

# Emotional and Social Intelligence and its Impact on the Business Success of Bulgarian Digital Entrepreneurs

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The rapid development of digital technologies over the past two decades has created a new economic environment that requires continuous adaptation. However, paradoxically, increasing digitisation emphasises the importance of soft skills such as emotional and social intelligence. The present study aims to empirically analyse the relationship between these skills and the success of Bulgarian digital entrepreneurs. The results show that successful entrepreneurs demonstrate higher levels of emotional and social intelligence, with all its components – self-awareness, self-control, motivation, empathy and social skills – contributing significantly to entrepreneurial success. The importance of optimism for overcoming challenges in a dynamic digital environment is particularly emphasised. The conclusion is that, despite the specific requirements of digital business, the basic profile of a successful entrepreneur remains universal and is characterised by high emotional and social intelligence. Therefore, this study adds value to the literature on entrepreneurship, management, organisational behaviour, and human resource management, while it can contribute to the development of assessment tools, as well as training and development programs for emotional and social intelligence.

*Key Words:* emotional intelligence, digital entrepreneurship, competencies, empathy, motivation

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## INTRODUCTION

Digital transformation and its essential manifestation – digital entrepreneurship (DE) – has brought to the fore the need to talk about and focus more actively on human relationships in the workplace. Technological globalisation has made possible the interconnectedness of individuals, organisations, markets, governments, and states (Kunev et

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al. 2020). It has developed our professional and personal communications to unsuspected heights. Still, at the same time, it has distanced us from each other, positioning us in front of various digital devices conveniently hidden behind monitors and emoticons. The closer we become, thanks to technology, the more distant we are as individuals from each other, which inevitably affects – negatively or positively – our working relationships. The paradox is that the more technologically connected society is, the more emotionally distant people are from each other.

Surrounded and pressed by technological progress, a person is constantly persuaded that, in order to be successful and to be able to adapt to the ever-changing reality, it is enough to develop his rational intellect primarily. Not without significance is the fact that, for decades, management theory and practice have favoured a top-down approach in which all decisions are made at the highest level and communicated and implemented top-down. Although this approach ensures clarity and accountability of decisions, it affects the cohesion, creativity and proactivity of employees and teams (Asana 2024). The latter leads to deepening internal organisational crises, staff turnover and loss of key employees.

All this casts doubt that a manager's success depends solely on his cognitive intelligence. Moreover, it can be confidently asserted that anyone with even a relatively average level of intelligence can achieve significant success (Vermeulen 1999), which motivates researchers to look deeper into the reasons that are a prerequisite for positive results in such endeavours. As a result, in 2020 (amid the COVID pandemic, which undoubtedly accelerated digital transformation in many areas), several prestigious rankings, including the global professional network LinkedIn (Ronin 2020), actively began to include emotional intelligence (EI) and its inherent competencies among the top skills needed by leaders of the future.

Moreover, a comparison of the views of several researchers shows that the intrinsic competencies of EI are as crucial to a person's success and the organisation he leads as rational intelligence. This is because emotions, not only thoughts, drive people. Only by knowing their feelings can they understand and effectively control their behaviour and, accordingly, understand the desires and needs of others. Therefore, EI is an essential ability that is necessary for an individual to achieve both personal and professional success, as well as for the organisation and its constituent teams.



That is why the present study examines the problem of the level of manifestation of individual competencies of EI in digital entrepreneurs and to what extent they can be defined as successfully implemented in the digital business environment. The object of this study is the behaviour of Bulgarian digital entrepreneurs operating in various spheres. The subject that is affected in the development is their EI, according to Daniel Goleman's theory. The aim is to investigate and establish the role and influence of EI in DE and, more specifically, on the success of Bulgarian entrepreneurs developing digital businesses.

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#### ESSENCE OF EMOTIONAL INTELLIGENCE AND DIGITAL ENTREPRENEURSHIP

Emotional intelligence, also called emotional intelligence quotient (EQ), is the point of contact between intelligence and emotions, recognising the latter as a valuable source of information and a social guide. One of the earliest definitions of EI was given by Salovey and Mayer, who consider it the ability to observe one's and other's emotions (Todorova 2024). Later, these two researchers expanded the concept to include four interrelated capabilities – preventing, using, understanding, and managing emotions (Salovey and Grewal 2005). However, Daniel Goleman, one of the authors most credited with popularising the concept of EI, argues that there is an even more familiar term that characterises the set of skills that EI symbolises, namely the character (Kostadinova 2013, 87). This conclusion is confirmed by a study by several authors who found that personality is an essential predictor of EI, defined as individual differences in characteristic patterns of thinking, feeling, and behaviour (El Othman et al. 2020).

Individuals with high EI demonstrate exceptional skills in recognising, understanding, and managing both their own emotions and the emotions of others. These skills are essential for effective communication and building solid relationships. It is no coincidence that many studies, including those of Goleman (2017), indicate that it is EI, not just intellectual abilities, that distinguishes successful leaders.

However, the ability to recognise, manage and understand one's and others' emotions still remains underestimated and underdeveloped. On the other hand, despite its undeniable rise, the digital economy has yet to reveal its full potential, but it already promises an exciting future (Laskova 2018). An apt summary of the current development and trends in the development of DE and the EI of the leaders building the

new economy are the words of Brian Solis that ‘the possibilities are only limited by our imaginations’ (2014, 190).

[342] On the other hand, Kihlstrom and Cantor (2011) define social intelligence (SI) as a complex ability that refers to an individual’s ability to understand, interact and adapt to social situations and relationships. According to the authors, this competence includes:

- 1 *Understanding Others*. The ability to recognise the emotions, thoughts and intentions of other people, as well as predict their reactions.
- 2 *Relationship Management*. The ability to build, maintain and develop effective relationships with other people and to resolve conflicts.
- 3 *Social Adaptation*. The ability to adapt to different social contexts and act appropriately within them.
- 4 *Social Awareness*. The knowledge of social norms, rules and expectations, and the ability to put this knowledge into practice.

This definition shows the difficulty researchers face, namely distinguishing between emotional and social intelligence. Despite the various proposed definitions of social intelligence, they all emphasise the importance of several specific requirements that are also the points of contact between EI and SI:

- *Emotional Intelligence*. The ability to recognise and manage one’s own emotions, as well as the emotions of others.
- *Communication Skills*. The ability to express oneself clearly and effectively, as well as to listen actively.
- *Social Skills*. The ability to work in a team, resolve conflicts and build networks.

Due to the enumerated requirements for SI and its specific components coinciding to some extent with those that make up EI, the two abilities are often measured in the same way or with similar instrumentation. It is important to note that what distinguishes successful leaders from others is precisely the presence of developed emotional and social intelligence. These skills allow leaders to achieve a 360-degree perspective on their teams and identify areas for improvement. Thus, they can optimise the use of resources, drive innovation, and build highly cohesive teams, ultimately leading to higher productivity and competitive advantage for the organisation (Kostadinova 2013).



To date, we enjoy constantly emerging and developing technologies, unlimited imagination and creative approaches in management (Dimitrov and Venelinova 2019, 214). And what is needed to bring about real change that will make the world a better place for everyone is humanity. It is mainly wrong to claim that the inherent creativity of humans will save humankind from self-destruction, from the development and entry, threats and opportunities of supercomputers and artificial intelligence. In fact, neither rational intelligence nor creativity is the individual's greatest asset; it is the moral choice (O'Reilly 2017, 360) that he has to make every day, and that is due to a developed and refined EI and social skills.

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Entrepreneurship, which several authors also define as 'self-employment' (Antonizzi and Smuts 2020), is recognised as fundamental for the economic growth of the European Union and for increasing the number of new jobs in Europe. A similar opinion is shared by Ljubotina and Vadnjak (2023), according to whom entrepreneurship is a crucial driver of global development, fostering innovation, creating new jobs, and contributing to societal changes. Berginc et al. (2023) argue that entrepreneurship – as a state of mind rather than a set of specific skills, manifests itself in the ability to seek out new opportunities and act decisively in different areas of life. Therefore, it is no coincidence that, along with self-employment, entrepreneurship is included in the Europe 2020 strategy as a crucial element for achieving innovative, sustainable and inclusive growth (Pavlov et al. 2017).

Digital entrepreneurship, on the other hand, refers to 'entrepreneurial endeavours realised in a digital environment through digital media and ICT tools' (Antonizzi and Smuts 2020). It includes all entrepreneurial opportunities that are created and pursued through the use of technological platforms and other information communication equipment. As well as falling into many familiar business categories specific to DE, as technology advances and improves, potentially new types are created. This means that entrepreneurs must acquire both business-related knowledge, skills and technical competencies.

Digital entrepreneurship, according to Todorova (2024), is an innovative approach to business that takes place entirely or partially in the digital environment. It is not limited to creating an online business but requires innovative thinking, flexibility and continuous adaptation to the changing digital environment. This type of entrepreneurship is established as the main driver of the economy, on a par with traditional

forms. Beyond its economic dimensions, DE has a significant impact on social interactions, self-esteem, and individual personal development, reflecting the ever-increasing role of technology in the modern world.

[344] Rashidi et al. (2013) consider DE as a type of entrepreneurship defining IT jobs by using IT tools and then covering and executing them in a web environment. The team predicts that, as more economies enter the information age and traditional jobs disappear, the development of DE skills and the accumulation of knowledge and information will prove key to generating new ideas and putting them into practice. In their development, they also refer to many expert opinions, according to which 'by 2045, 3% of employment in the world will belong to the agricultural sector, 4% to the industrial sector and 93% to the service sector.' Considering DE as part of the service sector, it can be argued without a doubt that the role of these economic activities in the gross domestic product of countries will be extremely high in the coming decades.

As Kotsev (2020, 11) points out, DE is yet to attract research interest. Questions such as whether DE can be seen as a component of the digital economy related to entrepreneurship or a subspecies of entrepreneurship associated with the digital economy may never receive a satisfactory and even less unequivocal answer. It is only sure that digital business will inevitably lead to a change in the mission, vision and strategies that companies use to achieve their goals. Even now, the organisations that dominate and essentially build the world economy are proving this is an entirely new way of doing business, not just a new tool to adapt to outdated models. The unrestrained use of digital technologies requires, first of all, adapting the business strategy to the new realities, as well as a continuous effort to add value and foster relationships based on cooperation and empathy.

In this sense, DE is naturally 'hungry' for its digital leaders, but their formation requires much more than technological and information security. Leadership in a highly technological era requires a wide range of skills and competencies, including excellent communication, adaptability, motivation, and empathy. This is precisely what gives reason to claim that the digital transformation leaders are not necessarily the people with the highest quotient of rational intelligence but the individuals with the most developed EI.

From the discussion so far, it is clear that understanding the relationship between EI and entrepreneurial success is vital to developing an entrepreneurial ecosystem. However, although the topic of digital



entrepreneurship is not new in Bulgaria, the issue of EI and its influence on the performance and success of entrepreneurs is. There is a lack of systematic research to provide empirical evidence of this relationship, especially in the context of digital entrepreneurship. This motivated the authors of the present study to seek answers to the following research questions (RQ): [345]

- RQ1 *What is the degree of manifestation of EI among Bulgarian digital entrepreneurs?*
- RQ2 *Is there a positive relationship between a high level of EI and a sense of success among Bulgarian digital entrepreneurs?*
- RQ3 *Is there a positive relationship between the EI of Bulgarian digital entrepreneurs and the demographic characteristics of age and gender?*

#### RESEARCH METHODOLOGY

The methodology developed for this study is based on Daniel Goleman's (2005) model of EI, with five spheres of competence included (Ordu and Acar 2014). For the research, the survey was developed using questions from Professional Emotional Intelligence Tests by Robert Wood and Harry Tolley (2002). In the study, the Motivation component of Goleman's model is divided into Self-Motivation (Optimism) and Motivation, and the aim is to study the ability of Bulgarian digital entrepreneurs to motivate both themselves and others. This decision is influenced by the fact that people are undoubtedly the most important resource in any organisation, and the success of the entire organisation depends on how motivated they are to work and give their best (Ruskova and Ruseva 2018). Based on this, the research methodology covers the following EI components:

- Self-awareness – or self-knowledge – is related to openness to different experiences and new ideas, as well as learning from social contacts and influences (Craig 2019). Wood and Tolley (2002, 63) argue that good self-knowledge and the pursuit of human happiness are intimately linked – one follows from the other. Good self-awareness includes self-respect, a positive attitude, the ability to listen to the inner voice and abstract from logic and rationality, etc.
- Self-regulation – or self-control – is the person's ability to weather emotional storms (Goleman 2005, 87). Researchers claim that

leaders who have effective self-regulation rarely allow themselves to attack others verbally, do not make hasty or emotional decisions, avoid stereotypes, and stick to their values (Bell 2020).

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- Self-motivation (Optimism) and Motivation – are crucial drivers of entrepreneurial success. As Goleman (2005) suggests, optimism serves as an enduring source of motivation, shielding individuals from negative emotions like apathy and despair. In the context of entrepreneurship, optimism can be seen as an internal drive stemming from either extrinsic rewards (e.g., financial gain) or intrinsic motivations (e.g., passion for the venture). While Goleman’s model of EI does not explicitly address the ability to motivate others, it highlights the importance of related competencies such as self-control and empathy. These skills are essential for effective leadership and influence, especially in the digital age where motivating and inspiring individuals, both individually and collectively, is increasingly complex (Carnegie 2012).
- Empathy – the ability to perceive and understand the emotions of others is a crucial skill for entrepreneurs. As Bell (2020) emphasises, empathetic leaders can better connect with their team members and foster a supportive work environment. Additionally, empathy is essential for building and maintaining strong relationships, both personally and professionally. Albrecht (2009) highlights the importance of empathy in creating a positive team culture characterised by cooperation and understanding.
- Social skills – the attitude towards others and the influence on them. Leaders with excellent social skills are effective communicators who manage change and resolve conflict (Bell 2020). It is this way because social skills are the entire application of all EI competencies: understanding and applying one’s and others’ emotions, communicating and interacting with them. This competence includes active listening, skilful verbal and non-verbal communication, and leadership, and is largely equivalent to SI (Craig 2019).

This research focuses on digital entrepreneurs based in Bulgaria who operate in diverse sectors. The target population consists of 42,238 enterprises, with a minimum sample size of 381 at the 95% confidence level. Conducted between January 25 and March 25, 2021, this study





aims to assess the level of EI and its constituent competencies among digital entrepreneurs by determining the following:

- how successful and motivated digital entrepreneurs are in their own judgment;
- what is the degree of manifestation of individual EI competencies among digital entrepreneurs.

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A Google Forms survey questionnaire was designed to gather the required data. The questionnaire consisted of 42 questions, mostly closed-ended, tailored to the research objectives. To maintain confidentiality, the survey was administered anonymously and included:

- two demographic questions;
- two questions relating to the digital business in which the respective entrepreneur is developing;
- two questions giving a subjective assessment of how successful and motivated the respective respondent-digital entrepreneur is defined;
- thirty-six questions exploring individual EI competencies: self-awareness, self-regulation, optimism and motivation, empathy, and social skills.

The survey was disseminated through various channels, including professional groups on social media platforms, direct outreach to digital entrepreneurs, and collaboration with relevant organisations such as the Bulgarian Chamber of Commerce and Industry (BCCI) and the Bulgarian E-Commerce Association (BEA). These organisations shared the survey link with their members and followers, reaching a wider audience.

#### RESULTS AND DISCUSSION

A total of 1,175 ( $N = 1175$ ) respondents completed the survey. The sample comprised 791 women (67%) and 384 men (33%). In terms of age, the majority of respondents (53.4%) were Millennials, born between 1980 and 1995. Generation X (born between 1965 and 1979) accounted for 24.9% of the sample, while Generation Z (born after 1995) represented 20.9%. A small percentage (0.9%) were Baby boomers born before 1965. This demographic breakdown aligns with the generational cohorts identified by Hristov (2021).

If more than one answer is marked, 707 of the respondents or slightly more than 60% indicated that they were involved 'Online sale of

[348] goods and services,' 222 (18.9%) – 'Digital marketing, advertising and media,' 207 (17.6%) offer 'Freelance services (designer, photographer, virtual assistant, etc.),' 153 (13%) are involved in the 'Creation of digital products (software, website, applications, etc.),' 28 (2.4%) indicated the domain 'Education/Conducting online trainings,' and less than half a per cent (0.4%, 4 people) chose 'Other.'

To the question 'How long have you been a digital entrepreneur?,' 52% or 611 of the respondents indicate that they have been developing a digital business 'between 1 and 5 years,' 29% or 339 of the respondents choose 'between 5 and 10 years,' 11% or 134 have started a digital business less than 1 year ago, 8% or 91 participants are developing business the most extended period in a digital environment: between 10 and 15 years. The number of people who chose the option 'over 15 years' is 0.

To the question 'When you think about your digital business, how do you feel?,' 53%, or 624 respondents, chose 'Motivated and Satisfied,' 33% or 391 indicated 'I am Optimistic,' and 14% or 160 identified themselves as 'Exhausted and Discouraged.' Asked 'What best describes your digital business?,' 859 (73%) of the respondents define their business as 'Successful,' 154 (13%) as 'Startup,' for 160 (14%) it is rather 'Unsuccessful,' and 2 (less than 1%) chose the option 'Other' ('Mid-level' and 'Successful business until Covid 19').

The results for the individual indicators – self-awareness, self-regulation, optimism, motivation, empathy and social skills – are as follows:

#### *Self-Awareness*

Just over 58% (686) of all surveyed digital entrepreneurs showed a high degree of self-awareness, 36% (428) performed at an average level, and about 5% (61) had a relatively low degree of self-awareness. The data showed that a significant share of the surveyed Bulgarian digital entrepreneurs have an accurate perception of how they feel and how their own emotions affect both themselves and others.

A generational analysis of self-awareness reveals a downward trend. Baby Boomers show the highest level of self-awareness (71%), followed by Millennials (66%) and Generation X (57%). Generation Z reports the lowest level (50%) of self-awareness. At first glance, the data reflect a downward trend of decreasing self-awareness with each successive generation. Indeed, viewed from a different angle, the results testify to the potential for the development of EI and, more specifically, of its competence – self-awareness with age (Todorova 2024).



TABLE 1 Scores of All Respondents on Indicators Self-Awareness and Gender

Indicator	High		Average		Low	
	Women	Men	Women	Men	Women	Men
Self-awareness	58.19	36.04	32.39	49.24	9.42	14.72

NOTES In percent.

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A look at the results by gender shows a preponderance of female digital entrepreneurs in terms of self-knowledge at almost 60% (460) relative to 36% (138) of males (table 1). The data resonates with the conclusion of Korn Ferry (2016), whose research found that ‘the most significant difference between men and women can be seen in emotional self-awareness.’

Eurich (2018) shares a similar opinion, stating that self-awareness has emerged as a critical competence in contemporary leadership and management literature. Empirical evidence shows that people with high self-esteem are more likely to exhibit confidence, creativity, and sound decision-making skills. Additionally, self-aware individuals tend to build stronger interpersonal relationships, communicate more effectively, and demonstrate higher levels of integrity. Such qualities are essential to both individual and organisational success.

### *Self-Regulation*

The survey results indicate that a significant majority, 63% of the digital entrepreneurs, exhibited a high level of self-regulation. Approximately 21% demonstrated average self-control, while 16% displayed lower levels. A generational analysis reveals that Generation X had the highest percentage of individuals with high self-regulation (70%), followed closely by Baby Boomers (67%). Millennials (63%) and Generation Z (56%) showed slightly lower levels of self-regulation. This trend raises questions about the potential impact of generational factors on self-regulation and the extent to which this skill can be developed over time.

In the analysis of the self-regulation competence by gender of the respondents (table 2), the results show a significant advantage for female entrepreneurs – 464 (58%) demonstrate a high degree of self-control compared to 169 (44%) of the men, which is a likely consequence from their better self-knowledge (previous indicator).

According to Goleman (2005, 75), a good awareness of emotions is the essential skill on which the rest are built, including emotional self-control or self-regulation. Although the Korn Ferry agency (2016)

TABLE 2 Scores of All Respondents on Indicators Self-Regulation and Gender

Indicator	High		Average		Low	
	Women	Men	Women	Men	Women	Men
Self-regulation	58.68	44.00	22.16	22.35	19.16	33.65

[350]

NOTES In percent.

concluded in its study that ‘emotional self-control is the only competency in which men and women showed equal performance,’ the present study is indicative that Bulgarian female digital entrepreneurs demonstrate better self-control compared to men.

### Optimism

A substantial portion (67%) of the surveyed digital entrepreneurs displayed high levels of internal motivation. Approximately 22% and 11% exhibited moderate and low levels of motivation, respectively. A generational analysis revealed that Generation X had the highest percentage of highly motivated individuals (72%), followed closely by Baby boomers (70%), Millennials (66%), and Generation Z (64%). These findings suggest that while generational factors may influence motivation, individual temperament, as described by Goleman (2005), also plays a significant role.

Women entrepreneurs show a higher level of internal motivation and optimism – 486 (61%) compared to 172 (44%) of men (table 3). This can be taken as an indicator that women are more oriented towards setting goals and taking the necessary actions to achieve them, and are highly committed and proactive.

TABLE 3 Scores of All Respondents on Indicators Optimism and Gender

Indicator	High		Average		Low	
	Women	Men	Women	Men	Women	Men
Optimism	61.38	44.83	22.02	33.69	16.60	21.63

NOTES In percent.

### Motivation

The summary results of the survey for all participants in the study regarding the indicator ‘Motivation’ demonstrate that just over 61% (717) of the respondents possess to a high degree the ability to positively influence the behaviour of others, to express moderate and constructive criticism, compared to over 25% (294) with an average and over 14%



TABLE 4 Scores of All Respondents on Indicators Motivation and Gender

Indicator	High		Average		Low	
	Women	Men	Women	Men	Women	Men
Motivation	47.12	40.76	19.67	39.78	33.21	19.46

NOTES In percent.

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(164) with a low degree of manifestation of the investigated competence.

The study found that the ability to motivate others varied across generations. Baby boomers were least likely to possess this skill, with only 40% demonstrating a high level of motivation. In contrast, Generations X and Y showed significantly higher levels of motivation, with 67% and 61%, respectively. Generation Z reported a somewhat lower level of motivation (54%). This discrepancy highlights the importance of balancing optimism and the ability to influence others for effective leadership.

When analysing the 'Motivation' indicator (table 4) according to the gender of the respondents, a certain equality is noticed, i.e. this skill is almost equally developed in women – 47% (373) and in men – 41% (156) entrepreneurs, but significant differences stand out in the medium and low values of this EI competence.

### *Empathy*

The summarised results of the Empathy indicator survey demonstrate that over 63% (740) of digital entrepreneurs in Bulgaria have a high degree of empathy, about 22% (259) are moderately empathetic individuals, and less than 15% (176) do not feel or are not able to show empathy for others.

When we look at empathy levels by age group, we see that Generation X (69%), Y (62%) and Z (61%) demonstrate relatively similar high levels of empathy. A deviation from this trend is observed in the generation of baby boomers, where the share of entrepreneurs with moderately developed empathy (50%) is higher compared to those who can fully build and maintain relationships with others (42%).

In the analysis by Gender (table 5), a significant preponderance of female digital entrepreneurs – 535, or more than 67% – have developed empathy. In comparison, for men, this share is slightly more than 28% respondents. From such a result, the statement that ladies are more empathetic and men have a harder time putting themselves in an-

TABLE 5 Scores of All Respondents on Indicators Empathy and Gender

Indicator	High		Average		Low	
	Women	Men	Women	Men	Women	Men
Empathy	67.60	28.31	21.71	38.07	10.69	33.62

[352]

NOTES In percent.

other’s situation cannot be definitively deduced. Still, the data confirm the conclusion of Korn Ferry (2016): according to most instruments assessing EI, women’s norms are on average higher than men’s and females score higher on empathy and social skills.

### Social Skills

The research demonstrates that digital entrepreneurs with the most developed social skills convey more than 57% (670) of those participating in the study. On the other hand, in just under 25% (294), it is medium, and in 18% (211) – respectively low, i.e. these entrepreneurs tend to lack the social skills listed above.

When it comes to social skills, Generation X stands out, with 62% of respondents demonstrating strong communication and interpersonal abilities. For those born after 1980 (Generations Y and Z), slightly over 55% possess these skills. In contrast, individuals born before 1965 exhibit lower levels of social skills, with only 44% demonstrating strong abilities. Like the empathy competence, social skills are more prevalent among women developing digital businesses – 52% or 416 of them possess this skill compared to 22% or 86 of men (table 6). However, over 41% (159) of men have developed the skills of active listening and effective communication to an average degree versus 32% (257) of women. This ability is relatively absent in almost 36% of 139 male respondents and 15% or 118 female respondents.

TABLE 6 Scores of All Respondents on Indicators Social Skills and Gender

Indicator	High		Average		Low	
	Women	Men	Women	Men	Women	Men
Social skills	52.58	22.46	32.26	41.34	15.16	36.08

NOTES In percent.

### Emotional Intelligence (EI)

By analysing the results for each competency, we were able to categorise Bulgarian digital entrepreneurs into three groups based on their over-



all level of EI: high, average, and low. Summary data from the survey regarding the general level of EI indicates that just under 62% (727) have excellent understanding, management and response to their own and others' emotions, 25% (295) experience difficulties in conflict management, communication, empathy and coping with failure, and in 13% (153) the essential competencies of EI are poorly developed. [353]

In the survey, 859 (73%) respondents self-identified their digital business as successful, while 160 (14%) did as unsuccessful. The remaining 156 (13%) respondents indicated a response other than successful/unsuccessful. In the present work, the impact of EI on the success of digital entrepreneurs is investigated, which is why the survey results on the individual indicators of EI for the two leading groups of digital entrepreneurs for the study – successful and unsuccessful – were studied. Data analysis shows that among self-identified successful digital entrepreneurs, the percentage of respondents with a high degree of EI and its corresponding competencies varies between 65% and 78%. The rate of optimistic and self-motivated respondents is the highest – over 77% (661) have a positive attitude and know how to deal with problems. The share of highly emotionally intelligent entrepreneurs is around 70% (601).

In the opposite group there are those participants whose expectations were not justified by the digital business, entrepreneurs with an average level of EI predominate, with values ranging from 31% to 55% for each competency. On the 'Social skills' indicator, the share of ineffective communicators and those showing a lack of active listening is over 65% (104), i.e. the percentage of entrepreneurs with a relatively low level of social skills and relationships with others is the highest.

It is impossible to definitively conclude whether the group of respondents with failed businesses has a medium or low level of EI, as the values are close. However, the share of highly emotional entrepreneurs in this group is significantly lower than among those who self-identified as successful and satisfied with their business venture. Table 7 visualises the difference in EI between successful and unsuccessful entrepreneurs.

A relatively high percentage of female and male digital entrepreneurs self-identified as 'Successful' – over 78% (614) for the former and over 63% (245) for the latter. There is a significant difference in the results for 'Unsuccessful Business' – just over 5% (44) of women versus over 30% (116) of men believe DE has not met their expectations. The

TABLE 7 Results of the Study Regarding the General Level of Emotional Intelligence in Successful and Unsuccessful entrepreneurs

Emotional Intelligence	High	Average	Low
Successful entrepreneurs	70.30	21.39	8.30
Failed entrepreneurs	6.86	47.01	46.13

[354]

NOTES In percent.

share of the optimistic is similar, but still with a preponderance for male entrepreneurs – 39% (150) against over 30% for ladies (241). Over 16% (131) of female entrepreneurs show relatively higher initiative and ‘have started a new business,’ against about 6% (23) of male respondents.

After the analysis, it can be summarised that female digital entrepreneurs show higher results regarding EI and its inherent competencies. This does not reflect directly on successful business ventures – both groups of respondents have high values. But it is indicative, on the one hand, of the sense of ‘failure’ and, on the other hand, of the feeling of ‘discouragement’ in men – almost 30% (115) of male respondents feel ‘exhausted,’ while for women, this percentage is less than 6% (45).

#### *Formulation of Conclusions and Recommendations*

In summary, the research data satisfactorily answer RQ1: ‘What is the degree of manifestation of EI among Bulgarian digital entrepreneurs?’ Over 62% (727) of respondents have highly developed EI, 25% (295) are around an average level, and just over 13% (153) demonstrate a low level of empathy, communication, and optimism. In the aspect of the potentially nascent era of empathy (Kotler, Kartajaya, and Setiawan 2020, 133), it should be noted that a relatively large share – 63% (745) of entrepreneurs show empathy and understanding of other people’s emotions. In the case of successful entrepreneurs, this competence was developed in over 71% (616), and in the case of unsuccessful entrepreneurs – in only 11% (17) of the respondents. However, it cannot be categorically stated that success is directly dependent on empathy. It is conceivable that the presence of this trait is rather a prerequisite for morally justified decisions and actions but not for the achievement of material and financial results.

From the point of view of the influence of the individual competencies of EI on the success of the respective digital entrepreneur, the research shows that over 70% (604) of the respondents who self-identified as successful have the highest level of EI, while among the





unsuccessful this share is below 7% (11). Furthermore, optimism stands out as an essential and vital competence for success – almost 78% (668) of successful entrepreneurs are somewhat ‘Optimistic,’ compared to less than 5% (73) of unsuccessful ones. The difference is also significant regarding the ‘Social skills’ indicator – about 66% (565) of the successful [355] compared to just under 3% (5) of the unsuccessful digital entrepreneurs who mastered the skills of active listening and effective communication. This also provides an acceptable answer to the second formulated RQ2: ‘Is there a positive relationship between a high level of EI and a sense of success among Bulgarian digital entrepreneurs?’

The research answers RQ3: ‘Is there a positive relationship between the EI of Bulgarian digital entrepreneurs and the demographic characteristics of age and gender?’ Almost 70% of the generation born between 1965 and 1979 stand out as an age group with a high degree of EI, while for other age groups, this share varies between 55% and 61%. When compared by gender, female digital entrepreneurs have a significant advantage in each of the skills inherent in emotionally intelligent people. The overall proportion of women with highly developed EI is almost 58% (455) compared to just over 36% (138) for men. Unfortunately, although the study indicates that women demonstrate much more self-awareness, self-control, motivation and optimism, empathy, and social skills, in Bulgaria, for example, an individual’s gender remains a stronger predictor of career development than EI, and men remain preferred for leadership positions (Todorova and Antonova 2023).

Due to the different channels used to distribute the research survey (such as social networks and email), some participants took advantage of the feedback opportunity. Part of the respondents, for whom it is unknown what answers they indicated in the questionnaire, claim that such ‘emotional nonsense’ is unnecessary for business and that our economy only needs a ‘carrot and a stick.’

This result fully corresponds to the statement expressed in the introduction of the present study that until now, the main principle in management is top-down command and control. Unfortunately, too little consideration is given to the possibility that the subordinates play a significant role in the realisation of organisational goals and tasks through their unique human characteristics. Reality shows that these principles are relevant and, according to many, infinitely applicable.

Do emotions have a standing in business? Bryan Kramer (2017) attempts to debunk the dilemma in his book “There is no B2B or B2C:

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It's Human to Human: H2H,' where he states that 'The fact is that businesses do not have emotion. Products do not have emotion. Humans do. Humans want to feel something.' Yes, it is a fact that companies have no emotions. Yes, products do not have feelings. But people have and want to feel something positive while communicating with businesses. Kramer also argues that organisations and marketers must appeal to people's emotional needs to survive. Last but not least, their behaviour and communication with consumers must be corrected relative to the ever-evolving and fast-moving digital and social world. In addition to intelligence and digital knowledge, modern business leaders must also possess social skills.

Countless examples of successful entrepreneurs prove that classical intelligence is not enough: the heart may be irrational, but navigating with it in business is an intelligent and common-sense strategy (Galloway 2018, 181). Trust in instincts and an intuitive sense of what is right are the essential prerequisites for achieving enduring success (Byrne 2011, 219).

Scott Galloway (2018, 265–266), closely examining the 'Four Horsemen' (Amazon, Apple, Facebook and Google), gives an obvious explanation as to why classical intelligence alone is not sufficient and even an obstacle. He likens entrepreneurs to storytellers who share three common qualities: a high tolerance for risk, the ability to sell, and 'they don't have enough brains to know they'll fail.' According to the author, highly rational and knowledgeable people are rarely promising entrepreneurs, as they 'clearly see the risks,' i.e. they are cautious and indecisive.

A number of authors have also argued that we are entering an entirely new stage of development when the qualities of people that distinguish them today begin to emerge from their hearts. Less logical, linear, rule-based thinking will not be so relevant from now on. Instead, the value of empathy, joy, optimism, inner qualities, and relationships with others will rise like an avalanche. These highly underrated qualities can be developed when we do what we love and bring our whole being to our work – expertise and emotion will work better together (Byrne 2011, 217).

Stephen Sampson points to six leadership traits that draw others to them: physical attractiveness, intellectuality, sociability, emotionality, pleasant manners, and morality (Kotler, Kartajaya, and Setiawan 2020, 133). The listed characteristics partially overlap with EI indica-



tors, which leads to the question, isn't it time to emphasise EI competencies in the academic training of future entrepreneurs and leaders?

It is evident from the present research that one of the most prominent characteristics of Bulgarian digital entrepreneurs is precisely optimism. Self-motivation is a driving force for over 77% of respondents who perceive themselves as successful entrepreneurs. This supports the conclusion that a positive attitude is one of the EI competencies that must be stimulated and developed in current and future digital entrepreneurs. Failure should not be a reason for demotivation but to change direction and revise the plan.

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The research does not conclusively prove the role of another EI competency (empathy) as significant for the success of digital entrepreneurs, especially as it relates to demographic profiling by age. For example, Baby boomers demonstrate a high self-efficacy rate but also show the lowest levels of empathy. Therefore, it is possible to reason from another point of view: even the basic levels of empathy in a person and/or its proper distribution can contribute to his success. And what would happen if we worked purposefully towards fully developing this competence?

It can also be assumed that empathy alone does not predetermine whether an entrepreneur will be successful or not. A is primarily responsible for the correct (moral) decisions he makes. Objectivity requires recognising that it is relatively easy to achieve success based on dishonest actions, i.e. those that support the personal but harm or are at the expense of someone else's good. In fact, the 'Four Horsemen' and the rest of the 'builders' of the digital age owe their success not to their own empathy but to their ability to monetise others' empathy and emotions. But do the world, humanity, and the economy of the future need entrepreneurs – digital or traditional – who have a value system that is devoid of empathy and morality?

The present study cannot commit to such a general conclusion. Still, it is undeniable that in today's highly digitalised environment, empathy is a powerful catalyst for igniting meaningful interactions and relationships in social media (Solis 2014, 219). New information and communication capabilities have put the power in the hands of consumers and they can afford to choose. Their attention is drawn to those companies that successfully demonstrate knowledge and openness to their interests. Genuine empathy is relatively easy to identify, but more importantly, it can be contagious.

[358] But this competence is not an object that could be bought, physically possessed and implemented. It is not something that companies can invent, it must be felt (Solis 2014, 310). Instead, businesses can increase their empathy by listening to their users and customers and openly caring about what is important to them. Put another way, empathy requires active listening, which is inherent in another EI competency – social skills. The latter, in turn, also include change management and conflict resolution, which requires entrepreneurs to exhibit self-control, flexibility and adaptability.

The conclusions formulated in this point regarding entrepreneurship in the aspect of EI are an attempt to show that a change in the traditional business model known as the 'principle of the carrot and the stick' is imperative. Perhaps the time has come when Muhammad Yunus's assertion that through the multifaceted definition of an entrepreneur, it is possible to radically change the nature of capitalism and solve many of the pressing social and economic problems of the free market (Byrne 2011, 313).

It is also widely believed that entrepreneurs are driven by maximum profit as a source of their intrinsic motivation. Is it not admissible that the sources are ultimately two mutually exclusive at first glance but equally competitive. According to Yunus, cited by Byrne (2011, 39), modern entrepreneurs should be precisely driven by these two specific goals: to make maximum profit and to do good deeds for the world. This not only goes beyond the meaning of typical corporate social responsibility but also requires developing EI along with rational intelligence. John Mackey's words can serve as a kind of recommendation and call for people to go out and use their creative energies because the world needs more innovation and creativity, and lacking humanity is a serious problem (Byrne 2011, 39).

#### CONCLUSION

Emotionally and socially intelligent people have the ability to put themselves in other people's shoes, but not only. They see challenges from different perspectives, which is a prerequisite for performing complex tasks and solving complex problems. In addition, higher EI quotient scores combined with well-cultivated social intelligence suggest higher productivity and better social skills, including perceiving the needs of others and influencing them through balanced interpersonal relationships.



Although decision-making is the essence of entrepreneurial initiative, running a business is also an emotional experience. Every entrepreneur puts heart and soul into their venture, and very often, this dedication is responsible for positive results. However, when emotions interfere in business, and it is difficult to distinguish them from facts and logic, there can be no talk of success in undertakings. Therefore, increasing EI could improve and even facilitate the process, helping a person to navigate faster and more accurately in any life and professional situation, which can be the real difference between a successful and a failed business. [359]

In essence, traditional businesses differ from digital entrepreneurs only in that the latter need significantly more specialised technical knowledge and skills to survive in the digital competition. But this does not change the profile of the entrepreneur – an optimist who listens to his intuition, is ready to take risks, is persistent, motivated, and successfully motivating. According to data from the current study, self-identified successful digital entrepreneurs demonstrate a much higher level of EI and its inherent competencies than those who consider themselves unsuccessful. Individual EI components – self-awareness, self-control, optimism and motivation, empathy, and social skills – also showed higher and more stable levels in achievement-satisfied versus failure respondents.

Based on the current results, future studies can develop the topic of the so-called human-centric business model or empathy marketing. Trends and analysis show that the more technologically advanced a society is, the more consumers prefer and will gravitate towards businesses that can communicate with their customers in a human and emotional way. Therefore, the entrepreneur's awareness and knowledge of EI will help him communicate more effectively, understand his customers, and realise a better impact on their needs and desires, frustration, or satisfaction.

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