

# Emotional Intelligence and Psychological Well Being of Women Entrepreneurs

<sup>1</sup>K. Saraswathi, <sup>2</sup>Dr. B. Dharmalingam

<sup>1</sup>Ph.D Research Scholar, Department of Women's Studies, Alagappa University, India

<sup>2</sup>Research Supervisor, Department of Women's Studies, Alagappa University, India

<sup>1</sup>vijayachandrika082@gmail.com, <sup>2</sup>dlingamb@alagappauniversity.ac.in

**Abstract:** *This study explores the intricate relationship between emotional intelligence (EI) and the psychological well-being of women entrepreneurs in India. In a socio-cultural landscape where women often shoulder dual responsibilities in both personal and professional spheres, emotional intelligence emerges as a vital asset that supports mental health, leadership effectiveness, and business resilience. Drawing on a comprehensive review of secondary literature, this research highlights how the five core components of EI—self-awareness, self-regulation, motivation, empathy, and social skills—play a crucial role in helping women entrepreneurs manage stress, make informed decisions, and build collaborative networks. Studies consistently demonstrate that women tend to score higher in emotional perceptiveness, which enables them to lead with empathy and foster inclusive work environments. These emotional competencies are strongly linked to transformational leadership qualities that enhance team engagement and innovation. Moreover, the findings emphasize the need for EI training and development initiatives to help women entrepreneurs navigate challenges such as gender bias, work-life conflict, and psychological stress. Ultimately, emotional intelligence is not only a key determinant of individual success and well-being but also a catalyst for inclusive economic growth. This study underscores the strategic importance of fostering EI among women entrepreneurs to ensure sustainable leadership and equitable participation in the entrepreneurial ecosystem.*

**Key Words:** *Emotional Intelligence, Psychological Well-being, Women Entrepreneurs, Work-Life Balance.*

## 1. INTRODUCTION

In recent decades, Indian society has witnessed a significant transformation in the role and status of women. Once primarily confined to domestic spaces under traditional patriarchal norms, women have gradually carved out their presence in public, professional, and entrepreneurial spheres. Despite the deeply entrenched socio-cultural expectations that often position women as primary caregivers and homemakers, Indian women have made commendable strides across various sectors, including science, education, politics, and business. Among these domains, entrepreneurship has emerged as a particularly powerful platform for women to assert their economic agency and redefine societal roles.

Women entrepreneurs in India today are increasingly recognized for their resilience, innovation, and leadership. Yet, their journey is far from easy. Unlike their male counterparts, women often have to navigate a dual burden of managing both their professional aspirations and personal responsibilities. The demands of business ownership, combined with traditional familial expectations, result in unique challenges that can affect both their emotional and psychological well-being. As Verma and Mulani (2018) point out, Indian women who engage in professional work or entrepreneurship frequently face physical and mental hurdles while attempting to balance their personal and professional lives.

These challenges are not merely logistical or economic—they are deeply emotional and psychological. Emotional intelligence (EI), defined as the capacity to recognize, manage, and utilize emotions effectively in oneself and others, becomes a crucial asset for women entrepreneurs. It enables them to cope with stress, make thoughtful decisions, and build productive interpersonal relationships, all of which are essential for navigating the complex terrain of entrepreneurship. The role of emotional intelligence becomes even more critical in the context of psychological

well-being, which encompasses dimensions such as self-acceptance, autonomy, purpose in life, and positive relationships.

Though female entrepreneurship is gaining visibility worldwide, there is still a persistent gender gap in ownership, access to capital, mentorship, and institutional support. Winn (2005) highlights that women continue to lag behind men in terms of economic independence and business ownership despite increasing participation. However, this view is countered by more recent studies. For instance, Farhat and Mijid (2018) argue that there is no significant gender gap in business performance. Their research indicates that when women entrepreneurs have access to equal resources, they perform on par with their male counterparts, if not better. This suggests that the perceived gender disparity may be more about access and opportunity than about competence or capability.

Understanding the emotional intelligence and psychological well-being of women entrepreneurs is not only important for supporting individual success but also for shaping inclusive entrepreneurial ecosystems. These elements play a critical role in determining the sustainability and growth of women-led ventures. A focus on psychological factors provides deeper insight into the non-economic dimensions that influence entrepreneurial outcomes. Therefore, it becomes imperative to explore how emotional intelligence contributes to enhancing psychological well-being and resilience among women entrepreneurs in India. Such an exploration is essential to formulating policies and support systems that enable women to thrive in business without compromising their mental and emotional health.

## **2. EMOTIONAL INTELLIGENCE**

As women increasingly participate in various sectors of the economy and contribute significantly to national development, their mental and emotional well-being becomes a matter of both social and economic importance. Emotional Intelligence (EI) plays a pivotal role in maintaining and enhancing this well-being. Mental health, often overlooked in professional environments, is crucial for sustained productivity and personal fulfillment, especially for women who often balance multiple roles. In this context, EI emerges as a critical component of psychological resilience and adaptive functioning.

Daniel Goleman, a pioneer in the field, defines Emotional Intelligence as “the capacity for recognizing our own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships” (Goleman, 1998). This definition underscores the dual focus of EI—internal emotional regulation and external relational management—both of which are vital for success in personal and professional life. For women entrepreneurs, who face heightened emotional and logistical pressures, EI can act as a buffer against stress and a catalyst for effective leadership and interpersonal engagement.

Goleman identifies five core components of Emotional Intelligence: self-awareness, self-regulation, motivation, empathy, and social skills. Each of these elements contributes to a woman entrepreneur’s ability to navigate the challenges of business while maintaining emotional balance. Self-awareness allows for a realistic appraisal of strengths and limitations; self-regulation helps in managing stress and impulsive reactions; motivation sustains long-term goals; empathy fosters better relationships with clients and employees; and social skills enhance communication and collaboration.

In the evolving landscape of business, where artificial intelligence, automation, and big data are becoming central to operations, the human element—represented by EI—remains indispensable. Beck and Libert (2017) argue that in a technology-driven world, emotional intelligence becomes even more important for understanding real-time human needs and bridging the gap between machine logic and human emotion. Therefore, EI is not merely a soft skill but a strategic necessity.

Furthermore, emotional intelligence training has been shown to help individuals manage occupational stress and foster creativity and innovation. According to Ngah and Salleh (2015), structured EI training enables individuals to cope with emotional challenges, thereby enhancing workplace effectiveness. Bulik (2005) also notes that a lack of emotional intelligence within organizations can lead to disengaged customers and the loss of top talent. Recognizing and cultivating EI is thus essential, not only for the well-being of women entrepreneurs but also for building resilient and adaptive business environments.

## **3. REVIEW OF LITERATURE**

The rise of women entrepreneurs in the 21st century has emerged as a vital force contributing to economic development, innovation, and social transformation. Numerous studies have explored the underlying factors that drive women toward entrepreneurship and the challenges they face in sustaining their ventures. One of the critical factors influencing women's entrepreneurial success is their ability to adapt and manage work-life integration effectively. Agarwal and Lenka (2015) observed that adaptability and the capacity to manage dual roles—professional and domestic—are among the foremost qualities contributing to women's entrepreneurial journeys. This balancing act, however, is not without its toll, often requiring extensive emotional and psychological resilience.

Support systems, both familial and social, have been identified as key enablers of women's entrepreneurial achievements. Abbas et al. (2016) found that the presence of strong social and family support enhances the likelihood of entrepreneurial success by reducing psychological stress and providing emotional stability. Similarly, Alam, Jan, and Omar (2011) emphasized that women entrepreneurs often experience difficulty managing multiple roles and responsibilities simultaneously. Many women feel they are unable to invest sufficient time and energy with their families, resulting in feelings of guilt and stress, which can impact both their personal lives and professional efficiency.

Traditionally, business success is assessed through quantifiable economic indicators such as profitability, revenue growth, and expansion in workforce size. Buttner and Moore (1997) maintained that these metrics continue to serve as primary benchmarks for entrepreneurial success. However, contemporary literature increasingly highlights the importance of psychological factors—including self-concept, emotional regulation, managerial competence, and commitment—as foundational elements that determine long-term success. Ehigie and Umoren (2003) assert that psychological factors significantly affect business sustainability, especially for women entrepreneurs who often navigate a more emotionally demanding environment (Sivakumar & Usha, 2011).

In this context, emotional intelligence (EI) emerges as a crucial construct in understanding entrepreneurial success. Mohanty, Pradhan, and Jena (2015) have established a positive link between emotional intelligence and personal growth. EI not only enhances one's capacity to cope with stress but also supports the development of transformational leadership attributes such as charisma, empathy, and individualized consideration (Yitshaki, 2012). Kundu (2019) further links EI with personality development, suggesting that emotionally intelligent individuals are more adept at forming strong interpersonal relationships and managing organizational dynamics effectively.

The relationship between emotional intelligence and leadership effectiveness has also been the subject of extensive research. Allameh et al. (2015) highlighted that EI is a foundational element in transformational leadership, which significantly contributes to effective organizational management. Bahadori (2012) noted that managers with higher emotional intelligence are more likely to demonstrate entrepreneurial behaviors, such as risk-taking, innovation, and resilience. These findings underscore the importance of incorporating emotional intelligence training into leadership development programs for aspiring entrepreneurs.

Further studies, including Rahman, Ferdousy, and Uddin (2012), emphasize the role of EI training in shaping successful entrepreneurial paths. They argue that emotional competencies are not only natural traits but can be cultivated through targeted interventions, thus expanding the potential for entrepreneurial success. Gardner and Stough (2002) observed that leaders who exhibit transformational behaviors—such as the ability to inspire and emotionally connect with their teams—typically demonstrate high levels of EI.

Gender-based analyses of emotional intelligence provide additional insights into the dynamics of leadership and entrepreneurship. Brackett, Mayer, and Warner (2004) found that women scored higher than men in perceptive skills and overall emotional intelligence. This supports the view that emotional sensitivity and relational acumen, traditionally associated with female leadership styles, can be advantageous in entrepreneurial settings. In a comprehensive meta-analysis, Eagly and Johnson (1990) observed significant gender differences in leadership orientation, with women tending toward interpersonal, collaborative leadership styles, while men demonstrated more task-focused, autocratic tendencies.

Eagly and Carli (2001) reinforced this finding by highlighting that women are more likely to display positive social behaviors, consensus-building, and empathy—traits that align with emotionally intelligent leadership. In contrast, men often exhibited more directive and competitive behaviors. These gendered leadership tendencies suggest that women's naturally higher emotional intelligence may position them favorably in contemporary leadership contexts that prioritize empathy, collaboration, and adaptability.

The emotional underpinnings of leadership are further explored by Ashforth and Humphrey (1995), who argue that transformational leadership relies heavily on the ability to evoke, frame, and mobilize emotions. In contrast, transactional leadership is more cognitive and structured, depending largely on formal authority and reward systems. This distinction underscores the unique advantage that emotionally intelligent leaders, especially women, may possess in fostering motivated and emotionally engaged teams.

Khajeh (2018) recommends that organizations adopt leadership styles that enhance emotional and interpersonal capacities, recognizing the critical value of emotional intelligence in unlocking human potential. In entrepreneurial settings, this approach can translate into more innovative, resilient, and empathetic leadership—traits essential for navigating uncertainty and sustaining growth.

Empirical studies further corroborate the link between emotional intelligence and entrepreneurial behavior. Zampetakis et al. (2010) and Bahadori (2012) confirm that managers and entrepreneurs with higher levels of emotional intelligence are better at coping with ambiguity and demonstrating innovative behavior. In a regional study, Krishnaveni et al. (2011) assessed emotional intelligence among employees in South India's IT and ITES sectors and found that women consistently scored higher than men in perceptive skills and overall EI. Similarly, Reddy et al.

(2012) observed that female employees demonstrated significantly higher emotional intelligence levels compared to their male counterparts, further supporting the argument that women may have a natural advantage in emotionally demanding roles such as entrepreneurship.

In summary, the literature reveals a strong interplay between emotional intelligence and entrepreneurial success, particularly among women. High EI contributes to effective leadership, resilience, interpersonal skills, and ultimately, psychological well-being—key ingredients for thriving in the entrepreneurial landscape.

#### **4. OBJECTIVES**

1. To examine the role of emotional intelligence in influencing the psychological well-being of women entrepreneurs.
2. To analyze the relationship between emotional intelligence and entrepreneurial leadership effectiveness among women.
3. To explore the impact of emotional intelligence on balancing personal and professional challenges faced by women entrepreneurs.

#### **5. METHODOLOGY**

This study adopts a descriptive research design based on secondary data to explore the relationship between emotional intelligence and psychological well-being among women entrepreneurs. The research relies entirely on qualitative and quantitative data from existing scholarly articles, journals, books, government reports, and credible organizational publications. Sources were selected based on their relevance to key themes such as emotional intelligence, leadership behavior, psychological well-being, and gender-based entrepreneurial challenges. A thorough literature review was conducted to synthesize insights on how emotional intelligence contributes to the personal and professional success of women entrepreneurs. Particular attention was given to empirical studies from the last two decades, with a focus on South Asian and Indian contexts. The analysis involves comparing and interpreting findings to identify recurring patterns, conceptual frameworks, and practical implications. This secondary research method offers a broad understanding of the subject without engaging in primary data collection or fieldwork.

#### **6. RESULTS AND FINDINGS**

The review of secondary literature reveals several significant insights into the relationship between emotional intelligence and the psychological well-being of women entrepreneurs. The findings highlight that EI plays a pivotal role in not only enhancing leadership effectiveness but also in maintaining mental well-being and work-life balance—two crucial components in the entrepreneurial journey of women.

Firstly, studies consistently show that emotional intelligence contributes positively to personal growth, decision-making, and stress management. Women entrepreneurs who exhibit high levels of EI demonstrate better adaptability, interpersonal skills, and self-awareness, which are essential for managing business uncertainties and maintaining psychological resilience. Goleman's EI framework—comprising self-awareness, self-regulation, motivation, empathy, and social skills—is particularly relevant to women entrepreneurs navigating complex emotional and social environments. These competencies allow them to deal with personal stressors while also fostering productive business relationships.

Secondly, emotional intelligence enhances transformational leadership qualities among women entrepreneurs. Leaders with high EI are more likely to exhibit inspirational behavior, individualized consideration, and intellectual stimulation—all of which are markers of transformational leadership. The literature indicates that such leadership styles contribute to higher team morale, innovation, and long-term business success. According to Allameh et al. (2015), and Gardner and Stough (2002), entrepreneurs with strong emotional awareness are more effective in mobilizing teams, managing conflicts, and fostering a collaborative work culture.

Moreover, empirical studies such as those by Mohanty et al. (2015), and Kundu (2019) establish a strong correlation between EI and personality traits conducive to entrepreneurship, including self-confidence, resilience, and optimism. Women entrepreneurs who score high on these traits tend to handle work pressure better and are more capable of sustaining entrepreneurial ventures. Bahadori (2012), and Zampetakis et al. (2010) also affirm that high EI improves entrepreneurial behavior and decision-making capacity, directly influencing business performance.

Furthermore, gender-based studies reveal that women generally score higher in perceptive skills and overall EI than men (Brackett et al., 2004; Reddy et al., 2012). These findings suggest that women possess innate emotional competencies that, if nurtured, can give them an edge in leadership and business management. However, despite this advantage, women continue to face challenges in balancing professional commitments with family responsibilities. Emotional intelligence helps mitigate these challenges by enabling women to regulate emotions, manage time effectively, and seek social support when needed.



The results also emphasize the importance of EI training and development programs. Organizations and entrepreneurial ecosystems that integrate EI skill-building have better outcomes in terms of innovation, employee retention, and customer satisfaction (Nghah & Salleh, 2015; Beck & Libert, 2017). These programs are particularly beneficial for women entrepreneurs who often operate in emotionally taxing environments due to societal expectations and gender roles.

In summary, the literature reviewed provides robust evidence that emotional intelligence is a critical determinant of psychological well-being, leadership capability, and business success among women entrepreneurs. It not only enhances their ability to manage stress and build relationships but also equips them to become resilient, innovative, and impactful leaders. Investing in EI development thus holds strategic importance for supporting women in entrepreneurial ecosystems.

## 7. CONCLUSION

The study underscores the significant role emotional intelligence plays in enhancing the psychological well-being and entrepreneurial success of women. Through an extensive review of secondary literature, it becomes evident that EI is not merely a soft skill but a critical asset that influences leadership behavior, stress management, and personal growth among women entrepreneurs. The five core components of EI—self-awareness, self-regulation, motivation, empathy, and social skills—enable women to navigate the multifaceted challenges of entrepreneurship, particularly in balancing personal and professional responsibilities.

Findings from various studies reveal that women generally possess higher emotional sensitivity and perceptive abilities, allowing them to lead with empathy, foster strong relationships, and create inclusive business environments. These traits contribute positively to transformational leadership, which is associated with higher team engagement, innovation, and sustained business performance. Moreover, emotional intelligence equips women to handle societal pressures, overcome gender-based constraints, and maintain psychological resilience in demanding entrepreneurial settings.

Despite these strengths, the findings also highlight the need for structured support in developing emotional competencies. Training programs, mentorship opportunities, and organizational practices that promote EI can empower women entrepreneurs further, allowing them to thrive in competitive business landscapes.

In conclusion, emotional intelligence is a vital enabler of women's entrepreneurial journeys. Its influence extends beyond business outcomes to personal well-being and societal impact. Strengthening emotional intelligence among women entrepreneurs is not just beneficial for individual success, but also crucial for fostering inclusive economic development and gender equity in the entrepreneurial ecosystem.

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