

Impact of Emotional Intelligence on Entrepreneurial Intention: Evidence from Undergraduates in Non-State Universities in Colombo District of Sri Lanka

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Abstract

Sri Lanka's post-war economy faces persistent challenges, including slow growth and high unemployment among educated youth. Structural unemployment is particularly severe among management graduates, with 27.7% unemployed, and the overall youth unemployment rate reached 24.74% in 2022. This highlights the urgent need for alternative career pathways, with entrepreneurship emerging as a key solution to reduce graduate unemployment and promote economic development. Emotional intelligence plays a critical role in shaping entrepreneurial intention by enhancing decision-making, resilience, and adaptability, which are essential for graduates transitioning from traditional employment to entrepreneurial ventures. This study examines the impact of emotional intelligence through emotional appraisal and expression, emotion regulation, and emotion utilization on entrepreneurial intention. A stratified random sample of 384 respondents was selected from a population of 14,250 students across five leading private universities. Data were collected via an online structured questionnaire and analysed using SPSS (v21). Reliability analysis showed Cronbach's alpha values above 0.7 for all variables, confirming internal consistency and measurement validity. Regression results indicated that emotion appraisal and expression ($B = 0.553$, $p < 0.05$), emotion regulation ($B = 0.463$, $p < 0.05$), and emotion utilisation ($B = 0.378$, $p < 0.05$) significantly influenced entrepreneurial intention, with appraisal and expression being the strongest predictor. All hypotheses were supported. The findings suggest that enhancing emotional intelligence through experiential learning, mentoring, and workshops can strengthen graduates' entrepreneurial motivation, providing a pathway to reduce unemployment. Universities and policymakers should implement programmes that integrate theoretical knowledge with practical entrepreneurial skills to improve graduate employability and contribute to sustainable economic growth in Sri Lanka.

Keywords: entrepreneurial intention, emotion appraisal, emotion regulation, emotion utilisation, Sri Lanka