

UNIVERSITI TEKNOLOGI MARA

**THE INTERACTIONS OF
EMOTIONAL, SPIRITUAL,
PRACTICAL INTELLIGENCE &
LOCUS OF CONTROL ON
INDIVIDUAL ENTREPRENEURIAL
ORIENTATION (IEO) OF
MALAYSIAN TRAINING
CONSULTANTS**

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ABSTRACT

The research investigates The Interactions of Emotional, Spiritual, Practical Intelligence & Locus of Control on Individual Entrepreneurial Orientation (IEO) of Malaysian Business Training Consultants. The scope of this study is focussed on Small and Medium Enterprise (SME) entrepreneurs in leadership positions in Business Training and Consultancy service agencies in selected states in Malaysia. As representatives who represent their business, Emotional Intelligence (EI), Islamic Spiritual Intelligence (ISI) and Practical Intelligence (PI) are important aspects of the job. The primary purpose of this study is to examine the Interactions of Emotional, Spiritual, Practical Intelligence and Locus of Control on Individual Entrepreneurial Orientation (IEO) of Malaysian Business Training Consultants. One of the biggest obstacles faced by entrepreneurs is lack of theoretical and practical skills in understanding other people's emotions. They also lack Spiritual and Practical Intelligences during the hard time. The studies are limited in addressing the connection between the three intelligences with the Individual Entrepreneurship Orientation. Therefore, this present study needs to be conducted. The moderating role of Locus of Control which is believed to create some influence on the abovementioned relationship is also investigated. Data were analysed involving 319 entrepreneurs from Business Training and Consultancy service agencies across the Klang Valley, Johor, Perak and Penang. In terms of direct causal outcome model, the results show that five of eight hypothesized direct relationship between Emotional, Islamic Spiritual and Practical Intelligence and Individual Entrepreneurial Orientation variables are found to be significant. In terms of testing the hypothesized contingent relationships, moderated regression analysis was conducted. Based on the findings, only Islamic Spiritual Intelligence dimensions – *Ibadah* and Risk-taking are found to have moderating effects on the Emotional, Islamic Spiritual and Practical Intelligence and Individual Entrepreneurial Orientation. The statistical findings are further illustrated using the hierarchical regression analysis to visualize and understand whether the interactions are significant across all values or certain values of the moderating variables. Thus, this study contributes to better understanding of Emotional Intelligence, Islamic Spiritual and Practical Intelligence as predictor of Individual Entrepreneurial Orientation. The findings of the study can be used by entrepreneurs to be successful in the businesses. Future researchers can use the findings of the present study to develop a more cohesive conceptual framework in exploring Individual Entrepreneurial Orientation (IEO).


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CHAPTER 1

INTRODUCTION

1.1 Research Background

This study focuses on the Interactions of Emotional, Spiritual, Practical Intelligences and Locus of Control on Individual Entrepreneurial Orientation (IEO) of Malaysian Business Training Consultants.

To understand this phenomenon, this chapter starts with the statement of the problem which entails the current and present problems that trigger the need for this study to be done. Research objectives, research questions, scope of the study, limitations of the study, significance of the study and finally the definition of terms are also explained.

1.1.1 Entrepreneurship

The study started with the exploration about entrepreneurship. Entrepreneurship is about how well entrepreneurs handle themselves and others (McLaughlin, 2012). Individuals involved in business see the world differently and envision the future better than the others do (Abu-Saifan, 2012). According to Amiri et al, (2012), entrepreneurship not only involves innovation, development and recognition but also involve seizing opportunities and converting opportunities to marketable ideas and values while bearing the risk of competition.

Entrepreneurship has been identified as an important element in business success and identified as a powerful catalyst to Malaysia's development and economic growth. Studies found that the entrepreneurship sector is rapidly increasing in Malaysia (Ridzwan et al., 2017). Through entrepreneurship, Malaysia has generated several on-going innovations and improvement in product and services and institution and at the same time enhance the quality of life of individuals in communities and national economic development (Zahra et al., 2015).

Different people have different understanding of entrepreneurship. According to Bar-On et al., (2010), individuals who engage in entrepreneurship are called entrepreneurs and these individuals are "unique". A previous study described