

# COGNITIVE ANALYSIS OF ENTREPRENEURIAL INTENTIONS: A REVIEW

Nisarg Patel, Bhawna Kumari, Somya Tiwari

E-Mail Id: [patelnisarg2212@gmail.com](mailto:patelnisarg2212@gmail.com), [bhawnakumari603@gmail.com](mailto:bhawnakumari603@gmail.com), [somyatiwari1203@gmail.com](mailto:somyatiwari1203@gmail.com)  
School of Business, Woxsen University, Hyderabad, Telangana, India

**Abstract-**This paper explores the critical role of cognitive analysis in understanding entrepreneurial intentions. Utilizing both open-ended and closed-ended approaches, the study emphasizes the precision of closed-ended methods, specifically employing targeted questions and the ECG method. Entrepreneurial intentions (EI) is highlighted as a key factor in entrepreneurial success, enabling effective communication, relationship management, and conflict resolution. The literature review identifies individual, entrepreneurial, and environmental factors influencing cognitive processes related to entrepreneurial intentions. The conclusion underscores the significance of cognitive analysis in predicting entrepreneurial behavior, identifying barriers to entrepreneurship, enhancing entrepreneurship education, and recognizing elements contributing to success. The study advocates for adopting structured thought processes revealed through cognitive analysis to emulate entrepreneurial thinking, encouraging innovation, calculated risk-taking, and strategic planning.

**Keywords:** Entrepreneurial Intentions, environmental factors, cognitive analysis.

## 1. INTRODUCTION

By using cognitive analysis, we can map any person's brain, understand their thoughts, and how they process their own opinions (Jack, A. I., & Roepstorff, A. (2002)). Both an open ended and a closed ended analysis can be performed. When we talk about open ended assessment, we can't get the right data to conduct analysis. In most cases, it can be accomplished by reviewing or by posing an open-ended question and receiving an unstructured response. We cannot properly draw any conclusions from this. In shuttered ended, we ask very particular type of question to the individual by whom we want to recognize their brain mapping. We can get a very precise type of response from the original person using this method. So, research would benefit from using this type of closed-ended approach. Asking the appropriate questions and using the ECG method allow us to perform cognitive analysis, which enables us to determine which part of the entrepreneur's nervous system is most active and how their thoughts are processed. There are numerous other methods available.

Emotional intelligence, or EQ, is the capacity to comprehend, regulate, and master one's own emotions, facilitating the ability to remain composed, communicate effectively, empathize, surmount challenges, and resolve conflicts. EQ plays a pivotal role in fortifying relationships, excelling in both professional and academic settings, and achieving personal and career goals. Its four key components include prioritizing self-management, encompassing the adept control of impulsive feelings and behaviors. The second component is self-awareness, involving the recognition of one's emotions and their impact on actions, along with an understanding of personal strengths and weaknesses. Additionally, emotional intelligence enables the discernment of emotional cues, comprehension of others' needs, ease in social situations, and an understanding of power dynamics within organizations. Emphasizing the importance of emotional intelligence, the narrative underscores its impact on effective interactions, empathy, and self-awareness, influencing the environments in both home and work settings. A heightened emotional awareness aids in navigating life's challenges, fostering empathy, and comprehending the motivations behind others' actions, particularly crucial in navigating conflicts, changes, and obstacles. Mindfulness of emotions serves as a guide for responding with kindness during challenging moments.

## 2. LITERATURE REVIEW/THEORETICAL BACKGROUND

The major factors affecting the cognitive process of entrepreneurial intentions are Individual Factors, Entrepreneurial Factors and Environmental factors.

### 2.1 Individual Factors

The diverse factors influencing serial entrepreneurship undergo examination through two primary lenses, beginning with personal attributes. Studies indicate that serial entrepreneurship is affected by traits such as sensation-seeking and workaholism. The psychological, emotional, and physiological aspects of entrepreneurial experiences contribute to a behavioral addiction to entrepreneurship, reinforcing repeated engagement in entrepreneurial activities (Spivack et al., 2014). Age and gender also play substantial roles, with older entrepreneurs exhibiting slower rates of restarting, and men outperforming women in the "openness" personality factor, a significant distinction between business owners and others. Gender introduces cross-cultural variations, mediating the negative relationship between perceived barriers like lack of support and entrepreneurial intentions,

with females perceiving these barriers as more significant (Shinnar et al., 2012). Individual psychological perceptions, including the perceived impact of failure, influence entrepreneurial re-entry rates. Contrary to previous beliefs, negative emotions don't universally hinder entrepreneurial return; the interplay between controllability and emotion is crucial. Risk aversion affects entrepreneurial choices, with risk-averse individuals leaning towards novice entrepreneurship. Anxiety post-failure can lead individuals to adopt a salaried employment mindset, while confidence, considered part of psychological capital, strongly influences serial entrepreneurial intentions. Financial self-efficacy, marketing self-efficacy, and family business environments contribute to entrepreneurial self-efficacy, impacting the likelihood of starting a new business. This self-efficacy also mitigates the impact of financial losses on subsequent entrepreneurial intentions. A noteworthy negative correlation exists between serial entrepreneurial intention and avoidance cognition, a compliance focus among business owners.

## 2.2 Entrepreneurial Level Factors

The entrepreneurial level factors directly influence the intentions of a serial entrepreneur. Numerous studies highlight the impact of entrepreneurial experiences, including the duration of venture creation and instances of entrepreneurial failure, on serial entrepreneurial intentions. Contrary to common belief, domestic scholars assert that entrepreneurial failure positively influences the intention to engage in serial entrepreneurship. Entrepreneurs who achieve success are more likely to proceed rapidly, and the chosen exit mode significantly shapes the intentions of serial entrepreneurs. Distress exits decrease the inclination for serial entrepreneurship, particularly when entrepreneurs prioritize preventive measures. Moreover, the ambition of entrepreneurs is influenced by their expectations for new ventures or existing businesses, serving as incentives for entrepreneurial pursuits. Another pivotal factor affecting serial entrepreneurial intention is entrepreneurial cognition, where learning from failure influences the desire to initiate a new enterprise. The entrepreneurial intellectual schema, shaped by prior experiences, becomes crucial in deciding to launch a new business. Opportunity identification and appraisal play a significant role in motivating entrepreneurs to become serial entrepreneurs, and attributing success to internal factors fosters a habit of returning to business after setbacks. Current research emphasizes the impact of human capital on serial entrepreneurship intentions, with entrepreneurial experience exerting the greatest influence and general human capital following closely. Previous entrepreneurial experiences, regardless of success or failure, significantly influence the likelihood of reengagement. Entrepreneurs with strong entrepreneurial skills are more likely to persist in business, especially if financially successful.

## 2.3 Environmental factors

Environmental factors play a significant role in shaping the intentions of serial entrepreneurs, with human capital being a primary consideration. Studies indicate that the approach to entrepreneurial re-entry is strongly influenced by the quality of the relationship between structural capital. Robust relationships assist business owners in navigating from exit to re-entry, while weaker connections are pivotal for identifying and capitalizing on new opportunities. The re-entry process benefits substantially from relational capital, particularly trust, fostering interpersonal relationships and subsequent business transactions. Serial entrepreneurs with support from family or friends exhibit greater persistence and are less deterred by unsuccessful ventures (Stam and Elfring, 2008). Although family support provides access to various resources and psychological assistance in overcoming entrepreneurial challenges, its impact on sequential entrepreneurial intention is indirect and variable (Lin and Wang, 2018).

Legal considerations also exert influence, as accommodating bankruptcy laws can expedite re-entry, reduce associated time and costs, and encourage entrepreneurs to take risks and establish new businesses (Lee et al., 2011). Social factors, such as the stigmatization of failure and limited information availability, significantly influence the intentions of serial entrepreneurs who have previously experienced failure (Simmons et al., 2013). Studies suggest that the rigidity of the labor market (A35) increases the likelihood of engaging in entrepreneurial pursuits again, and market volatility affects the relationship between learning from entrepreneurial failure and serial entrepreneurial intention (Zhang and Wang, 2020).

## CONCLUSION

Cognitive analysis of emotional intelligence is essential in improving our understanding of entrepreneurial behavior, developing effective policy interventions, promoting entrepreneurship education, and identifying the factors that contribute to entrepreneurial success. The study of the thought processes and judgements that guide an entrepreneur's entrepreneurial activities is referred to as a cognitive analysis of an entrepreneur's intention. Understanding how entrepreneurs think is important for several reasons:

Prediction of entrepreneurial behavior: Researchers can develop interventions to encourage entrepreneurship by predicting the actions and behavior of entrepreneurs by understanding their thought processes.

Determination of entrepreneurship barriers: Cognitive analysis can be used to determine the mental obstacles that prevent aspiring entrepreneurs from launching a business. This information can help policymakers identify and remove these obstacles.

Enhance entrepreneurship education: By emphasizing the abilities and mental frameworks that are most helpful in encouraging entrepreneurial success, cognitive analysis can guide the creation of entrepreneurship education programs.

Recognize elements that contribute to entrepreneurial success: Recognizing the cognitive mechanisms underlying successful entrepreneurship can aid researchers in determining the abilities and knowledge necessary for entrepreneurship.

The topic of significance of cognitive analysis of entrepreneur intention is very fundamental and has a very strong base to understand the cognitive analysis of entrepreneur. Entrepreneur stands out different from other normal person by one of the main reasons is to their thinking process and how they organized their thoughts in very structured manner that help them to solve the bigger problem. So, the first fundamental reason to be understand is to be organized thought in very structure manner. by the help of cognitive analysis of entrepreneur intention, we as normal person can adopt this strategy and can make ourselves as same as entrepreneur. Entrepreneurs make them different by their mind set. We as normal person should follow their intentions and can be able to achieve more than just ordinary once. So, by cognitive analysis we should focus on Think in structure manner, organized your thoughts in structured manner, do calculated risk, stick on your planning, getting regular feedback.

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