen, low mobility, social attitudes, lack of education and low need for achievement. Shailendra *et al.*, (2000) revealed that women entrepreneurs in eastern Uttar Pradesh struggle against many odds such as traditional culture, low economic opportunity, low achievement orientation, shyness, low risk taking ability, low motivation, low educational level, unsupportive family environment, lack of information and experience and problem of liquidity and finance.

Khanka (2009) identified that the women entrepreneurs are crippled by the problems like availability of finance, scarcity of raw material, stiff competition, limited mobility, family ties, lack of education, male-dominated society, low risk taking ability, inadequate infrastructural facilities, shortage of power, high cost of production, social attitude, low need for achievement and socio-economic constraints. Siddiqui (2012) found out that women entrepreneurs face a host of problems like work-family obligations, gender inequality, problem of finance, low level risk taking attitude and male-female competition.

Women experienced a glass ceiling phenomenon that prevents them from performing high in all spheres of the economy (Sharif, 2014). Women entrepreneurs still constitute only a small percentage of the total self-employed population in developing countries (Manimekalai, 2002). Dhameja *et al.*, (2012) reported that women are entering the field of entrepreneurship in increasing numbers and they do so in the face of many obstacles. Despite numerous barriers and hurdles, they exhibit a strong determination and grit to succeed.

Devi (2014) found in the study among women entrepreneurs from the Association of Women Entrepreneurs in Karnataka (AWAKE) and Karnataka State Women Development Corporation (KSWDC) in Karnataka, that major barrier faced by them is the lack of adequate financial support to expand the business in terms of non-availability of long term finance, regular and frequent need of working capital, complicated banking procedures, insistence on collateral security and indifferent attitude of the bankers.

The women entrepreneurs, according to the study also experienced marketing constraints like lack of demand, tough competition from large scale units, poor location of the shop, lack of transport facility, lack of marketing knowledge, bargaining attitude of customers, exploitation by middle-men and male dominated markets. This study also quoted saying that many women entrepreneurs faced high cost of production due to high labour cost and rentals, power-cuts and lack of technical upgradation. They had health complications like high blood pressure, back-ache, eye-strain, fatigue, respiratory problems and so on, as they find it difficult to manage their work-life balance with poor family support in the nuclear family.

Social attitude is regarded as the most important stumbling block in the path of women entrepreneurship. Despite constitutional equality, there is wide spread discrimination against women as it is male dominated society. Though women have potential, the social attitudes prevent her to become a successful and independent entrepreneur. This study quotes that more than 60 percent of the women entrepreneurs face this constraint. Majority of the women entrepreneurs who face this constraint are found in food sector.

Women entrepreneurs from Association of Women Entrepreneurs in Karnataka (AWAKE) and Karnataka State Women Development Corporation (KSWDC) in Bangalore, stated that they did not face any problems severely by the virtue of being women, excepting the minor problems of performing duties both at home and business. This finding indicates a good turning point in the sense that women are developing confidence to undertake any work, thereby shedding inhibitions and this would encourage many aspiring women entrepreneurs to plunge into business.

Rao (2004) reported that women entrepreneurs had inadequate infrastructure, high labour mobility, shortage of electricity and delayed realization of debtors. Improper location and inadequate infrastructural facilities served as hurdles in the way of development of women entrepreneurship (Rafeeqe, 2015).

Shikare (2015) observed that most of the women entrepreneurs face marketing and financial problems due to limited managerial ability, lack of confidence, lack of education and lack of entrepreneurial attitude. They found it difficult to balance their family and work life and as a result faced stressful situations in the course of managing their business.

Table 2.2 Summary of the studies on Barriers for Women Entrepreneurs

Author (Year)	Findings of the study
1. Difficulty in work-life balance	
Rangan <i>et al.</i> , 2010	Women entrepreneurs find it difficult to strike a chord in their business work-family life balance. They give more importance to family ties and relatives. Family responsibility and obligation gives them little energy and time for business. They get stressed with the work pressure and entangle themselves in different role-conflicts, which make it difficult for them to take effective decisions in their business.
Sathyanarayana <i>et al.</i> , 2015	Even though, there is an increase in women entrepreneurs, many women are struggling to find the right work-life balance. They are overburdened with family responsibilities, which take away a lot of their time and energy. Very few women are able to manage their dual responsibilities at home and business life. The family members and society are reluctant to stand beside their entrepreneurial growth.
2. Male-dominated society	
Fatima <i>et al.</i> ,	Women entrepreneurs find it difficult to grow and compete in the male-dominated Society. Women are not treated equal to men and their business approval to start is decided by the head of the family. Besides the risk the women entrepreneurs face, they encounter additional problem of being a women in the male-dominated society.

Author (Year)	Findings of the study
Singh (2005)	Though women entrepreneurs operate in the same environment as men entrepreneurs, there are gender biasedness embedded in the society, which limit women from active economic participation and access to business and development services.
Rao <i>et al.</i> , 2015	Male-chauvinism is still prevalent, though our constitution speaks of equality between genders. They are taken for granted by the bank managers, government officials, middle-men and the work-force in the business organization.
3. Lack of Business Acumen	
Nardone <i>et al.</i> , 2007	Any successful women entrepreneur needs to take risk, organize resources in an efficient manner and be innovative in managing their business. Most of them have low level of business acumen and managerial skills. They have poor technical knowledge, planning, decision-making, communicating, delegating and negotiating skills. They have low self-confidence perceiving their entrepreneurial skills to be lower than men and thereby express higher fear of failure.
Akhilwaya <i>et al.</i> , (2012)	The study indicated that negative attitudes discourage women from taking risks in business and the social environment deters them from pursuing career paths in science, engineering and technology.
4. Poor Networking skills	
Ghani <i>et al.</i> , 2012; DeWine <i>et al.</i> , 1989	Women entrepreneurs find it difficult to interact with other people involved in business and have poor networking skills and fewer informal support systems and networks. Thus, they lack professional interaction.
Marlow <i>et al.</i> , 2005; Brush <i>et al.</i> , 2002, Shaw <i>et al.</i> , 2006	The study points out that their social network is less powerful compared to men and tend to be clustered with family members and friends.
Rao <i>et al.</i> , 2015	In the competitive market, they have to struggle hard to survive in the market against the organized sector and their competitive male counterpart, who have huge experience and competence to adopt advanced technology in managing enterprises.

Author (Year)	Findings of the study
5. Low motivation and support	
Belcourt <i>et al.</i> , 1991; Collerette <i>et al.</i> , 1990	Women entrepreneurs are not sufficiently interacting with other successful entrepreneurs, to get motivated. Their challenge lies in being accepted as a woman in business, difficulty in gaining the confidence of their clients and suppliers and the lack of adequate training. They lack guidance and mentoring support to take up a successful business enterprise.
James <i>et al.</i> , 2015	Lack of interaction with successful entrepreneurs to learn from their experience and knowledge sharing, serves as a barrier for women entrepreneurs.
6. Difficulty in seeking finance	
Atieno, 2009	Many of the women entrepreneurs experienced hardships in getting start-up capital. Access to finance is one of the major hurdle they face and thereafter they end up using their own limited funds to start their business venture.
Pretorious <i>et al.</i> , 2004	Commercial banks were hesitant to lend loans as they are not confident with the abilities of women in generating profits and repaying the loans.
Valla, 2001	Banks were unwilling to grant credit without collateral security and extend financial support to women entrepreneurs in expanding their business.
Akhalwaya <i>et al.</i> , 2012	Inability to get finance from banks such as commercial loans and equity, external bootstrapping from customers and suppliers act as a major barrier for women entrepreneurs.
Rao <i>et al.</i> , 2015	Women business ventures are still perceived as risky by bankers, creditors and financial institutions and they are not willing to come forward and extend loans in bigger amount for women to expand their business, as they feel it is less credit worthy and have more chances of business failure.
7. Low risk taking ability	
Kent, 1988; Vander <i>et al.</i> , 1987; Hisrich <i>et al.</i> , 1986; Goffee <i>et al.</i> , 1985	Women entrepreneurs prefer to do business within safe-limits. They show no interest to expand their business as they remain content in their growth and do not want to take additional risks in expanding business further.

Author (Year)	Findings of the study
Stevenson, 1986	As most of the women entrepreneurs are interested to have a protected life, they shun taking risks in their business operations. They have a high sense of fear in their minds while taking any major decision in their business and have less direct, relevant experience than men.
Carter <i>et al.</i> , 2006; Marlow <i>et al.</i> , 2005	Women entrepreneurs tend to operate in smaller business as they tend to have lower level of skills and experience. Low confidence is linked to women's tendency to be more risk averse compared to men. This is partly due to greater sense of responsibility leading to a fear that it would threaten their family security through their business activity.
8. Low level of mobility	
James <i>et al.</i> , 2015	Women entrepreneurs have low mobility as they have limited freedom to move and travel to far-off places for promoting their business.
9. Low level of education and training	
Herrington <i>et al.</i> , 2003; Fatoki <i>et al.</i> , 2010	Education and training system is the number one limiting factor for entrepreneurship in South Africa.
Rao <i>et al.</i> , 2015	Due to lack of proper education, they are not aware of technological advancements, new production process, marketing strategies and financial assistance and schemes extended by the Government, which will help them to scale up their business.
James <i>et al.</i> , 2015	The low level of education and confidence result in low level achievement and advancement motivation among women entrepreneurs. Inadequate education and business knowledge results in wrong selection of business idea and mostly they land up with traditional and conventional business. Lack of education deters them from knowing about Government support programs and opportunities.

Women Entrepreneurs should come out of glass-ceiling syndrome to prove them as successful entrepreneurs. Efforts should be taken to support them in providing finance, extending mentoring support, building their talent and business skills and upgrading their technical knowledge, so as to enable them to contribute significantly for the economic development of our country.

2.2 Emotional Intelligence

"In regard to measuring emotional intelligence – I am a great believer that criterion report (that is, ability testing) is the only adequate method to employ. Intelligence is an ability, and is directly measured only by having people answer questions and evaluating the correctness of those answers" said - Professor John D. Mayer (2001), American Psychologist, University of New Hampshire.

John D. Mayer was a pioneer in the field of 'emotional intelligence'. He was one of the first to define emotional intelligence as 'a group of mental abilities which helps an individual to recognize and understand their own feelings and others'. Ultimately, emotional intelligence leads to the ability to regulate one's feelings to perform better. Since 1990, Peter Salovey *et al.*, (1990) have been the leading researchers on emotional intelligence. In their influential article "Emotional Intelligence," they defined emotional intelligence as, "the subset of social intelligence that involves 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" (2004).

Several studies undertaken by the researchers point out that high levels of emotional intelligence in a person can improve one's performance in the organization. (Wolff *et al.*, 2002). The study suggests that emotionally intelligent individuals display team- spirit, cooperation, commitment and creativity that are significantly important for enhancing the work performance in the business organization. High levels of emotional intelligence can help them cope up with change, be more innovative, manage huge amounts of information, be more committed and motivated, make them to work better in teams, help in better decision making and problem-solving, strike proper work-life balance and network effectively through proper communication. Therefore, raising Emotional Intelligence in women entrepreneurs can support them to perform well in managing their business and can help them to expand their business successfully.

Gardner (1983) did not use the term 'emotional intelligence'. His concepts of intrapersonal and interpersonal intelligences provided a foundation for later models of emotional intelligence. The core of intrapersonal intelligence is the ability to know one's own emotions, while the core of interpersonal intelligence is the ability to understand

other individuals' emotions and intentions. Salovey *et al.*, (1990) first introduced the concept of emotional intelligence as a type of social intelligence, separable from general intelligence. According to them, emotional intelligence is the ability to monitor one's own and others emotion, to discriminate among them, and use the information to guide one's thinking and actions.

Later, Mayer *et al.*, (1996) observed that there were significant correlations found between the ability to identify emotions from written stories and empathy, openness/defensiveness, and SAT scores. In other words, the implications are that people who are able to identify emotions from the written thoughts of others are more likely to also be more empathetic, more open (i.e. non-defensive) and intellectually smarter. Likewise, people who are more empathetic and intellectually smarter are better able to identify emotions from written stories. Defensive people will be less able to identify emotion accurately.

This is related to the fact that emotional intelligence is a sub-category of social intelligence. He remarked that emotional intelligence gives the ability to identify emotions from one's thoughts. It is closely related to what others have called "intrapersonal intelligence" and "emotional creativity". This ability to recognize emotions is basic to a person's emotional subjective well-being. Any person who is unable to connect their thoughts to their own emotions may appear irrational and demanding. Any person who can 'hear' the emotions in another's thoughts may excel at handling certain social demands. People who are better at recognizing or producing appropriate thought-emotion combinations than others, possess better cognitive processing skills, are more open to their own and others' emotional reactions or have more expert knowledge concerning such connections.

In a later attempt, Salovey *et al.*, (1997) expanded their model and defined emotional intelligence as the ability of an individual to perceive accurately, appraise and express emotion; the ability to access and generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; and the ability to regulate emotions to promote emotional and intellectual growth.

Many researches have been conducted to study the emotional intelligence among individuals and have reported the significance of it towards improving their performance. Helgesen (1990) stresses, that women have a greater ability to prioritize than men, and this ability stems from the fact that women tend to be more polychromic and have to juggle with several activities simultaneously, i.e. managing the household, bringing up children while pursuing their careers. Cooper (1997) in his research on 'emotional intelligence at work place' suggests that people with high levels of emotional intelligence experience more career success, build interpersonal relationships, lead more pro-actively and enjoy better health than those with low emotional intelligence.

Goleman (1998) in his research study pointed out that women on an average outdo men when it comes to empathy, which refers to sensing a person's feelings at the moment. On the other hand, women on average do less well than men when it comes to self-confidence. Two surveys carried out by Management Research Group (1999) and Hagberg Consulting Group (1998) concluded that, women tend to be more task and results driven at work than men, who often spend more time on business analysis and strategic planning issues. At the same time, women scored highly in the fields of communication, active listening, motivating others and producing high-quality work. They also tended to be more empathetic and more sensitive to their co-workers' needs. Therefore, emotional intelligence not only influences just an individual's career achievements, but also more importantly on one's physical and mental health.

Seibert *et al.*, (2001) found that emotional intelligence may contribute to work performance by enabling people to nurture positive relationships at work, work effectively in teams and build social capital. He added that emotional intelligence enhances work performance by helping people to regulate their emotions so as to cope effectively with stress, perform well under pressure and adjust to organizational change. Chipain (2003) found that high performing sales personnel have a different level of emotional intelligence from the low performing sales personnel. Chin *et al.*, (2011) found that emotional intelligence is related to organizational performance and added that emotional intelligence, when applied in the work environment improves the performance of an individual in a professional and effective manner.

A Study on 100 bank employees by Manila University (Singh, 2001) showed that intelligence quotient scores were virtually unrelated with job performance whereas emotional quotient score accounted for 27 percent of job performance. Findings reveal that students with low emotional intelligence tend to engage in negative behaviour such as procrastination, social withdrawal and use of stimulants, all of which have harmful impact on their health and subjective well-being (Pau *et al.*, 2004). In the increasingly important field of emotional intelligence, Mandell *et al.*, (2003) demonstrated that women scored higher than men in their tests. They underlined the fact that women have always had a desire to lead but have been considerably handicapped and politically, economically and socially restricted. These barriers have now, to a large extent, been removed. Those who are “well-rounded and capable of handling adversity, ambiguity and uncertainty in times of crisis will leave their mark” (Porterfield *et al.* 2005). He reported that women tend to be far more effective in terms of interpersonal skills, empathy, handling emotions and relationships.

Turner (2004) studied that emotional intelligence is the softer component of total intelligence and it contributes to both professional and personal lives. Traditionally, intelligent quotient (IQ) is the ability to learn, understand and reason. It is said to contribute only 20% for a person’s success, whereas emotional quotient (EQ), which is the ability to understand oneself and interact with people, contributes to 80% of an individual’s success. Schacter (2009) described that Emotional Intelligence is an interpersonal process of improving social skills in which a leader understands followers and is charming, tactful, diplomatic and persuasive with sub-ordinates, superiors, peers, and outsiders in organizations globally.

2.2.1. Components of Emotional intelligence

The Hay Group conducted a survey of sixty FORTUNE 500 organizations, which compared companies defined by FORTUNE as the “World’s Most Admired Companies” (WMAC) with their peers. The WMAC reported that their managers demonstrated high levels of emotional intelligence, in terms of self-awareness, self-management, social awareness and social skills (Hay Group 1999). Barling *et al.*, (2000) studied that EI

comprises of five characteristics- understanding one's emotions, knowing how to manage them, emotional self-control, understanding other's emotions and managing relationships.

Caruso *et al.*, (2002) proposed two models of emotional intelligence- ability model and the mixed model. The ability model place emotional intelligence within the sphere of intelligence wherein emotion and thought interact in meaningful adaptive ways. The mixed model blend various aspects of personality like traits, dispositions, skills, competencies and abilities as emotional intelligence.

Law *et al.*, (2002) four items of emotional intelligence includes regulation of one's own emotions, leveraging emotions, understanding own emotions and emotional appraisal of others. Regulation of own's emotions pertains to the degree to which individuals are able to regulate their own emotions. Leveraging emotions refer to the degree to which individuals perceive themselves as competent and self-motivated with tendencies to encourage themselves to set and achieve goals. Understanding one's own emotions relates to assessing one's feelings and understanding one's own emotions. Emotional appraisal of others includes the ability to observe, understand and be sensitive to the feelings and emotions of others. It refers to the ability to discern emotions of others through their behaviours.

Welch (2003) identified that team emotional intelligence is comprised not only of each individual's emotional intelligence but also the collective competency. He divided emotional intelligence components into five dimensions- inclusiveness, adaptability, assertiveness, empathy and influence. Lubit (2004) has divided emotional intelligence into two components namely Personal competence and Social competence. Personal competence includes self-awareness and self-management. Social competence includes social awareness and relationship management or social skills. He suggested that social competence can be enhanced by observing others, thinking about why people behave and react as they do, and identifying behavior that seems helpful in critical situations.

Goleman has redefined his model to include 18 emotional competencies within four clusters namely self-awareness, self-management, social awareness and relationship management or social skills. (Goleman *et al.*, 2002 and Wolff, 2005).

The four clusters maintain a division between Personal Competence and Social Competence.

Personal Competence

Those skills and talents that support an individual to understand themselves and handle relationship with others are termed as Personal competence.

It is classified as A) Self-awareness and

B) Self- management.

Social Competence

It refers to the ability of an individual to understand and manage others through care and concern for them.

It includes C) Social-awareness

D) Social skills or Relationship management



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Figure 2.3 Eighteen Emotional competencies developed by Goleman, Boyatzis and Hay group (1996)

I. Personal Competence

A. Self-awareness

Self-awareness is the ability to control, analyze and improve personal and interpersonal relationships (Whetten *et al.*, 1995, Waters, 2006). It includes self-knowledge - to understand one's feelings and accurately assess self-related strengths and weaknesses, behaviors, skills, needs and drives. These abilities are fundamental for psychological health, personal growth and the ability to know and accept others (Carlopio *et al.*, 2005).

Self-awareness is the foundation for a hierarchy of three major personal life-management skills. Firstly, the skill to prioritize and set goals, which incorporates individuals' ability to direct their own lives. Secondly, time management skills, whereby people are able to use time effectively and efficiently. Finally, stress management skills, which encompasses the ability to identify stress factors and learn coping skills to deal with them (Whetten *et al.*, 1995; Waters, 2006). Church (1997) showed that high performing managers are significantly more self-aware than average performers. It has three important components such as

1. Emotional awareness

It involves recognizing one's emotions and their effects. Sosik *et al.*, (1999) found a high correlation between self-awareness and leadership. Their objectives were to examine whether managers' self-awareness moderated relationships between transformational leadership behavior and managerial performance, as well as between aspects of emotional intelligence and transformational leadership behavior. Researchers identified self-awareness as a core element of emotional intelligence.

2. Accurate self-assessment

It is knowing one's strengths and weakness and understanding oneself. Kakkar (2004) highlighted that self- assessment and emotional understanding among employees in an organization will improve the outcome of the organization.

3. Self-confidence

It is a strong sense of one's self worth and capabilities. Boyatis *et al.*, (2009) found out through their study that effective leaders excelled in self-confidence, persuasiveness and oral communication in the process of leading others.



Figure 2.4 Sub-components of Self-awareness

B. Self-management is the art of leading, directing and managing oneself in the course of an activity. It has the following components such as

1. Adaptability

It refers to the flexibility in dealing with changing situations or obstacles. Alon *et al.*, (2005) opine that leaders with high emotional intelligence can adapt easily to changing business situations.

2. Emotional self-control

It refers to inhibiting emotions in service of group or organizational norms. Lewis (2000) argue that the positive emotions of a team leader with a high level of emotional intelligence can elevate the team's emotional state and inspire members to invest themselves in the team and perform with more enthusiasm. This establishment of affective commitment has been shown to increase the motivation of team members (Ashforth *et al.*, 1995).

George *et al.*, (2003) found that emotionally intelligent leaders facilitate team-member interactions better, which results in greater levels of interpersonal trust. He reported that emotionally intelligent leaders, through constructively resolving conflicts, establish relationships characterized by cooperation and trust.

3. Initiative

It refers to being proactive and biasedness towards action. Boyatzis *et al.*, (2009) identified competencies that differentiated effective managers and leaders. The study pointed out that effective leaders showed more initiative while the managers were more oriented towards planning exercise.

4. Achievement Orientation

It is striving to do better in all efforts taken by the person. Srivastava *et al.* (2004) pointed out that an emotionally intelligent individual can excel in all spheres and achieve success than a person who possess less emotional intelligence.

5. Trustworthiness

It refers to maintaining integrity or consistency with one's values, emotions and behavior. Abraham (1999) examined the role of job control as a moderator among emotional intelligence, job satisfaction and organizational commitment and suggests that healthy social relationships within an organization increase employee loyalty and commitment.

6. Optimism

It is a positive view of the life and the future. In a study by Martin Seligman at Met Life, it was found that those with high emotional intelligence had a high levels of optimism. They have the ability to handle setbacks and hurdles, they confront in their business. It is viewed that the optimists are able to look at a roadblock as something external to them and temporary while pessimism view them as being caused by some internal flaw and having permanence. Optimism has proven to be a better factor as they can handle any problems in a positive note without any stress. George (2000), counters that leaders high on emotional intelligence are likely to have knowledge about the fact that their positive moods may cause them to be overly optimistic.



Figure 2.5 Sub-components of Self-management

Social Competence

It refers to the ability of an individual to understand and manage others through care and concern for them. It includes social-awareness and relationship management.

Social-awareness includes the following components.

1. Empathy

It refers to understanding others and taking active interest in their concern. Rhee *et al.*, (2007) revealed that entrepreneurs with high emotional intelligence have high empathy. Boyatzis *et al.*, (2009) in their study, found that effective leaders had empathy for people, who are working with them. Schutte *et al.*, (1998) and Parker *et al.*, (2004) found that emotional intelligence scores and empathy are positively correlated among medical students, since empathy and awareness of the feelings of others is a sub-component of social awareness in the emotional intelligence.

2. Service Orientation

It refers to recognizing and taking active interest in their concern.

3. Organizational awareness

It perceives the awareness related to the political relationships within the organization. Bass (1985) suggests that an effective leader has empathy, heightened awareness, insight and the ability to give feedback. Rosete *et al.*, (2005) found that executives higher on emotional intelligence are more likely to achieve organizational results and are considered as effective leaders by subordinates.

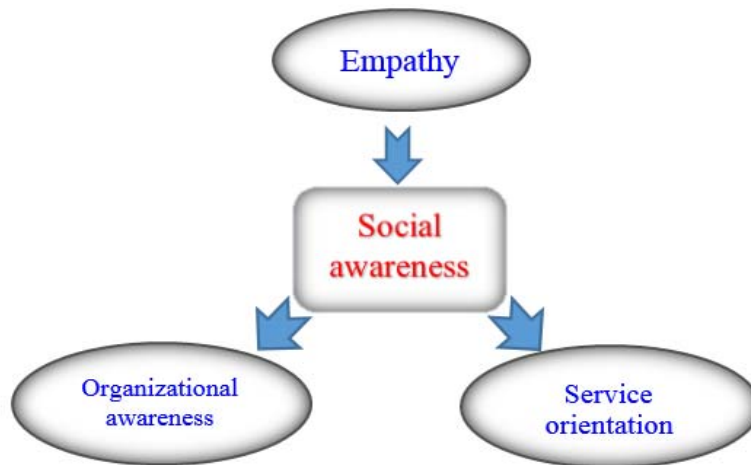


Figure 2.6 Sub-components of social awareness

Relationship Management/ Social Skills Management

Singh (2007) reported that the relationship management aspect of emotional intelligence was found to be the most important predictor of leadership. The study emphasized on developing relationship skills to become effective leaders. Relationship Management cluster includes the following components.

1. Inspirational leadership

It refers to inspiring and guiding groups and people. Webb (2004) indicated in his study that emotional intelligence in an individual can lead to charisma and inspirational motivation. Emotional intelligence may contribute to leaders developing a compelling vision for their groups and the organization as a whole.

2. Developing others

It refers to helping others and improving their performance.

3. Change catalyst

It is the extent to which an individual initiates and manages change. Dearborn (2002) suggests that managers with high emotional intelligence may be capable of getting more output from less people and can change to dynamic situations while creating positive outcomes. Punia (2005) found that leaders with higher emotional intelligence see changes as opportunities for betterment and they cherish not stability but ongoing development of individual workers and the organization itself.

4. Conflict management

It refers to resolving disagreements among individuals. Carmeli (2003) hypothesized that employees high in emotional intelligence are able to balance their work-family life conflict as they recognize and manage feelings of conflict as and when they occur. They reported that high levels of emotional intelligence would result in positive moods and feelings which would generate high levels of job satisfaction.

Emotional intelligence was shown to have impact on conflict resolution, negotiation and work group outcomes. (Yang, 2009; Foo *et al.*, 2004; Van Rooy *et al.*, 2004). Ayoko *et al.*, (2008) identified that teams with high emotional intelligence were linked to less task relationship conflicts. Godse *et al.*, (2010) indicated that IT professionals with higher perceived emotional intelligence are likely to adapt to better styles of conflict resolution in order to deal effectively with the situations in the workplace.

5. Influence

It refers to getting others agree with oneself. Leaders with high levels of emotional intelligence use social skills to influence others, develop strong relationships with employees and customers, and are strong motivators. They can understand their weakness and control their emotions (Feldman, 1999; Noyes, 2001; Chastukina, 2002). Afzalur *et al.*, (2002) revealed in the study that motivation, one of the key component of emotional intelligence, is positively related with effective problem solving style of individuals.

6. Team work and Collaboration

It refers to building relationships with a creating a shared vision and synergy. It encourages people to work as a team and develop organizational commitment. Abraham (1999) also finds that the social-skills component of emotional intelligence leads to stronger interpersonal relationships, which, in turn, influences organizational commitment. In an empirical study of this relationship, Humphreys *et al.*, (2005) find significant positive correlations among emotional intelligence, emotional coping ability and organizational commitment.

Similarly, Gardner *et al.*, (2002) find a positive relationship between most aspects of emotional intelligence and organizational commitment. Jordan *et al.*, (2004) found out that leaders with high emotional intelligence were positively linked with team performance and conflict resolution methods.



Figure: 2.7 Sub-components of Social skills / Relationship management

2.2.2 Impact of Emotional intelligence on other variables

After analysing the sub-components of the emotional intelligence, this part deals with the study of emotional intelligence on various variables like performance, job satisfaction, leadership style, stress, personality, team work, entrepreneurship, innovation and so on. Emotional intelligence is a set of innate factors (Goleman, 1998) and therefore, emotional competencies can be developed (Spencer, 2001; Boyatzis *et al.*, 2002).



Figure 2.8 Influence of Emotional Intelligence on various outcomes

Emotional intelligence is important in leadership because it can impact on leadership styles, motivation and decision making. Researchers are interested in emotionality in employees at work place, because in stressful situation employees can handle well if they are emotionally intelligence, but in other case these types of situations can create negative affectivity at work place. The critical situation is when leaders have

to perform well in stressful situation with high emotional intelligence (Chemers *et al.*, 1985). It is leading factor in the leadership area as leaders have to influence their employees by stimulating them, it's only possible when leaders themselves feel enthusiastic and zealous (George *et al.*, 1992).

Emotional intelligence is an important factor, where leaders stimulate feelings in their team by managing their emotions well at work place (Bass, 1985; Conger *et al.*, 1988). Team members can affect their performance if their leader shows negative emotions, as it impact negatively on employees (George, 2000). Barling *et al.*, (2000) found that emotional intelligence is associated with transformational leadership. Benjamin *et al.*, (2001) found that inspirational motivation and individualized consideration components of transformational leadership is significantly correlated with the ability to both monitor and manage emotions in oneself and others. He stated that emotional intelligence has become a potential tool for identifying effective leaders and it is one of the important competency of a successful leader.

Sivanathan *et al.*, (2002) studied that transformational leaders had high emotional intelligence. Gardener *et al.*, (2002) found that emotional intelligence correlated highly with all the components of transformational leadership. The components like understanding of emotions and emotional management were the best predictors of the transformational leadership. They reported that transformational leaders could identify their own feelings and emotional states, express those feelings to others, utilize emotional knowledge when solving problems, and understand the emotions of others in their work.

Bardzil *et al.*, (2003) found out that organizational leaders must recognize the importance of emotional intelligent behavior and reward it actively. Managing emotions and expressiveness of emotions is an important emotional skill for leaders that become their leaders successful in the organization (Riggio *et al.*, 2008). Emotional expressiveness is behavior or a capability to express them, they leads towards the success of leaders and enhance effectiveness.

A research by Abraham, (2004) has revealed that emotional intelligence is the mutual component that impact people in different ways in their lives, social skills, jobs, in handling stress, control and manage their emotions A person with high level of

emotional intelligence is more successful than person with low level of emotional intelligence (Domínguez *et al.*, 2013). Raazia *et al.*, (2014) observed that emotional intelligence acted as a mediator between transformational leadership and Organizational Citizenship Behaviour among banking employees in Pakistan.

Emotional intelligence is an essential determinant for managerial effectiveness and performance (Barbuto *et al.*, 2006; Rosete *et al.*, 2005; Wong *et al.*, 2002). Welch (2003) found that emotional intelligence enables teams to boost their performance. Lubit (2004) suggested that social competence is an important component of emotional intelligence, which is highly essential for the team performance. Mariavakola *et al.*, (2004) studied that emotional intelligence contributes to a better understanding of the affective implications of a change of policy in an organization.

Lyons *et al.*, (2005) examined the relationship of ability-based emotional intelligence facets with performance under stress. The authors expected high levels of emotional intelligence would promote challenge appraisals and better performance, whereas low emotional intelligence levels would foster threat appraisals and worse performance.

Khokhar *et al.*, (2009) in their study explained the performance of executives on different levels of emotional intelligence and provided a link between emotional intelligence and effective work performance. The findings of the study revealed that executives having higher emotional intelligence showed better quality of work performance as compared to their counterparts. This is in tune with the findings of Codier *et al.*, 2008; Akerjordet *et al.*, 2007; McQueen, 2004).

Ramo *et al.*, (2009) assessed the relationship between emotional intelligence, personality and job performance, as determined by superior and peer nominations. The results revealed that both emotional, social competencies and personality traits were valuable predictors of job performance. In addition, emotional competencies seem to be more powerful predictors of commitment and performance than global personality traits.

Afolabi *et al.*, (2010) in a study for examining the influence of emotional intelligence and gender on job performance and job satisfaction among Nigeria police officers and found that police officers, who have high emotional intelligence are more satisfied and perform better than police officers who have low emotional intelligence. He reported that emotional

intelligence have a significant impact on performance of individuals. This is in line with the findings of Larson *et al.*, 1993; Ashkanasy *et al.*, 2005; Clarke, 2006).

Aruna *et al.*, (2011) in the study reported that most of the employees in the IT organization had average level of emotional intelligence. They had the highest score in emotional awareness, which means that they have the capacity to have self-awareness, sense emotions, manage them and perform better in their work during stress conditions.

Krishnaveni *et al.*, (2011) in their study on diagnosing the employees emotional intelligence in the IT/ITES sector of South India has found out that women scored higher than men in perceptive skills and overall emotional intelligence. This is in line with the findings of the previous studies conducted by Goldenberg *et al.*, (2006) and Brackett *et al.*, (2004). Reddy *et al.*, (2012) in the study observed that female employees have more emotional intelligence than male employees.

Research study revealed that emotional intelligence can have an effect on entrepreneurship. Managers with higher emotional intelligence has better entrepreneurial behavior (Zampetakis *et al.*, 2010; Bahadori, 2012). They discover and exploit opportunity better. Manager's ability to understand and regulate emotions is tremendously high and this differentiates them from other managers having low emotional intelligence.

Bradberry *et al.*, (2009) defined Emotional Intelligence as the ability to identify, consider and control emotions in oneself and to recognize them in others, brought on by a combination of self-awareness, self-management, social awareness and relationship management. He reported in his research study on workforce that emotional intelligence predicts 58% of job performance, and that only 36% of people are able to accurately identify their emotions as they happen. They tested emotional intelligence alongside 33 other important workplace skills, and found that emotional intelligence is the strongest predictor of performance, explaining a full 58% of success in all types of jobs. Of all the people they have studied at work, they found that 90% of top performers are also high in emotional intelligence. On the flip side, just 20% of bottom performers are high in emotional intelligence. Naturally, people with a high degree of emotional intelligence make more money per year than people with a low degree of emotional intelligence.

The link between emotional intelligence and earnings is so direct that every point increase in emotional intelligence adds \$1,300 to an annual salary. These findings hold true for people in all industries, at all levels, in every region of the world. They opined that emotional intelligence is a flexible set of skills that can be acquired and improved with practice. Although some people are naturally more emotionally intelligent than others, high emotional intelligence can be developed even if one is not born with it. They concluded that emotional intelligence is the foundation for a host of critical skills and it impacts most people in their performance each day.



Figure: 2.9 Importance of emotional intelligence as studied by Travis *et al.*, Founder, Talent Smart and author of ‘Emotional intelligence 2.0’.

As several research studies discussed above, have revealed the level of emotional intelligence of employees, doctors, students, police officers, etc., and its influence on various variables like performance, decision making, motivation, leadership style, stress, etc., very few researches have been carried out with regard to work engagement and subjective well-being of women entrepreneurs. Hence, this study is focused to study the influence of emotional intelligence on work engagement and subjective well-being of women entrepreneurs.

2.2.3 Measurement of Emotional intelligence

Seal *et al.*, (2010) identified three models to study emotional intelligence. The first one is the model of emotional quotient (Bar-On, 1997), centered on the general wellbeing and measured with the Emotional Quotient Inventory - EQi (Bar-On, 2006). This is also referred to as a mixed model, where emotional intelligence is regarded as a mix of skills such as emotional awareness, traits such as persistence and desirable behaviors. This model shifts the accent from general intelligence and cognitive abilities (Cobb *et al.*, 2000) towards the emotional intelligence.

The second perspective is the model of emotional abilities (Salovey *et al.*, 2004), measured with the Mayer-Salovey Caruso Emotional Intelligence Test - MSCEIT (Cobb *et al.*, 2000). In this approach, emotional intelligence is regarded as a set of skills that is supposed to contribute to the evaluation and expression of emotions, to an effective emotion regulation, as well as to the use of emotions to motivate, plan and succeed in life. This model includes: (1) the ability to perceive and evaluate one's and others' emotions; (2) the ability to generate feelings and emotions in order to facilitate cognitive activities; (3) the ability to understand the information driven by affects; (4) and the ability to make a good emotion (self) management, in order to promote emotional and intellectual growth and socially adaptive relations (Mayer *et al.*, 2002).

The third and last main approach is the model of emotional competence (Goleman, 1995), focused on those behaviors that lead to performance, and measured with the Emotional Competence Inventory - ECI (Boyatzis *et al.*, 2000). In this model, emotional intelligence is seen as a large array of dispositions and competences that vary from individual traits to learned abilities. All these are included in five separate elements, totaling 25 different competences from the following categories: (1) self-awareness; (2) motivation; (3) self-regulation; (4) empathy and (5) adaptability in relationships (Goleman, 1998). Goleman claims that these competences are essential for learning job related skills, that later direct the emotional intelligence towards achieving performance. Kenneth (2012) studied four different models of EI namely

- Personality based model
- Competency based model

- Mental ability based model and
- Trait based model

Personality based model was popularized by Reuven-Bar-On in 2007 and comprises of five components of skills and abilities namely intra-personal skills, inter-personal skills, stress management, adaptability and the general mood.

Competency based model is based on the work of Daniel Goleman and Richard Boyatis in 2008. This model organizes the eighteen competencies into four clusters namely Self-awareness, Self-management, Social awareness and Relationship management.

Mental ability based model proposed by Jack Mayer and Peter Salovey, conceived emotional intelligence in four aspects namely ability to perceive emotions, ability to perceive emotions for thought, ability to understand emotions and the ability to manage emotions in self and others.

Trait based model is a modern approach representing a mixed model of various personality traits, competencies and abilities. It was identified by K.V.Petrides *et al.*, in 2007. This model is thought to include four aspects namely Sociability, self-control, subjective well-being and emotionality.

Wakeman (2006) claims that the level of a person's emotional intelligence can be evaluated in a certain degree by assessing the emotional competencies developed in that person, which is quite an interesting approach to this matter. In this view, emotional competencies are regarded as a result of several factors, including emotional intelligence. The model developed by Mayer *et al.*, was mainly used in educational programs, while the model proposed by Goleman found its use in the organizational environment (Oberst *et al.*, 2009).

Professor Anthony Mayo, Thomas S. Murphy senior lecturer of Business Administration, Harvard Business School (2016) emphasizes the need for emotional intelligence among top level management to reach out to the bottom level executives in encouraging design thinking blossomed through creative ideas and innovation.

Therefore, having understood the importance of emotional intelligence in influencing several outcomes in an individual, an attempt is made in this research to study the impact of emotional intelligence on the work engagement of the women entrepreneurs at SME sector in Coimbatore city.

2.3 Work engagement

This research study is based on exploring the relationship and impact of emotional intelligence on work engagement, which is a vital variable for ensuring success of the women entrepreneur. Several research findings to support the understanding of work engagement, its components and its impact on different outcomes have been examined and presented in this section.

Work engagement is defined as harnessing of organization members to their work roles by employing and expressing themselves physically, cognitively, and emotionally during performance efforts (Kahn, 1990). It is a persistent, positive affective-cognitive state of fulfilment in employees characterized by vigor, dedication, and absorption (Schaufeli, *et al.*, 2002; Salanova *et al.*, 2005). It is defined as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption (Schaufeli *et al.*, 2004). They argued that work engagement is a description for the relationship one has with work, whereas employee engagement is the relationship one has with the organization. This construct of work engagement has led to the development of the Utrecht work engagement Scale (UWES), which has been used in this study for analyzing work engagement, rating from 1-6 scale.

Vigor refers to an individual's level of energy, how willing they are to invest themselves in their work, having resilience and not easily fatigued, and the ability to deal persistently with difficult situations. Dedication has similarities to Kahn's (1990) notion of meaningfulness in which an individual feels a sense of significance in their work that they are not only proud of, but also enthusiastic to pursue. A person high in dedication also finds their work challenging and inspiring. Absorption is characterized by how immersed an individual is in their work. When an individual is absorbed in their work, time seems to pass by quickly and everything outside of work is absent from an individual's thoughts.

Work engagement could also be understood as a 'passion for work' (Truss, 2009; Abraham, 2012), the enthusiasm someone feels towards the job (Guy *et al.*, 2013), and a willingness to go the extra mile (Bakker *et al.*, 2013) and invest not only hands and head, but as well a heart (Ashforth *et al.*, 1995).

Potential benefits of engaged workforce are numerous. Engaged employees create value to the organization in terms of greater job performance (Chughtai *et al.*, 2011; Gruman *et al.*, 2011; Wefald *et al.*, 2009), more creative and pro-active thinking (Bakker *et al.*, 2008; Park *et al.*, 2013), more innovative work behaviour (Agarwal, 2014; Agarwal *et al.*, 2011), reduced absenteeism and turnover (Brunetto *et al.*, 2012; Høigaard, *et al.*, 2012; Ibrahim *et al.*, 2014), more committed/loyal employees (Biswas *et al.*, 2013; Schaufeli *et al.*, 2004), organizational citizenship behaviour (Saks, 2006; Schaufeli *et al.*, 2006 Chughtai *et al.*, Buckley, 2011); higher career satisfaction (Timms *et al.*, 2013), higher life satisfaction (Bakker *et al.*, 2014; Karatepe *et al.*, 2015), fewer safety incidents (Harter *et al.*, 2003; Abraham, 2012), higher customer satisfaction and loyalty because of better customer service (Harter *et al.*, 2002 ; Banihani *et al.*, 2013; Salanova *et al.*, 2005; Chughtai *et al.*, 2011), higher productivity (Abraham, 2012; Harter *et al.*, 2002 ; Banihani, *et al.*, 2013), and increased profitability (Matheisen, 2015; Agarwal *et al.*, 2012).

2.3.1 Main drivers of Work engagement

Research has identified two key sets of variables that drive work engagement:

Job resources

Job resources refer to those physical, social, or organizational aspects of the job that may: (1) reduce job demands and the associated physiological and psychological costs; (2) be functional in achieving work goals; or (3) stimulate personal growth, learning, and development (Bakker *et al.*, 2007; Schaufeli *et al.*, 2004).

Work engagement is found to be positively associated with job resources such as social support from co-workers and from one's superior, performance feedback, coaching, job control, task variety, opportunities for learning and development, and training facilities. These resources are helpful in reducing the impact of job demands on strain, but they are also useful in the achievement of work goals, and they stimulate learning, personal growth and development. Previous studies have consistently shown that job resources such as social support from colleagues and supervisors, performance feedback, skill variety, autonomy, and learning opportunities are positively associated with work engagement (Bakker *et al.*, 2008; Halbesleben, 2010; Hallberg *et al.*, 2007).

Job resources either play an intrinsic motivational role because they foster employees' growth, learning, and development or they play an extrinsic motivational role because they are instrumental in achieving work goals. In the former case, job resources fulfil basic human needs, such as the needs for autonomy, relatedness, and competence (Deci *et al.*, 1985; Ryan *et al.*, 1997; Van den Broeck *et al.*, 2008). Job resources may also play an extrinsic motivational role, because work environment that offer many resources foster the willingness to dedicate one's efforts and abilities to the work task (Meijman *et al.*, 1998). In such environments it is likely that the task will be completed successfully and that the work goal will be attained. In either case, be it through the satisfaction of basic needs or through the achievement of work goals, the outcome is positive and engagement is likely to occur (Schaufeli *et al.*, 2004; Schaufeli *et al.*, 2007).

Consistent with these notions about the motivational role of job resources, several studies have shown a positive relationship between job resources and work engagement (Halbesleben, 2010). Schaufeli *et al.*, (2004) found evidence for a positive relationship between three job resources (performance feedback, social support, and supervisory coaching) and work engagement (vigor, dedication, and absorption) among four samples of Dutch employees.

This study was replicated in a sample of over 2000 Finnish teachers (Hakanen *et al.*, 2006). Results showed that job control, information, supervisory support, innovative climate, and social climate were all related positively to work engagement. In addition, Koyuncu *et al.*, (2006) examined potential antecedents and consequences of work engagement in a sample of women managers and professionals employed by a large Turkish bank. Results showed that of the six areas of work life (Maslach *et al.*, 1997), particularly job control, rewards and recognition, and value fit were significant predictors of all three engagement measures.

Recent longitudinal research has generally confirmed the positive relationship between job resources and work engagement. Mauno, *et al.*, (2007) utilized a 2 year longitudinal design to investigate work engagement and its antecedents among Finnish health care personnel. Job resources predicted work engagement better than job demands.

Further, in the study among managers and executives of a Dutch telecom company, Schaufeli *et al.*, (2008) found that changes in job resources were predictive of engagement over a one year time period. Specifically, results showed that increases in social support, autonomy, opportunities to learn and to develop, and performance feedback were positive predictors of work engagement. Hakanen *et al.*, (2005) tested this interaction hypothesis in a sample of Finnish dentists employed in the public sector. It was hypothesized that job resources (e.g., variability in the required professional skills and peer contacts) are most beneficial in maintaining work engagement under conditions of high job demands (e.g., workload, unfavorable physical environment). It was found that variability in professional skills boosted work engagement when qualitative workload was high, and mitigated the negative effect of high qualitative workload on work engagement.

Conceptually similar findings have been reported by Bakker, *et al.*, (2007). In their study among Finnish teachers working in elementary, secondary, and vocational schools, they found that job resources act as buffers and diminish the negative relationship between pupil misbehavior and work engagement. In addition, they found that job resources particularly influenced work engagement when teachers were confronted with high levels of pupil misconduct. Particularly, supervisor support, innovativeness, appreciation, and organizational climate were important job resources for teachers that helped them cope with demanding interactions with students. Taken together, these findings clearly show that job resources may become more salient and gain their motivational potential when employees are confronted with high job demands.

Personal resources

Personal resources, such as optimism, self-efficacy and resilience are functional in controlling the environment and exerting impact on it in a successful way. Furthermore, engaged employees have several personal characteristics that differentiate them from less engaged employees. Examples are extraversion, conscientiousness and emotional stability. Psychological capital also seems to be related to work engagement.

Several studies point to show that personal resources influence work engagement. In addition to job characteristics, several studies have focused on state-like personal resources as predictors of work engagement. Personal resources are positive self-evaluations that are linked to resiliency and refer to individuals' sense of their ability to control and impact upon their environment successfully (Hobfoll *et al.*, 2003).

It has been shown that such positive self-evaluations predict goal-setting, motivation, performance, job and life satisfaction, and other desirable outcomes (Judge *et al.*, 2004). The reason for this is that the larger an individual's personal resources, the more positive their self-regard and the more goal self-concordance is expected to be experienced (Judge *et al.*, 2005). Individuals with goal self-concordance are intrinsically motivated to pursue their goals, and as a result they trigger higher performance and satisfaction (Luthans *et al.*, 2007).

Several authors have investigated the relationships between personal resources and work engagement. Rothmann *et al.*, (2003) conducted a cross-sectional study among South African police officers, and found that engaged police officers had an active coping style. They were problem-focused, taking active steps to attempt to remove or rearrange stressors. Turner *et al.*, (2002) reported that employees with high levels of energy and identification with their work have many resources available and seem to perform better. It is even conceivable that engaged workers create their own job resources over time. The study suggests that a focus on work engagement may not only benefit the individual but also offer organizations a competitive advantage.

Further, in their study among highly skilled Dutch technicians, Xanthopoulou *et al.*, (2007) examined the role of three personal resources (self-efficacy, organizational-based self-esteem, and optimism) in predicting work engagement. Results showed that engaged employees are highly self-efficacious; they believe they are able to meet the demands they face in a broad array of contexts. In addition, engaged workers believe that they will generally experience good outcomes in life (optimistic), and believe they can satisfy their needs by participating in roles within the organization (organizational-based self-esteem; Mauno *et al.*, 2007).

These findings were replicated and expanded in a 2-year follow-up study (Xanthopoulou *et al.*, 2008). The findings indicated that self-efficacy, organizational-based self-esteem, and optimism make a unique contribution to explaining variance in work engagement over time, over and above the impact of job resources and previous levels of engagement.

Bakker, *et al.*, (2006) in their study among female school principals found that those with most personal resources scored highest on work engagement. Particularly resilience, self-efficacy, and optimism contributed to work engagement, and were able to explain unique variance in engagement scores (in addition to social support from team members and colleague principals, opportunities for development, and social support from the intimate partner). Thus, resilience is another personal resource that may facilitate work engagement.

Job and personal resources are important antecedents of work engagement. Job resources reduce the impact of job demands on strain, are functional in achieving work goals, and stimulate personal growth, learning, and development. These resources particularly have motivational potential in the face of high job demands. Further, engaged employees seem to differ from other employees in terms of their personal resources, including optimism, self-efficacy, self-esteem, resilience, and an active coping style. These resources seem to help engaged workers to control and impact upon their work environment successfully (Luthans *et al.*, 2008).

Schaufeli *et al.*, (2004) showed that engaged employees perform well and are willing to go the extra mile. Further, in their survey among Dutch employees from a wide range of occupations, Schaufeli *et al.*, (2006) found that work engagement is related positively to in-role performance. Gierveld *et al.*, (2005) found that engaged secretaries scored higher on in-role and extra-role performance.

Salanova *et al.*, (2005) conducted an important study among personnel working in Spanish restaurants and hotels. Contact employees from over 100 service units (hotel front desks and restaurants) provided information about organizational resources, engagement, and service climate. Furthermore, customers from these units provided information on employee performance and customer loyalty. Structural equation

modelling analyses were consistent with a full mediation model in which organizational resources and work engagement predicted service climate, which in turn predicted employee performance and then customer loyalty. Having examined in length about the influence of work engagement to yield several positive outcomes, this research study is focused on analyzing its influence on subjective well-being.

2.3.2 Measurement of Work Engagement

There are several instruments that can be used to assess work engagement (Schaufeli *et al.*, 2004). Maslach (1997) and Leiter (2008) approach can use the Maslach Burnout Inventory (MBI) (Maslach *et al.*, 1996) to assess energy (low score on exhaustion), involvement (low score on cynicism), and professional efficacy (high score on efficacy).

An alternative instrument for the assessment of work engagement is the Oldenburg Burnout Inventory (OLBI; Demerouti *et al.*, 2008; Demerouti *et al.* 2002). This instrument was developed originally to assess burnout, but includes both positively and negatively phrased items, and hence it can be used to assess work engagement as well (Gonzalez-Roma *et al.*, 2006). Researchers interested in assessing work engagement with the OLBI may recode the negatively framed items.

The OLBI includes two dimensions: one ranging from exhaustion to vigor and a second ranging from cynicism (disengagement) to dedication. The reliability and factorial validity of the OLBI has been confirmed in studies conducted in Germany, Greece, the Netherlands, the USA, and South Africa (Demerouti *et al.*, 2008).

The most often used instrument to measure engagement is the Utrecht Work Engagement Scale (UWES) (Schaufeli *et al.*, 2002) that includes three subscales: vigor, dedication, and absorption. The UWES has been validated in several countries, including China (Yi-Wen *et al.*, 2005), Finland (Hakanen, 2002), Greece (Xanthopoulou *et al.*, 2007), Japan (Shimazu *et al.*, 2008), South Africa (Storm *et al.*, 2003), Spain (Schaufeli *et al.*, 2002), and the Netherlands (Schaufeli *et al.*, 2003; Schaufeli *et al.*, 2002). All investigations used confirmatory factor analyses and showed that the fit of the hypothesized three-factor structure to the data was superior to that of alternative factor models. In addition, the internal consistencies of the three subscales proved to be sufficient in each study.

2.3.3 Utrecht Work Engagement Scale (UWES)

The UWES is a seventeen item survey designed to measure work engagement based on vigor, dedication, and absorption (Schaufeli *et al.*, 2004). Each question is based on a seven point scale ranging from “never” to “always every day”.

Engaged employees have high levels of energy, are enthusiastic about their work, and they are often fully immersed in their job so that time flies (Macey *et al.*, 2008; May, *et al.*, 2004; Schaufeli *et al.*, 2004).

Engaged employees work hard (vigor), are involved (dedicated), and feel happily engrossed (absorbed) in their work. (Schaufeli *et al.*, 2006; Scott, Moore *et al.*, 1997).

2.4 Subjective Well-being

According to Martin Seligman (2011), happiness is one of the most valuable states to achieve. Humans have been looking for happiness throughout different eras, continents, and cultures. The sense of achievement has been seen as a road to happiness, as it leads to the highest satisfaction we can have. He asserts that subjective well-being can be seen as a combination of a sense of happiness and achievement. Cognitive judgments we make, our emotional reactions to events, and how we evaluate them in relation to our life-satisfaction has been a subject of interest for a long time to researchers.

Subjective well-being is defined as one’s evaluation of life based on their affective and cognitive dimensions. There are two components to subjective well-being: The first focuses on emotional reactions and the second on cognitive life judgment. Subjective well-being looks at satisfaction generally, as well as a sense of satisfaction to that particular person’s standard (Kahneman *et al.*, 1999). Assessing life satisfaction involves past experience and future expectations (Diener, 2000). Scoring high involves having “pleasant emotions, low level of negative mood, and high life satisfaction” (Diener, *et al.*, 2002).

Towers Watson, a global consulting firm has defined subjective well-being as encompassing three interconnected aspects of an individual’s work life-

- Physical health- overall health, energy and stamina,
- Psychological health- Stress, anxiety, intrinsic satisfaction, accomplishment, optimism, confidence, control, empowerment and safety, and
- Social health- Work relationships, balance in work and personal life, equity, fairness, respect and social connectedness.

Eid *et al.*, (2008), created a marvelous compilation of scientific research related to the effects subjective well-being. They found that people increased their productivity and performance at work, had more of an effective leadership, increased in creativity and life expectancy, had more satisfying social relationships, a higher self-esteem, and more appreciation of others, as well as a reduction to mental illness. Furthermore, people who try to have a more internal locus of control and optimism also tend to find ways to happiness faster (Kahneman, *et al.*, 1999).

Research conducted in the United Kingdom showed that health and wellbeing can nourish each other, as health influences subjective well-being and vice versa. The most significant correlation found was with a “stronger immune system response, higher pain tolerance, increased longevity, cardiovascular health, slower disease progression and reproductive health” (Steptoe *et al.*, 2012). Studies have also confirmed that happiness activates brain regions associated with pleasure, positive appraisals of life satisfaction and meaning, and social connectedness (Berridge *et al.*, 2010).

On Positive Neuroscience Dr. Martin Seligman (2010) stated, “Research has shown that positive emotions and interventions can bolster health, achievement, and resilience, and can buffer against depression and anxiety. While considerable research in neuroscience has focused on disease, dysfunction, and the harmful effects of stress and trauma, very little is known about the neural mechanisms of human flourishing. Creating this network of future leaders in positive neuroscience will change that.”

The review of earlier studies on subjective well-being found that subjective well-being of employees has correlated well with personality and demographic factors like age, income, education, gender, marital status and socio-economic status. Several studies have reported that subjective well-being of employees in the firm has influence on the firm’s performance in terms of productivity, employee turn-over and customer satisfaction. Having understood the impact of subjective well-being on several outcomes, the present research study has attempted to study the influence of emotional intelligence and work engagement on subjective well-being of women entrepreneurs.

Wilson (1967) found out that both personality and demographic factors correlate with subjective well-being. He inferred that young, healthy, well educated, well-paid,

extroverted, optimistic, worry-free, religious, married person with high self-esteem, job morale, modest aspirations exhibited high subjective well-being. He correlated physical health with subjective well-being.

Campbell *et al.*, (1976) studied the subjective well-being of Americans and found that demographic variables such as age, income and education did not account for difference in subjective well-being, echoing earlier findings by Bradburn (1969). Optimism has, however, been linked to subjective well-being and other signs of positive psychological status. For instance, when people are optimistic, they experience positive affect, and pessimistic views give rise to negative affect (Scheier *et al.*, 1992).

Diener (1995) found that income had a significant and moderate effect on subjective well-being as they possess more material goods and enjoy high standard of living. Watten, *et al.*, (1997) observed that marital status has positively correlation with subjective well-being. They inferred that subjective well-being is likely to depend upon people's values and goals, personality and culture. Suh *et al.*, (1996) found that age and gender are related to subjective well-being but the effects are small and do not exhibit much difference.

Diener *et al.*, (1999) found that subjective well-being is linked to personality, more so in extra-version and neurotism of five factor model. Lucas *et al.*,(2000) used meta-analytic and confirmatory analysis to show that extraversion is consistently correlated with pleasant affect of subjective well-being and other traits like agreeableness, conscientiousness and openness to experience do correlate but to lesser extent. This was reported by Watson *et al.*, (1992). Austin *et al.*, (2005) found that medical students with lower neuroticism and higher extroversion and conscientiousness had better overall sense of subjective well-being. Trait emotional intelligence was also found to influence the subjective well-being of medical college students.

Lucas *et al.*,(2000) found that gender differences in subjective well-being were small, but women exhibited more subjective well-being. A comprehensive study on young adult's subjective well-being showed that participants who were trustworthy and extrovert reported higher levels of subjective wellbeing; and participants who had neuroticism characteristics had lower levels of subjective well-being (Keyes, 2002).

Bagshaw (2000) studied 80 students at the University of Leeds (50 female, 30 male). She examined the relationship between student emotional intelligence and their subjective well-being. Ability to cope with university life was measured with 14 questions based on a health questionnaire developed by Professor Michael Barkham at the University of Leeds. Bagshaw found a significant correlation between overall emotional intelligence measured and student subjective well-being ($r=0.376$, $p=0.001$, $df=78$). She also examined the relationship of subjective well-being to each competency cluster and found them positively correlated.

Low income individuals in developing countries have not always been reported to experience higher levels of satisfaction as income increases and objective conditions improve (Janakarajan *et al.*, 1999, Graham, 2004). Though emotional intelligence, has been recognized in research as being important for several personal outcomes and performance of individuals, only a few studies have examined its relationship with happiness or subjective well-being. It is related to life satisfaction, stress and delinquent behaviours (Petrides *et al.*, 2005; Park, 2004). Life satisfaction is the cognitive appraisal of one's life based on one's own standards and is a component of subjective well-being (Diener, *et al.*, 1985). Life satisfaction relies on how individuals determine what a fulfilling life is and includes the satisfaction derived in one's life (Suldo, *et al.*, 2008; Diener, 2009).

Keyes (2003) and Harter *et al.*,(2009) found that subjective well-being among employees correlated with the performance of the firm in terms of reduced absenteeism, increased productivity, employee turn-over and customer satisfaction. People higher on psychological well-being show greater flexibility and originality, respond better to unfavorable feedback, make more positive judgements about others, show higher levels of engagement, are more productive, are likely to live longer and have happier work and home life. (Lyubomorsky *et al.*, 2005).

The level of education is found to be associated with subjective well-being. Studies showed that the people that have higher subjective well-being levels are more likely to come from a better educational background than the other group (Hefferon *et al.*, 2011). This relationship is not due to the education itself, but the factors such as a good job, better

relationships and better income account for the high subjective well-being levels. Because, the role of job satisfaction cannot be underestimated on life satisfaction, engaging with the right profession increases the job and life satisfaction (Hefferon *et al.*, (2011).

Relationships have also been found between subjective well-being and various career related variables such as self-efficacy, perceived goal progress, environmental support and academic satisfaction (Gloria *et al.*, 2005; Ojeda *et al.*, 2011; Suldo *et al.*, 2008).

Personality characteristics have been the strongest predictors of subjective well-being. Hefferon *et al.*, (2011) stated that extroversion and neuroticism are the two important personality factors for subjective well-being. The individuals who are high in extroversion and low in neuroticism got higher subjective well-being scores. Extroverts engaging in more social interactions increase their subjective well-being levels. Furthermore, optimism, entrepreneurship, emotional stability and self-esteem are the other personality characteristics that are found to be related with subjective well-being.

Mark Chee *et al.*, (2014) studied the relationship between the emotional intelligence and happiness of students, more so in the students involved in sports activities. They found a positive and significant relationship between all dimensions of emotional intelligence and happiness. The study revealed that understanding one's own emotions and leveraging emotions had the larger impact on happiness. The least influence on happiness is with regard to emotional appraisal of others. It is also evident from the study that improving one unit of emotional intelligence will have a greater impact on happiness ratings. The study also shows that management of feelings or emotions is an important element in an individual's performance (Lane *et al.*, 2011; Puig *et al.*, 2011).

Subjective well-being interventions

Fordyce (1983) suggested intervention to increase the subjective well-being. He designed a program to boost the happiness of the individuals. The program is based on the fact that people's subjective well-being can be increased if they learn to imitate the traits of happy people, remain organized, spend good time socializing, be optimistic and work on a healthy personality. He found positive results in his intervention program.

Seligman *et al.*, (1995) found that optimism training to boost subjective well-being gave positive results among depressed children. They reported that an individual with positive outlook, meaningful goals, close social relationships and an easy going attitude without worrying are very important for high subjective well-being. Also, Martin Seligman through “PERMA” model (1998, 2010), in his book ‘Learned optimism’ has suggested ways to enhance the emotional intelligence, work engagement and subjective well-being of individuals.



Figure: 2.10 Martin Seligman’s PERMA Model (1998)

“**PERMA MODEL**” (Seligman, 1998) corresponds to

- P-** Positive emotions – Helping a person to balance emotions and ensure happiness, smile, optimism, etc.
- E-** Engagement- making a person committed and involved in work.
- R-** Relationships- establishing successful relationships with people and work force at home and in the business place.
- M-** Meaning- Helping an individual to become visionary, goal oriented and future focused.
- A-** Accomplishments- Encouraging individuals to appreciate success and learn from failures



Figure: 2.11 Five core elements of Martin Seligman’s PERMA Model (1998) to influence well-being of an individual

Based on the review of earlier studies, motivational and support factors were identified along with the barriers faced by the women entrepreneurs. It was also possible to identify the various components of emotional intelligence, work engagement and subjective well-being. It has helped to identify the relevant tool which could be used to measure the variables among women entrepreneurs, and the extent to which the emotional intelligence has impact on work engagement and subjective well-being of women entrepreneurs. A theoretical model was arrived to explore the impact of emotional intelligence on work engagement and subjective well-being of women entrepreneurs.

2.5 Theoretical Frame work model of the research study

A Theoretical frame work model was drawn to explore the impact of emotional intelligence on work engagement and subjective well-being of women entrepreneurs of SME sector in Coimbatore city. This hypothetical model was drawn to fill the research gap identified through review of earlier studies. There was an appreciable number of studies undertaken to study the emotional intelligence of police officers, employees, doctors, students and so on, but there was no study related to analyzing the impact of emotional intelligence, work engagement and subjective well-being of women entrepreneurs in Coimbatore city.

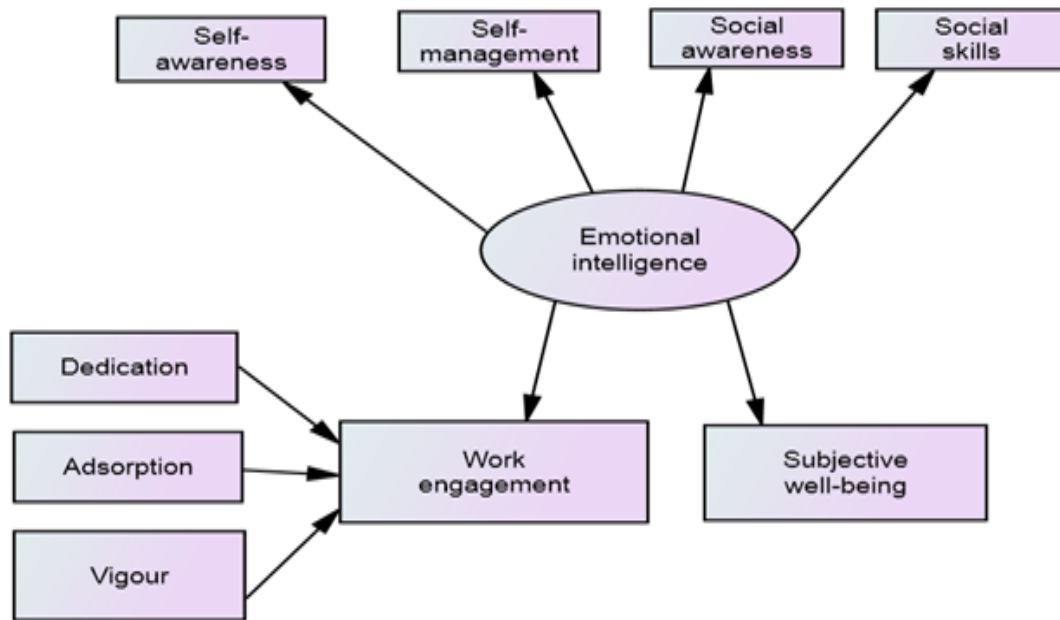


Figure 2.12 Theoretical model depicting the interplay of Triad - emotional intelligence, work engagement and subjective well-being of women entrepreneurs.

2.6 Objectives of the study

Primary Objective

The primary objective of the research study is to explore the impact of emotional intelligence on work engagement and subjective well-being of women entrepreneurs in Coimbatore city, during the period of January 2012 to January 2016.

Secondary Objectives

- To profile the demographic characteristics of the women entrepreneurs.
- To study the motivational and support factors encouraging women entrepreneurs to start their business ventures.
- To examine the barriers for women entrepreneurs in their business performance.
- To explore the existing level of emotional intelligence components, work engagement components and subjective well-being of women entrepreneurs.
- To study the association between demographic and business related factors.

- To analyze the influence of personal factors and business related factors on the emotional intelligence, work engagement and subjective well-being of women entrepreneurs.
- To study the inter-relationship between emotional intelligence, work engagement and subjective well-being of women entrepreneurs.
- To analyze the impact of emotional intelligence on work engagement and subjective well-being of women entrepreneurs.
- To identify the characteristics that distinguishes highly engaged and high subjective well-being women entrepreneurs and
- To propose a statistically fit model to explore the impact of emotional intelligence on work engagement and subjective well-being of women entrepreneurs.

2.7 Hypotheses of the study

The following null hypothesis are to be tested for the data collected using the statistical tool:

- Ho₁- There is no significant association between the age of the respondents and their time spent in business activity.
- Ho₂- There is no significant association between the motivational factor to start a business and the type of business.
- Ho₃- There is no significant association between the size of the firm and the involvement of the firm in social activities.
- Ho₄- There is statistically no significant difference in the perception of emotional intelligence, work engagement and subjective well-being, based on the age group of the respondents.
- Ho₅- There is statistically no significant difference in the perception of emotional intelligence, work engagement and subjective well-being, based on the education levels of the respondents.

- Ho₆. There is statistically no significant difference in the perception of emotional intelligence, work engagement and subjective well-being, based on the income levels of the respondents.
- Ho₇. There is statistically no significant difference in the perception of emotional intelligence, work engagement and subjective well-being, based on the years of business experience of the respondents.
- Ho₈. There is statistically no significant difference in the perception of emotional intelligence, work engagement and subjective well-being, based on the time scheduled for business activity by the respondents.
- Ho₉. There is statistically no significant difference in the perception of emotional intelligence, work engagement and subjective well-being, based on nature of the business of the respondents.
- Ho₁₀: There is no significant correlation between emotional intelligence, work engagement and subjective well-being of women entrepreneurs.