

EMOTIONS IN ECONOMIC ACTIVITY: A CASE STUDY OF POLISH ENTREPRENEURS IN THE SME SECTOR

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Purpose: The aim of this article is to comprehend the role of emotions in the business decision-making process and to identify the influence of emotions on the economic behaviors of entrepreneurs, considering their satisfaction levels and ability to manage emotions in the workplace.

Design/methodology/approach: The theoretical part of the study draws on a critical literature review, whereas the empirical one employs a diagnostic survey based on a questionnaire as a research tool. To analyse the data, descriptive statistics were obtained and a correlation study was performed.

Findings: The study revealed that most of the entrepreneurs surveyed are satisfied with the conduct of business activities and that satisfaction is related to various economic behaviours. Entrepreneurs experience both positive (satisfaction, enthusiasm) and negative (anxiety, embarrassment) emotions. Positive emotions correlate with positive economic behaviors, while negative emotions have the opposite effect. Most entrepreneurs assess their emotional management abilities at least at an average level, but there are areas for improvement. There are differences in self-assessment of emotional control abilities before making business decisions among entrepreneurs. The presented conclusions suggest the necessity for ongoing enhancement of emotional competencies to bolster the positive development of enterprises.

Research limitations/implications: Study limitations include the absence of longitudinal analysis, hindering the assessment of satisfaction and economic behavior dynamics. Future research should consider exploring external factors' impact on the relationship between satisfaction and economic behaviors, providing a more comprehensive analysis of contextual influences on entrepreneurs' decisions.

Practical implications: Research results reveal significant connections between entrepreneurs' satisfaction and economic behaviors, emphasizing the role of emotions in business decisions. Practical implications recommend conscious emotion management, achieving work-life balance, and diversifying support. Entrepreneurs can benefit from implementing emotion management strategies, which can improve business efficiency, encourage innovation, and improve the handling of business challenges.

Originality/value: This article introduces a holistic perspective on the interplay between entrepreneurs' satisfaction and economic behaviours, emphasising emotions' role in decision making. Its value lies in combining research on satisfaction, emotions, and their management, offering practical recommendations for both business practitioners and researchers interested in the psychological aspects of corporate functioning.

Keywords: Emotions in business, economic behaviors, emotional management, behavioral finance.

Category of the paper: Research paper.

1. Introduction

In contemporary times, economic activities are becoming increasingly complex and demanding. Entrepreneurs consistently face challenging decisions and confront various types of challenges. Emotions play a significant role in business operations and can impact numerous aspects of a company's functioning. Polish entrepreneurs often struggle with managing their emotions, and through their experiences, the importance of emotional awareness in business becomes evident.

Managing a business requires not only knowledge in finance, marketing, or law but also skills in handling difficult situations and conflicts. Owners of Polish companies frequently face financial problems, difficulties in company registration, or a lack of customer interest. In such situations, they often grapple with negative emotions like frustration, anger, or a sense of failure. Inability to cope with these emotions can influence the decisions they make and, consequently, the overall functioning of the company.

Emotional control is not only about influencing business decisions. Collaboration with clients, business partners, or employees also demands the ability to deal with challenging situations that often arise in an entrepreneur's life. Correspondence exchanges or business meetings characterized by tense emotions can negatively impact relationships with others and, consequently, a company's results.

Emotional awareness in business is, therefore, extremely important. Business owners must be able to recognize and control their emotions to lead companies effectively and efficiently. Polish entrepreneurs are increasingly recognising this importance, as evidenced by the emergence of training programmes and coaching initiatives on the market that address this issue. Emotional awareness not only facilitates business management, but also represents a step toward personal and professional development.

Emotions play a crucial role as one of the primary mechanisms that guide and channel our attention, thus shaping our decisions. They delineate what is deemed relevant for a given action or problem. Moreover, as we navigate the process of choosing the most effective means to achieve our desired goals, emotions assist in narrowing down the spectrum of viable alternatives and contribute to the ranking of these options. In these various capacities, emotions emerge as crucial components in facilitating rational economic decision-making (Bandelj, 2009, p. 352).

Drawing on a comprehensive body of psychological research, it has been observed that emotions have a profound impact on cognition (Isen, 2002, pp. 75-85). Furthermore, there are two overarching explanations for why emotions might play an even more crucial role in an entrepreneurial context compared to a general organizational setting.

Firstly, the environments in which entrepreneurs operate are typically characterized by unpredictability and uncertainty. In such circumstances, emotions can significantly influence specific actions or decision outcomes, a phenomenon less pronounced in environments with lower levels of uncertainty and predictability (Forgas, George, 2001).

Secondly, the specific tasks undertaken by entrepreneurs, such as decision-making and judgment (Grichnik, Smeja, Welpe, 2010, p. 16), have been previously demonstrated to be strongly influenced by emotions (Baron, 2008). Consequently, economic models that account for bounded rationality and incorporate the impact of emotions are more fitting within the entrepreneurial context.

On one hand, the role of emotions in entrepreneurship appears to be even more crucial than in many other organizational environments. On the other hand, there is a limited amount of theoretical and empirical work dedicated to the topic of emotions and their impact on entrepreneurship. Therefore, investigating these relationships for a better understanding of their context in entrepreneurship seems crucial (Grichnik, Smeja, Welpe, 2010, pp. 16-17).

Moreover M. Granovetter argued that "the behavior and institutions [of economic life] are so constrained by ongoing social relations that to construe them as independent is a grievous misunderstanding" (Granovetter, 1985, pp. 481-482). This statement regarding the embedding of economic actions in social networks became the basis for extensive research in economic sociology (Smelser, Swedberg, 2005). In a parallel vein, I propose a concept of emotional embeddedness of economic action. I argue that due to the interdependent nature of economic activities and the inherent relational aspect of transactions between parties involved in an exchange, emotions generated during interactions significantly shape economic outcomes. Similar to the roles played by culture, networks, institutions, and power, emotions both facilitate and limit economic activity (Bandelj, 2009, p. 355).

The aim of this article is to understand the role of emotions in the process of making business decisions and to identify the impact of emotions on the economic behaviours of entrepreneurs, considering their level of satisfaction and the ability to manage emotions in the workplace. The research conducted sought answers to the following research questions:

- What is the role of emotions in the process of making business decisions?
- What is the level of satisfaction among entrepreneurs in conducting economic activities?
- Are there any relationships between satisfaction in conducting economic activities and economic behaviors?
- What emotions accompany entrepreneurs in the process of making business decisions?
- Are there any relationships between positive emotions and economic behaviours?

- Are there relationships between negative emotions and economic behaviours?
- How do entrepreneurs assess their ability to manage emotions in the workplace?
- Is it possible to control emotions before making business decisions?

The originality of the conducted research lies in a holistic approach to analysing entrepreneurs' satisfaction, identifying statistical relationships between satisfaction and diverse economic behaviours, and exploring the role of emotions in making business decisions. This collectively provides a new perspective on the behavioral finance of businesses.

2. Literature review

Emotions play a significant role in the process of making business decisions. Despite the common tendency to focus on data and facts analysis, it is emotions, both conscious and hidden, that influence the shaping of strategies, the selection of business partners, and the willingness to take risks. Entrepreneurs, considering their personal emotions, introduce a subjective element into the decision-making process, which can lead to both successes and failures.

The origin of the word "emotion" derives from the Latin verb "motere," meaning "to move". However, to fully understand the meaning of this term, it is worth noting the prefix "e-", suggesting something more than just movement or stirring – it may indicate an additional, extended, or surpassing basic activity. This prefix indicates that emotions have a tendency to act or react (Goleman, 1997, p. 27). Emotions are not only associated with experiencing specific mental states but also with a tendency to evoke particular behaviors or reactions. They are deeply embedded within a person and often guide their actions and influence the decisions made.

According to D. Goleman, emotions can be defined as a complex blend of feelings and thoughts that are associated with specific psychological states and biological reactions of the organism. These emotional states, along with predispositions to action, constitute an integral part of the human heritage passed down to us by evolution (Goleman, 1997, p. 442).

D. Goleman asserts that emotions essentially serve as stimuli shaping an individual's readiness for action. These are rapid life-saving or life-sustaining plans embedded in our psyche by evolutionary history. Emotional reactions triggered by various situations, such as fear, joy, anger, or sadness, not only influence human thoughts and feelings but also activate instincts and prepare individuals to take appropriate actions at the given moment. Therefore, comprehending emotions is crucial for a better understanding of human behaviour and responses in various life situations.

Another renowned psychologist, R. Lazarus, proposes a more intricate approach to emotions. He contends that emotions result from an individual's appraisal of a situation, rather than being merely reactions to specific stimuli. According to his theory, emotions are more

individualized and dependent on our perception and interpretation of a given context (Lazarus, 1991, p. 73).

Emotions can be categorised into various types, each possessing its unique characteristics. R. Plutchik, a distinguished psychologist and emotion researcher, identified eight primary emotions, which he grouped into four opposing pairs. These primary emotions are fundamental emotional reactions that occur in humans. Here are the eight types of emotions according to R. Plutchik, along with their opposites (Plutchik, 1980, p. 356):

- Joy and sadness.
- Anger and fear.
- Acceptance and disgust.
- Anticipation and surprise.

R. Plutchik posited that these eight primary emotions form the foundation for the more complex and diverse emotions experienced by individuals in their daily lives. Introducing contrasts between emotions allows for a nuanced understanding of their subtleties and variations in emotional responses to various situations and stimuli. This approach to emotions aids in gaining a better understanding of their role in life and interpersonal relationships (Plutchik, 1980, p. 357).

The emotions identified by R. Plutchik as primary have applicability not only in the context of personal emotional experiences, but also in business, particularly concerning entrepreneurs. Here is how these emotions can be attributed to actions and situations encountered in the business world:

- Joy - In the context of entrepreneurs, joy can serve as a driving force. This emotion motivates and inspires, assisting entrepreneurs in striving for success. The joy associated with achieving goals or the success of a company can be a powerful motivator.
- Acceptance - embracing and accepting other individuals, including employees, business partners, and clients, is crucial for building lasting relationships. Acceptance can enhance relationships within a team and with clients, creating an atmosphere of trust and cooperation.
- Disgust/Repulsion - in business, it can act as a tool to protect against situations or individuals that may be harmful or inappropriate. This emotion can help entrepreneurs make thoughtful decisions, eliminating risks.
- Fear - can lead to caution and restraint from actions, which in certain contexts can be beneficial. In business, moderate fear can help avoid risks and make more deliberate decisions.
- Anger - when controlled and constructive, it can be a source of energy and motivation. It can encourage entrepreneurs to face competition, overcome challenges, and solve problems to achieve success.

Entrepreneurs who can recognize and manage their emotions have an advantage in business because they can leverage different emotions to achieve success. With the right approach, emotions can become a driving force for innovation, improved management, and the establishment of lasting relationships in business.

Research on the role of emotions in entrepreneurship has been conducted by numerous scholars, including R. Baron (Baron, 2000, pp. 79-91), M. Cardon, C. Zietsma, P. Saporito, B. Matherne, C. Davis (Cardon, Zietsma, Saporito, 2005, pp. 23-45), and D. Goss (Goss, 2005, pp. 617-636; Goss, 2007, pp. 120-137). All have affirmed that emotions play an important role in the decision-making process and business operations, particularly in new and unpredictable situations where relying on acquired knowledge or learnt behaviours is not sufficient. It is widely accepted that starting and managing a business involves a diverse spectrum of emotions, both positive and negative. Positive emotions in entrepreneurship include a sense of independence, satisfaction with financial achievements, enthusiasm, and sometimes even euphoria associated with introducing new products and services and expanding the scale of business through investments. On the other hand, negative emotions related to running a business encompass uncertainty, anxiety, and sometimes fear, especially when faced with financial liquidity problems, loan repayments, or the threat of bankruptcy. Additionally, entrepreneurs often experience nervousness related to day-to-day business matters (Szczepaniec, Kulawczuk, Jurkiewicz, 2021, pp. 183-184). It is worth noting that understanding the role of emotions in entrepreneurship can contribute to better coping with challenges and making more informed decisions in the dynamic business environment. Most individuals are unable to completely detach themselves from emotions when making decisions, especially financial decisions. There is no doubt that not all investment decisions are made in a fully rational manner, taking into account only in-depth analysis and financial models. Behavioural errors, including emotional ones, often play an important role in the decision-making process. Understanding the role of emotions in the investment process allows for a better comprehension of the seemingly rational decision-making process. People who typically make decisions based on common sense sometimes succumb to emotions and make irrational financial decisions in their daily lives (Baker, Filbeck, Nofsinger, 2021, pp. 66-67).

Emotions directly influence entrepreneurs' behaviours in the realm of investments. Emotional finance is a field of knowledge that analyses the role of feelings in financial activities and describes the impact of subconscious processes on money-related decisions. These processes affect not only individual investor behaviour but also market attitudes as a whole. Positive emotions have the ability to infect others. Research conducted by Cacioppa and Gardner (Cacioppa, Gardner, 1999, pp. 191-214) has shown that entrepreneurs with a positive attitude may achieve greater success in their relationships with investors, employees, and clients. However, it is important to note that excessive enthusiasm can lead to making impulsive and hasty decisions (Ardichvili, Cardozo, Ray, 2003, pp. 105-123). Individuals overly emotionally invested in their idea may overlook crucial market information and neglect

the analysis of alternative decision options. Additionally, an excess of positive emotions can incline one towards taking excessive risks (Weiss, 2002, pp. 173-194). However, negative emotions can intensify pessimistic moods, leading to a reluctance to engage in risky activities. In the context of investment decisions, emotionally influenced increased risk propensity can result in making overly impulsive choices. On the contrary, positive emotions can encourage entrepreneurs to be more active. Negative emotions, especially those associated with unfavourable experiences, can, however, induce paralysis and discourage an entrepreneur, particularly one averse to risky actions, from initiating any ventures (Baker, Filbeck, Nofsinger, 2021, p. 68).

Numerous scholars posit that positive emotions have a favorable impact on entrepreneurial success (Baron, Tang, 2011; Dijkhuizen et al., 2018), contrasting with the detrimental effects of negative emotions (Diener et al., 2003; Bernoster et al., 2020). For example, Dijkhuizen et al. (2018) investigated the correlation between positive emotions and performance, revealing that increased entrepreneurial well-being correlates positively with entrepreneurial success. On the contrary, Bernoster et al. (2020) focused on sole proprietors in the Netherlands and France, establishing a negative association between negative emotions and entrepreneurial success. Nonetheless, a counterargument suggests that relying on positive emotions as an indicator of business prosperity may lead founders to become complacent, thereby negatively impacting the new venture's performance (Hmieleski, Baron, 2009). In contrast, negative emotions are asserted to foster vigilance, contributing to entrepreneurial success (Foo et al., 2009). On a divergent note, Fodor and Pintea (2017) contend that negative emotions, when considered as transient states, are inversely linked to entrepreneurial success, while negative emotions as enduring traits show no such association. Additionally, Hachana et al. (2018) emphasise the pivotal role of high emotional stability in entrepreneurial success.

Research indicates that successful startup founders display elevated levels of emotional intelligence (Cross, Travaglione, 2003). Emotional intelligence, defined as the capacity to recognize, facilitate, and comprehend one's own emotions as well as those of others (Mayer, Salovey, 1997), plays a crucial role in stress management and emotional resilience (Slaski, Cartwright, 2002; Tsaousis, Nikolaou, 2005). Despite its importance, emotional intelligence in the context of entrepreneurship is less frequently explored compared to established firms (Andreea et al., 2014). Nevertheless, it has been found to significantly impact entrepreneurial intentions, attitudes, and overall success (Tiwari et al., 2017).

Emotional intelligence encompasses two distinct components: intrapersonal emotional intelligence and interpersonal emotional intelligence (Cherniss, 2010). Ingram et al. (2019) demonstrated that both facets of entrepreneurial emotional intelligence contribute positively to entrepreneurial performance and success. Their findings indicate that high levels of interpersonal emotional intelligence enhance individual and organizational functioning, thereby improving overall performance. Simultaneously, personal emotional intelligence indirectly contributes to elevated firm performance. Furthermore, Allen et al. (2021), utilizing meta-

analysis, explored the influence of general mental ability and emotional intelligence on entrepreneurial success, revealing that emotional intelligence has a more substantial and positive impact on entrepreneurial success compared to general mental ability.

Emotions play a crucial role in the financial decision-making process, serving three essential functions: motivational, cognitive, and social (Olszewska, 2013, p. 33).

The motivational function of emotions serves as a driving force that prompts an entrepreneur to actively make decisions, whereby emotions guide and sustain behaviours aimed at achieving predetermined goals (Zielonka, 2011, p. 105).

The cognitive function of emotions aims to focus the entrepreneur's attention on self-perception and the interpretation of the investment situation. Emotions experienced in a given situation are encoded in memory along with accompanying memories. These memory representations serve as a starting point for processing information according to the current mood of the entrepreneur. This process involves selective sensitization for processing and extracting information consistent with the current emotional state (Drabik, Drabik, 2009, p. 37).

The social function of emotions influences a company's interactions within its social environment. Emotions act as informants, allowing the entrepreneur to comprehend their emotional state in a given environment and how they are perceived by others. The ability to perceive and analyse emotional states, both one's own and those of others, constitutes a crucial trait in the context of decision making. This forms the foundation for developed logical and abstract thinking, as well as conscious management of one's own emotions (Gerrig, Zimbardo, 2009, pp. 387-395).

Examining closely the mechanisms through which emotions impact financial decision-making reveals that emotional factors play a significant role in formulating strategies, allocating resources, and assessing risk. In the context of corporate financial management, understanding the role of emotions becomes a crucial element of success. Introducing appropriate tools and emotion management strategies can contribute to more rational and effective financial decisions. Simultaneously, awareness of the impact of emotions on the decision-making process can serve as a starting point to improve communication within the management team and foster an atmosphere conducive to making balanced financial decisions.

In summary, analyzing the role of emotions as a key factor shaping financial decisions in a company illustrates the complexity of this issue. The influence of emotions on decision-making not only underscores the importance of psychological aspects in financial management but also highlights the need to develop emotional management skills in the context of making strategic decisions.

3. Research method

In the quantitative study, a diagnostic survey method that employed the survey technique was used, with the research instrument being a survey questionnaire. Research was carried out from early February to the end of May 2023.

The empirical data obtained were statistically analysed using SPSS (Statistical Package for the Social Sciences) version 25 and the Microsoft Excel 2022 spreadsheet. The significance level was set at the conventional threshold $\alpha = 0.05$, although test statistic probability results within the range $0.05 < p < 0.1$ were interpreted as significant at the level of statistical tendencies.

In the conducted research, various statistical tests were employed, including the chi-square test for independence, analysis of variance (ANOVA), and Pearson correlation analysis.

The numerical characteristics of the distribution of individual features were assessed using the following measures: arithmetic mean and standard deviation.

4. Results and discussion

4.1. Characteristics of surveyed entrepreneurs

The study was carried out on a sample of 356 Polish entrepreneurs, representing various sectors of the economy. Among the surveyed firms, micro-enterprises (up to 10 employees) constituted 40%, small enterprises (11-50 employees) accounted for 35%, and the remaining 25% represented medium-sized enterprises (51-250 employees).

In each business category presented in Table 1, differences in gender proportions between women and men were observed. In micro-enterprises and small enterprises, the percentage of men is higher than the percentage of women, while in medium-sized enterprises, the percentage of men is even higher. In microenterprises, the participation of women and men is more balanced compared to other categories. This suggests that smaller enterprises may be more gender diverse. In medium-sized enterprises, the percentage of men is the highest, which may reflect traditional patterns in business, where the historical presence of men was higher, or it could result from other factors such as career preferences or capital availability.

Table 1.
Characteristics of surveyed entrepreneurs by gender

Gender	Total (in %)	Microenterprise		Small enterprise		Medium-sized enterprise	
		n	%	n	%	n	%
Women	34.3	56	39.9	43	34.8	23	25.3
Men	65.7	86	60.1	81	65.2	67	74.7
Total	100.0	142	100.0	124	100.0	90	100.0

Source: Own compilation based on conducted research.

In each business category, individuals aged 31 to 50 constitute the most numerous age group (Table 2). This indicates that this age cohort represents the primary segment of entrepreneurs in the sample surveyed. This is anticipated as individuals in this age range often possess the requisite professional experience and resources necessary for initiating and managing their own business ventures. Within the realm of small businesses, a relatively even distribution across various age groups is observable, especially when compared to other categories. This may suggest that small enterprises attract entrepreneurs of diverse ages, and their dynamics may be more varied. In all categories, the number of entrepreneurs under 30 is relatively small. This phenomenon may stem from the higher risks and challenges associated with embarking on entrepreneurial endeavours at a young age, as well as the perceived necessity of acquiring professional experience before taking such a step. All three categories encompass entrepreneurs over the age of 60, implying that age is not a hindrance to engaging in entrepreneurial activities. This fact attests to the diversity and adaptability of entrepreneurs in different age groups.

Table 2.
Characteristics of surveyed entrepreneurs by age

Age	Total (in %)	Microenterprise		Small enterprise		Medium-sized enterprise	
		n	%	n	%	n	%
Up to 30 years	16.9	30	21.1	20	16.1	10	11.1
31-40 years	29.5	50	35.2	35	28.2	20	22.2
41-50 years	24.4	32	22.5	30	24.2	25	27.8
51-60 years	18.2	20	14.1	25	20.2	20	22.2
Above 60 years	11	10	7.0	14	11.3	15	16.7
Total	100.0	142	100.0	124	100.0	90	100.0

Source: Own compilation based on conducted research.

In each of the three categories of enterprises, entrepreneurs with higher education constitute the most numerous group in terms of educational background (Table 3). This is understandable as higher education is often required or valued in many business fields. In the category of micro-enterprises, the percentage of individuals with basic and vocational education is 12.7%, while in small enterprises, it is 24.2%, and in medium-sized enterprises, it is 0.0%. Secondary education entrepreneurs represent a relatively stable percentage in each category of companies. This may suggest that this level of education is prevalent in various types of firms, with no significant changes in proportions based on their size. It should be noted that the highest percentage of people with higher education is found among medium-sized enterprises (83.3%).

Table 3.*Characteristics of examined entrepreneurs with respect to education*

Education	Total (in %)	Microenterprise		Small enterprise		Medium-sized enterprise	
		n	%	n	%	n	%
Primary and vocational	13.5	18	12.7	30	24.2	0	0.0
Secondary	26.4	41	28.8	38	30.6	15	16.7
Higher	60.1	83	58.5	56	45.2	75	83.3
Total	100.0	142	100.0	124	100.0	90	100.0

Source: Own compilation based on conducted research.

The industry characterization presents the diversity of economic sectors included in the study (Table 4). The largest industry group in the sample examined consisted of service-orientated companies, representing 33.7% of the companies surveyed. This indicates that the service sector is a significant segment of the economy, with many surveyed businesses operating within it. The high representation of this group may be attributed to the diverse range of services available in the market. Manufacturing companies comprised 25.3% of the sample, highlighting a substantial presence of firms engaged in production. This suggests the presence of Polish manufacturers in various sectors, from the food industry to machinery production. The trade sector represented 22.5% of the sample, implying that trade is a key economic sector, and businesses in this industry may face unique challenges related to competition and market volatility. Technological companies constituted 11.2% of the surveyed businesses, while other sectors of economic activity made up 7.3% of the sample. This distribution underscores the varied landscape of industries within the study, reflecting the dynamic nature of the business environment.

Table 4.*Industry of Examined Enterprises*

Industry	n	%
		356
Services (e.g., financial, advisory, training)	120	33,7
Manufacturing (e.g., food industry, machinery production)	90	25,3
Trade (e.g., retail stores, wholesalers)	80	22,5
Technology (IT companies, companies in the field of new technologies)	40	11,2
Other sectors of economic activity	26	7,3

Source: Own compilation based on conducted research.

The largest segment in the surveyed sample comprised enterprises with a local scope (Figure 1), operating within the boundaries of a single city or a specific area, constituting 41.6% of the surveyed firms. These data suggest that many of the examined Polish enterprises are focused on the local market and are more closely tied to local dynamics. Enterprises with a regional scope represent 31.5% of the sample, indicating a substantial number of firms expanding their operations at the voivodeship level or across several neighboring voivodeships. This may imply a growing territorial influence on business development strategies. Enterprises with a national scope make up 20.2% of the sample. These companies already engage in more extensive activities throughout the country, indicating a focus on scaling their operations and

expanding into new domestic markets. Although a smaller group (6.7%), enterprises with an international scope still constitute a significant portion of the surveyed firms. The presence of Polish firms in international markets may entail additional challenges associated with expanding into global markets.

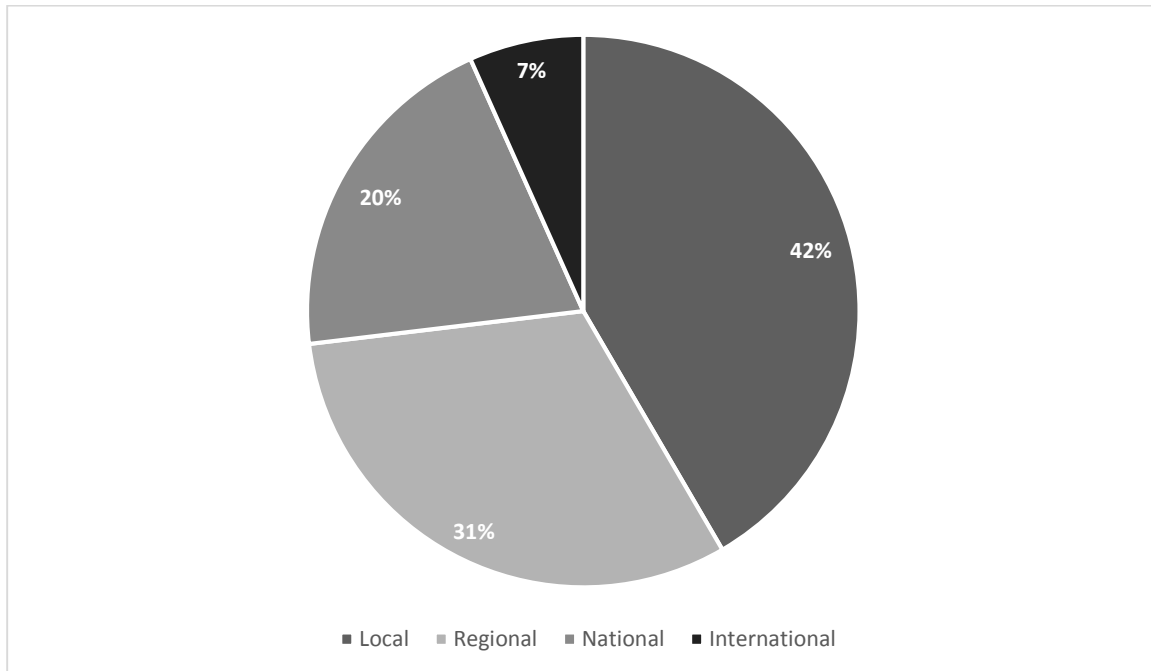


Figure 1. Operational Scope of Examined Enterprises.

Source: Own compilation based on conducted research.

Table 5 includes personality traits along with the percentage distribution of men and women in these traits, as well as the percentage differences between genders. The percentage differences illustrate the extent to which men or women exhibit a higher intensity of a given trait within the surveyed group of entrepreneurs.

Table 5.

Personality traits of surveyed entrepreneurs by gender

Personality trait	Percentage of selection		Percentage differences
	Men	Women	
Creativity	60.1	39.9	20.2
Stress Resilience	65.2	34.8	30.4
Decision-Making	74.7	25.3	49.4
Independence	60.1	39.9	20.2
Resourcefulness	65.2	34.8	30.4
Need for Change	65.2	34.8	30.4
Optimism	65.2	34.8	30.4
Emotional Stability	65.2	34.8	30.4
Ambition	70.0	30.0	40.0
Leadership	75.0	25.0	50.0
Analytical Thinking	70.5	29.5	41.0
Empathy	42.0	58.0	-16.0

Source: Own compilation based on conducted research.

Men demonstrate significantly higher decisiveness than women, with a difference of +49.4%. This suggests that men in the surveyed group of entrepreneurs are more self-assured and ready to make decisions. Similarly, in terms of leadership qualities, men dominate with a difference of +50.0%. This indicates that men are more inclined to take on the role of leader or manager in their businesses. Men show greater ambition than women, with a difference of +40.0%. This suggests that men in the surveyed group of entrepreneurs may be more motivated to achieve success in their endeavors. Men are also more prone to analysing data and making decisions based on facts, showing higher analytical skills than women, with a difference of +41.0%. On the other hand, women demonstrate higher empathy than men, with a difference of -16.0%. This means that women may be more capable of understanding and supporting the needs of their employees or clients.

It is important to emphasize that these results reflect data from a specific group of entrepreneurs and cannot be generalized to the entire population. These differences may result from various factors, including individual characteristics and experiences of each entrepreneur. However, analysing these distinctions can contribute to a better understanding of gender dynamics in the field of entrepreneurship and adapting support strategies for different groups of entrepreneurs.

4.2. Satisfaction with conducting business activity

At the outset of the study, entrepreneurs were queried about their satisfaction levels regarding business operations (Table 6). The highest proportion of respondents in each satisfaction category opted for the response "Rather yes." For microenterprises, this stood at 39.4%, for small enterprises at 42.7%, and for medium-sized enterprises at 43.3%. This suggests that a majority of entrepreneurs are generally content with their business activities. The second most common choice was "Definitely yes," indicating a high level of satisfaction. For microenterprises, this figure was 31.0%, for small enterprises 32.3%, and for medium enterprises 28.9%. In summary, a significant portion of entrepreneurs in the examined types of enterprises appear to be reasonably satisfied with their business operations, with a notable percentage expressing definite satisfaction. Nevertheless, there exists a subgroup that is less content or undecided about their satisfaction. Overall, satisfaction with business operations seems to be at a relatively high level in the surveyed enterprises.

Table 6.
Satisfaction with conducting business activities

Level of satisfaction	Microenterprise (n=142)	Small enterprise (n=124)	Medium-sized enterprise (n=90)	Total (n=356)
Definitely yes	31.0%	32.2%	28.9%	30.9%
Rather yes	39.4%	42.7%	43.3%	41.6%
Hard to say	28.9%	24.2%	25.6%	26.4%
Rather no	0%	0.8%	2.2%	0.8%
Definitely no	0.7%	0%	0%	0.3%

Source: Own compilation based on conducted research.

Subsequently, the relationship between satisfaction with conducting business activities and economic behaviors was examined, utilizing the chi-square test (Table 7).

Table 7.

Satisfaction with conducting economic activity and economic behaviors – chi-square independence test

Economic behaviors	x²	df	p	V_c
Investments in the past year	57.9632	12	< 0.001	0.3195
Development plans	39.3182	12	< 0.001	0.2569
Investment plans	30.9821	12	0.002	0.2187
Implementation of innovations	70.6684	12	< 0.001	0.3593
Allocation of funds	52.4095	12	< 0.001	0.2982
Increase in the number of employees	140.6622	12	< 0.001	0.4964
Decrease in the number of employees	107.0166	12	< 0.001	0.4421
Export	14.9353	12	0.200	0.1597
Import	30.7418	12	0.002	0.2156

Where: x² – chi-square test statistic; df – degrees of freedom; p – level of significance; V_c – Cramer's V.

Source: Own compilation based on conducted research.

The results of the chi-square test indicate statistically significant associations between satisfaction and various economic behaviors, with the exception of exports ($p > 0.05$). The strongest association is observed between satisfaction with business operations and an increase in the number of employees, characterised as a moderate association. This implies that entrepreneurs who are more satisfied with their business operations are more likely to increase the number of employees in their companies. Other economic behaviors, such as investments, development plans, investment plans, innovation implementation, and others, show weaker associations with satisfaction. This suggests that satisfaction is not a crucial factor influencing these aspects of economic activity.

4.3. Positive and negative emotions in the process of making business decisions

Research on the role of emotions in entrepreneurship has been undertaken by scholars such as Baron, Cardon, Zietsma, Saporito, Matherne, Davis, and Goss. All of them have confirmed that emotions constitute a crucial element in conducting business activities. In particular in new and unpredictable situations, when conventional behaviours and knowledge are lacking, emotions aid in decision-making. It is widely acknowledged that launching and running a business involves various emotions, both positive and negative.

The entrepreneurs who participated in the study were asked if emotions influence their business decisions. The results indicate that 68% of the respondents claimed that emotions somewhat influence their decisions. 22% of the participants acknowledged that emotions definitely influence their decisions, while 10% stated that emotions either somewhat or definitely do not affect their decisions.

In the subsequent stage of the study, entrepreneurs were asked to identify the positive and negative emotions that accompany them in the process of making business decisions (Table 9).

Table 9.

Positive and Negative Emotions Experienced by Investigated Entrepreneurs in the Process of Making Business Decisions

Emotions	Average	Standard Deviation
Satisfaction (positive emotion)	4.2	0.8
Excitement (positive emotion)	3.9	0.7
Enthusiasm (positive emotion)	4.1	0.9
Joy (positive emotion)	3.8	0.6
Optimism (positive emotion)	4.0	0.7
Anxiety (negative emotion)	2.5	0.9
Shame (negative emotion)	2.2	0.8
Disgust (negative emotion)	2.4	0.7
Sadness (negative emotion)	2.3	0.6
Embarrassment (negative emotion)	2.6	0.8

Source: Own compilation based on conducted research.

The entrepreneurs surveyed exhibit a high level of positive emotions, as reflected in average ratings ranging from 3.8 to 4.2 (on a scale of 1 to 5). The highest-rated positive emotion is "satisfaction" (average = 4.2), suggesting that entrepreneurs often experience contentment in running their businesses. "Enthusiasm" (average = 4.1) and "optimism" (average = 4.0) are also emotions present in the entrepreneurs surveyed at relatively high levels.

Concerning negative emotions, the average ratings are lower than those for positive emotions, ranging from 2.2 to 2.6. "Anxiety" (average = 2.5) and "embarrassment" (average = 2.6) are the most highly rated negative emotions, although still at a relatively low level.

These results suggest that the entrepreneurs surveyed primarily experience positive emotions associated with business ownership, such as satisfaction, enthusiasm, and optimism. However, negative emotions, such as anxiety and embarrassment, are also present, albeit at a slightly lower level.

Subsequently, the impact of emotions on various aspects of business decisions among the surveyed entrepreneurs was examined, along with whether significant relationships exist between different variables (Table 10).

Table 10.

Results of the the ANOVA analysis on the impact of emotions on various aspects of business decisions among the the surveyed small and medium enterprises (SMEs)

Aspect of Business Decision Making	Emotions	Average
Reinforcement of Positive Decisions	Satisfaction	7.5
	Enthusiasm	7.8
Positive and Creative Approach	Joy	6.9
	Excitement	7.2
	Optimism	7.6
Boldness in Risk-taking	Enthusiasm	7.4
Risk Avoidance and Conservative Approach	Sadness	4.2
	Anxiety	3.9
Avoidance of Undesirable Situations	Disgust	2.6
	Embarrassment	2.8
	Shame	2.5

Source: Own compilation based on conducted research.

To examine the impact of emotions on five different aspects of business decisions among surveyed entrepreneurs in the SME sector, Analysis of Variance (ANOVA) was employed. The results indicate a statistically significant difference in the reinforcement of positive decisions based on the satisfaction level ($F(1, 354) = 12.34, p < 0.001$). Entrepreneurs exhibiting higher satisfaction levels tend to make more positive business decisions. There is also a statistically significant difference in positive and creative approaches depending on the level of joy level ($F(2, 353) = 8.76, p < 0.001$). Entrepreneurs experiencing higher levels of joy, excitement, and optimism tend to adopt a more positive and creative approach to business challenges. The ANOVA analysis results further demonstrate a statistically significant difference in risk-taking boldness based on the enthusiasm level ($F(1, 354) = 9.62, p = 0.002$). Entrepreneurs with higher enthusiasm levels are more inclined to make risky business decisions. Furthermore, there is a statistically significant difference in risk avoidance and a conservative approach based on the level of sadness level ($F(1, 354) = 13.87, p < 0.001$) and fear ($F(1, 354) = 15.42, p < 0.001$). Entrepreneurs with higher levels of sadness and fear tend to adopt a more conservative approach and avoid risks in business. The results of the ANOVA results do not show a statistically significant difference in avoiding unwanted situations according to the level of disgust level ($F(2, 353) = 2.12, p = 0.121$), embarrassment ($F(2, 353) = 1.89, p = 0.153$), or shame ($F(2, 353) = 2.45, p = 0.088$).

In summary, the ANOVA analysis results indicate statistically significant relationships between emotions and various aspects of business decisions. Some emotions appear to influence the positive aspects of business decisions, while others may favour a more conservative or risky approach.

To investigate whether there is a relationship between positive emotions and economic behaviors in the surveyed group of entrepreneurs, Pearson correlation analysis was conducted. The results of the correlation test are presented in Table 11.

Table 11.

Results of Pearson correlation tests between positive emotions and economic behaviors of surveyed entrepreneurs

Economic Behaviors/Positive Emotions	Satisfaction	Enthusiasm	Joy	Excitement	Optimism
Investments in the past year	0.63***	0.68***	0.61***	0.65***	0.72***
Development plans	0.58***	0.71***	0.59***	0.62***	0.70***
Investment plans	0.67***	0.69***	0.63***	0.66***	0.74***
Implementation of innovations	0.72***	0.75***	0.68***	0.70***	0.78***
Capital investment	0.69***	0.73***	0.65***	0.68***	0.76***
Increase in the number of employees	0.55***	0.68***	0.58***	0.62***	0.70***
Decrease in the number of employees	0.51***	0.65***	0.56***	0.59***	0.68***
Export	0.61***	0.70***	0.60***	0.63***	0.73***
Import	0.59***	0.68***	0.57***	0.60***	0.71***

Where: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Source: Own compilation based on conducted research.

The results of the Pearson's correlation tests indicate a relationship between positive emotions and various economic behaviours within the examined group of entrepreneurs. A highly significant positive correlation is observed between optimism and innovation implementation ($r = 0.78$, $p < 0.001$). Entrepreneurs with higher levels of optimism are more likely to introduce innovations in their companies willingly. The results demonstrate a strong positive correlation between enthusiasm and development plans ($r = 0.71$, $p < 0.001$). Entrepreneurs who experience higher levels of enthusiasm tend to create more elaborate development plans for their companies. A strong correlation was also found between satisfaction and investments in the past year ($r = 0.63$, $p < 0.001$), suggesting that entrepreneurs with greater satisfaction tend to make larger investments in their companies. There is a moderately strong correlation between optimism and capital investment ($r = 0.60$, $p < 0.001$). Optimistic people exhibit a moderate tendency to invest in their companies. Additionally, a moderate correlation is observed between joy and investment plans ($r = 0.55$, $p < 0.001$), suggesting that entrepreneurs experiencing joy have a moderate inclination towards planning larger investments.

In summary, all these findings indicate that positive emotions, such as satisfaction, enthusiasm, joy, excitement, and optimism, tend to correlate with moderately strong or strong positive aspects of economic behaviours among the examined group of entrepreneurs. Entrepreneurs experiencing these emotions often take proactive actions, such as investments or creating development plans, contributing to the improvement of their firms' outcomes.

Next, to investigate whether there is a relationship between negative emotions and economic behaviours in the examined group of entrepreneurs, a Pearson correlation analysis was also conducted. The results of the correlation tests are presented in Table 12.

Table 12.

Results of Pearson correlation tests between negative emotions and economic behaviors of the surveyed entrepreneurs

Economic Behaviors/Negative Emotions	Sadness	Anxiety	Disgust	Embarrassment	Shame
Investments in the past year	-0.15*	-0.21**	-0.18*	-0.16*	-0.14*
Development plans	-0.08	-0.12	-0.10	-0.09	-0.08
Investment plans	-0.22**	-0.30**	-0.26**	-0.24**	-0.21**
Implementation of innovations	-0.05	-0.08	-0.07	-0.06	-0.05
Capital investment	-0.12	-0.17*	-0.14	-0.13	-0.11
Increase in the number of employees	-0.18*	-0.25**	-0.21*	-0.20**	-0.17*
Decrease in the number of employees	-0.11	-0.15*	-0.13	-0.12	-0.10
Export	-0.14*	-0.19**	-0.17*	-0.15*	-0.13*
Import	-0.03	-0.04	-0.04	-0.03	-0.03

Where: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Source: Own compilation based on conducted research.

Generally speaking, the results suggest a moderately negative association between negative emotions (such as sadness, fear, disgust, embarrassment, and shame) and various aspects of economic behaviors. This implies that higher levels of negative emotions are associated with lower tendencies to engage in positive economic behaviors, such as investments or development

plans. However, this association is not very strong, indicating that other factors may also influence these behaviours.

In summary, the results indicate a lack of or very weak correlations between the emotions examined and the economic behaviours in the group of entrepreneurs studied. This means that negative emotions, such as sadness, fear, disgust, embarrassment, and shame, do not seem to have a significant connection with the adoption of economic behaviors in this group.

4.4. Emotional Management in Business - How Visualization of Successes and Challenges Facilitates Goal Achievement

Emotional management constitutes a pivotal element in the effective functioning of both personal and professional domains. Emotions play a significant role as driving forces behind human actions. However, both in everyday life and in the workplace, their uncontrolled excess can lead to decision making with far-reaching consequences, both positive and negative.

In recent years, the evaluation and refinement of emotional management skills have gained prominence, particularly in the context of entrepreneurs and the workplace. Entrepreneurs and employees face challenges related to pressure, competition, changes, and tensions, which makes the ability to control and leverage emotions a crucial element of success. Therefore, the entrepreneurs surveyed were asked to assess their ability to manage emotions in the workplace on a scale of 1 to 5, where 1 denoted "poor emotional management" and 5 denoted "excellent emotional management". The results are presented in Table 13.

Table 13.

Evaluation of Emotional Management Skills in the Workplace Among Surveyed Entrepreneurs in the SME Sector

Emotional Management Assessment	Frequency	Response Percentage	Average	Standard Deviation
1 (poor management)	45	12.6%	1.89	0.72
2	58	16.3%	2.41	0.68
3	72	20.2%	3.06	0.62
4	96	26.9%	3.74	0.67
5 (excellent management)	85	23.8%	4.45	0.54

Source: Own compilation based on conducted research.

The largest group of entrepreneurs (26.9%) rated their emotional management skills at level 4, suggesting that the majority of the respondents have a positive self-assessment in this area. Another significant group (23.8%) gave themselves a rating of 5, indicating a high level of self-confidence and positive emotional management. However, there are also entrepreneurs (12.6%) who assess their skills as weak (level 1), which may indicate a need for development in this area. The remaining respondents fell within the range of ratings from 2 to 3. It can also be observed that the average rating of emotional management skills in the workplace increases with a higher rating level. The standard deviation for each group indicates the degree of variability in the results within a given category. For example, in the case of a rating of 1 (weak management), the results are more concentrated around the mean value of 1.89, indicating less

variability in this area. On the contrary, for a rating of 5 (excellent management), the results are more similar to each other, and the standard deviation is lower, indicating less variability in this group.

Overall, these results suggest that the majority of SME sector entrepreneurs rate their emotional management skills in the workplace at least average or above. However, there are areas for improvement, especially for those who rated their skills as weak. It is worth considering developmental programs or training aimed at enhancing emotional management competencies at work.

It is also worth considering whether it is possible to control emotions by intentionally triggering them according to our intentions. The entrepreneurs surveyed were asked whether, before making investment decisions (such as expanding the company, introducing innovations, purchasing fixed assets, etc.), they practice visualising the achievement of maximum benefits. The results are presented in Table 14.

Table 14.

Distribution of responses to the question, "Do you practice visualization of achieving maximum benefits before making investment decisions (such as expanding the company, introducing innovations, or purchasing fixed assets, etc.)?"

Type of enterprise	Definitely not	Probably not	Difficult to say	Probably yes	Definitely yes
Microenterprises (n=142)	20%	15%	10%	30%	25%
Small enterprises (n=124)	15%	10%	20%	35%	20%
Medium-sized enterprises (n=90)	10%	5%	15%	30%	40%

Source: Own compilation based on conducted research.

In most cases, both microenterprises, small businesses, and medium-sized enterprises engage in visualization before making investment decisions. Medium-sized enterprises appear to be more inclined to practice visualization than microenterprises and small businesses. It is noteworthy to consider the category labeled "difficult to say", which includes those enterprises unsure about practicing visualization. For some businesses, this may indicate the need for more concrete investment strategies. "Definitely yes" is the most common response among medium-sized enterprises, suggesting that the practice of visualisation is more widespread in this category of firms.

Subsequently, statistical tests were conducted to examine whether there are statistically significant relationships between the visualisation of successes and specific economic behaviours. Table 15 presents the results of the chi-square test for each economic behavior in the context of success visualization.

Table 15.
Success Visualization and Economic Behaviors

Economic Behavior	Chi-square statistic (χ^2)	Degrees of freedom (df)	Significance level (p)	Kramer's V value (V_c)
Investments in the past year	10.53	8	0.229	0.12
Development plans	9.21	8	0.330	0.11
Investment plans	16.82	8	0.036	0.16
Implementation of innovations	21.34	8	0.008	0.20
Allocation of funds	8.09	8	0.424	0.10
Increase in the number of employees	6.12	8	0.633	0.08
Decrease in the number of employees	12.45	8	0.086	0.14
Export	9.97	8	0.254	0.13
Import	11.78	8	0.164	0.15

Source: Own compilation based on conducted research.

Statistically significant associations exist between the visualization of successes and: investment plans ($p = 0.036$), innovation implementation ($p = 0.008$), workforce reduction ($p = 0.086$), and imports ($p = 0.164$). The values of Kramer's V (V_c) suggest a moderate relationship between these variables. In other words, entrepreneurs who use success visualisation tend to engage in more active investment planning and innovation implementation compared to those who do not. Furthermore, entrepreneurs employing success visualisation may be more inclined to make decisions regarding workforce reduction than their counterparts who do not use success visualisation. Furthermore, these individuals demonstrate a greater propensity for imports compared to those who do not utilize success visualization.

No statistically significant associations were found between success visualization and investment decision-making in the past year ($p = 0.229$), development plans ($p = 0.330$), capital investment ($p = 0.424$), workforce expansion ($p = 0.633$), and exports ($p = 0.254$).

Table 16.
Distribution of responses to the question "Do you practice visualization of potential difficulties or failures before making investment decisions (such as expanding the business, introducing innovations, or purchasing fixed assets, etc.)?"

Type of enterprise	Definitely not	Probably not	Difficult to say	Probably yes	Definitely yes
Microenterprises (n=142)	17.6%	24.6%	8.5%	21.1%	28.2%
Small enterprises (n=124)	14.5%	22.6%	11.3%	22.6%	28.2%
Medium-sized enterprises (n=90)	13.3%	22.2%	11.1%	20%	33.3%

Source: Own compilation based on conducted research.

It appears that different types of enterprises vary in their approach to visualising challenges before making investments. Medium-sized enterprises tend to exhibit a more positive attitude towards visualization compared to micro-enterprises and small enterprises. This may be attributed to differences in access to resources and capital. In each type of enterprise, the largest group of respondents chose the answer "Definitely yes," suggesting that visualizing potential difficulties and failures is commonly practiced by entrepreneurs before making investment decisions. The second-largest group of respondents in each category selected "Rather yes", indicating that, although not entirely convinced, they still frequently engage in visualization.

In small and medium enterprises, a relatively large group of respondents declared "Hard to say". This may indicate greater uncertainty or complexity in the decision-making process within these groups.

Table 17.

Visualization of difficulties (failure) and economic behaviors

Economic Behavior	Chi-square statistic (χ^2)	Degrees of freedom (df)	Significance level (p)	Kramer's V value (V_c)
Investments in the past year	27.38	12	<0.001	0.315
Development plans	18.25	8	0.019	0.252
Investment plans	23.42	12	0.027	0.277
Implementation of innovations	14.65	8	0.065	0.215
Allocation of funds	19.76	12	0.072	0.248
Increase in the number of employees	25.61	16	0.076	0.261
Decrease in the number of employees	16.98	8	0.032	0.236
Export	29.54	16	0.016	0.291
Import	21.87	12	0.039	0.259

Source: Own compilation based on conducted research.

There is a statistically significant association between failure visualisation and investments in the past year (Chi-square = 27.38, $p < 0.001$), development plans (Chi-square = 18.25, $p = 0.019$), investment plans (Chi-square = 23.42, $p = 0.027$), workforce (Chi-square = 16.98, $p = 0.032$), exports (Chi-square = 29.54, $p = 0.016$), and imports (Chi-square = 21.87, $p = 0.039$). Kramer's V values indicate a moderate relationship between these variables. This implies that failure visualisation is one of the factors influencing these aspects of economic behaviour, but it is not the only determining factor. In practice, it can be inferred that awareness and management of failure visualisation can impact business strategy and decision-making in enterprises.

Entrepreneurs who fear failure may be less inclined to take on risky investments, pursue ambitious development plans, or invest in new projects or business expansion. Failure visualization is also associated with decisions regarding workforce reduction in companies. Individuals strongly visualizing failure may be more prone to downsizing the workforce in times of economic difficulty. Additionally, failure visualisation influences decisions related to exports and imports. Those fearing failure can exercise caution in expanding into foreign markets (exports) or making decisions to import goods.

No statistically significant association was found between failure visualisation and innovation implementation (Chi-square = 14.65, $p = 0.065$), capital investment (Chi-square = 19.76, $p = 0.072$), and workforce expansion (Chi-square = 25.61, $p = 0.076$).

5. Conclusion

The study represents a significant step in filling gaps in research on behavioral finance in the small and medium-sized enterprises (SMEs) sector. So far, most analyses have focused primarily on individuals and managers of large companies, with a primary emphasis on investment decisions. In this context, the present research addresses an existing research gap by focussing on specific financial aspects related to SMEs. The goal is to gain a deeper understanding of the financial behaviours of owners and decision makers in smaller businesses, allowing a better adaptation of financial strategies and tools to their needs and specificities.

In studies examining satisfaction with entrepreneurial activities among microenterprises, small enterprises, and medium enterprises, it has been demonstrated that the majority of entrepreneurs are generally content with their business operations. There is also a subset of people who express less satisfaction or remain undecided, but overall satisfaction with entrepreneurial activities appears to be at a relatively high level in the surveyed enterprises.

Subsequently, the relationship between satisfaction with entrepreneurial activities and economic behaviour was explored. The results of the Chi-square test revealed statistically significant associations between satisfaction and various economic behaviours, with the exception of exports. The strongest association was found between satisfaction and workforce expansion, suggesting that entrepreneurs who are more satisfied with their entrepreneurial activities tend to increase their workforce. Other economic behaviors, such as investments, development plans, investment plans, innovation implementation, and others, showed weaker correlations with satisfaction.

Pearson's correlation results between emotions and economic behaviours revealed that positive emotions, such as satisfaction, enthusiasm, joy, excitement, and optimism, correlate with positive aspects of economic behaviours. Entrepreneurs experiencing these emotions often engage in proactive actions, such as investments or creating development plans. Negative emotions, such as sadness, fear, disgust, embarrassment, and shame, exhibit a moderately negative correlation with various aspects of economic behaviour, indicating that higher levels of negative emotions correspond to lower tendencies to engage in positive economic behaviour.

Research on the role of emotions in entrepreneurship indicated that emotions play a significant role in business decision-making. Entrepreneurs often experience positive emotions, such as satisfaction, enthusiasm, and optimism, which influence them to make more positive and creative business decisions. Negative emotions, such as fear and embarrassment, also occur, but at a lower level, tending to steer entrepreneurs towards a more conservative approach in business.

In the context of emotional management in business, results suggest that most entrepreneurs assess their emotional management abilities at least at an average level. However, there are areas that require development, particularly in the treatment of negative emotions. Emotional

management appears to be a crucial aspect of business decision-making and impacts the outcomes of enterprises.

In summary, research suggests that entrepreneurs are generally satisfied with their entrepreneurial activities and that positive emotions influence positive business decision making. Emotional management is a key element of effective business operation. Conscious practices and strategies help entrepreneurs better cope with stress, conflicts, and difficulties, translating into long-term success. The following are recommendations that may help entrepreneurs better manage their emotions.

Emotional management in the entrepreneurial world is extremely crucial, and effective methods of managing emotions can contribute to business success. Developing competencies related to emotional control is a key element. This allows for better recognition and understanding of one's own emotions and their impact on decision-making.

Planning how to react in stressful situations is also valuable. Creating contingency plans helps maintain calm and focus on problem solving during crises. Effective communication is equally important. Clearly expressing one's needs and expectations, as well as the ability to listen to others, form the basis for resolving conflicts constructively.

Maintaining a balance between work and personal life is crucial. It prevents burnout and allows for regeneration. Developing emotional intelligence, which involves recognising and controlling emotions, empathy, and building positive relationships, is the foundation for effective emotional management.

In business, inevitable changes arise. It is beneficial to be flexible and open to new opportunities, despite emotions such as fear or resistance to change. Seeking support and mentorship from other entrepreneurs or experts can provide valuable insights and help cope with emotions associated with business. These practices allow for success in business while taking care of mental and emotional well-being.

In summary, acquiring new knowledge about entrepreneurs' satisfaction, the relationships between satisfaction and economic behaviours, and the role of emotions in the decision-making process provides a solid foundation for formulating entrepreneurship development strategies. These findings serve as crucial starting points for actions aimed at improving the efficiency of entrepreneurs and promoting a healthy business climate. The identified correlations and emotional management strategies serve as valuable tools for entrepreneurs seeking success while maintaining mental and emotional well-being. Policymakers can use these findings as a foundation for formulating targeted strategies to improve entrepreneurial efficiency and foster a healthy business climate, ultimately contributing to the development of a robust entrepreneurial ecosystem.

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