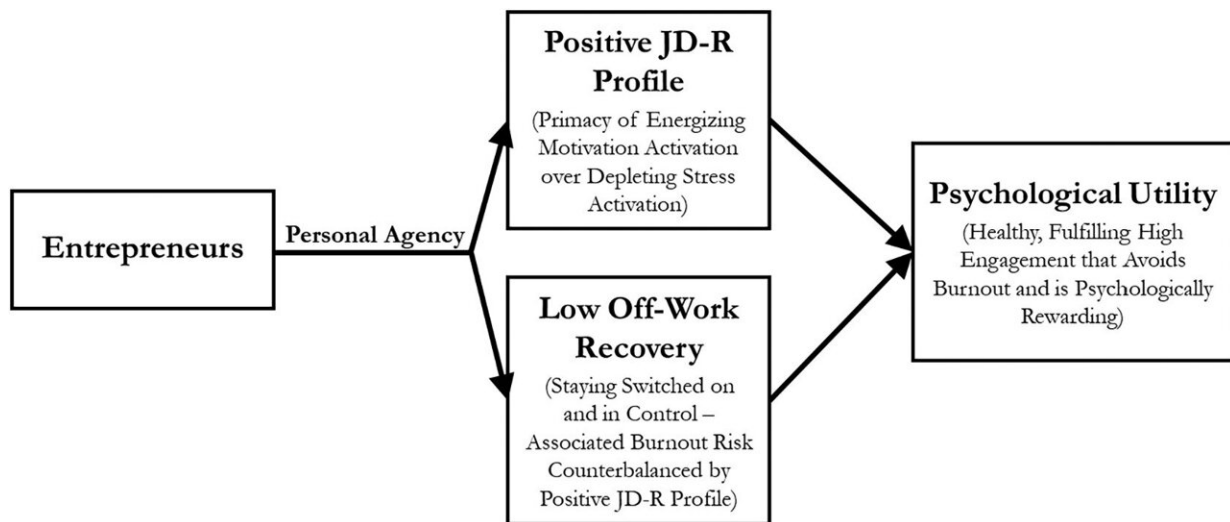


New study reveals how entrepreneurs avoid burnout and accumulate happiness

December 14 2022



Psychological utility framework: How entrepreneurs proactively derive psychological utility via high work engagement (investing engagement in work offering a positive, energizing, and rewarding JD-R profile job), which also spills over to non-work time. Credit: *Journal of Business Venturing* (2022). DOI: 10.1016/j.jbusvent.2022.106272

The number of people struggling with mental problems like burnout and stress is higher than ever. Can we learn from entrepreneurs how to avoid burnout and accumulate happiness?

Entrepreneurs are often portrayed as workaholic heroes, who put more

time and energy into their work than salaried employees. To run their businesses, many [entrepreneurs](#) stay "on," even outside regular working hours.

However, contrary to what you might expect, entrepreneurs are no more at risk of [burnout](#) than salaried employees. On average, the risk is actually smaller due to the positive psychological effects of entrepreneurial work. This is the conclusion of the first study in this area, conducted by UvA professor of Entrepreneurship Martin Obschonka and colleagues. The results are published in the *Journal of Business Venturing*.

A lot of research has been done into burnout and workaholism, but it has not previously focused on entrepreneurs. Obschonka and his colleagues have now conducted the first major study into a possible link between entrepreneurship and burnout. The researchers followed 348 entrepreneurs and 1,002 employees over a period of up to six months. The data was collected prior to the corona crisis.

Positive workaholism

"There seems to be a paradox of 'positive workaholism,' because entrepreneurs are so engaged in their work that they also show less daily work recovery after regular working hours. What makes them so protected from burnout? We therefore also looked at the main mechanisms associated with burnout and engagement with work," says Obschonka.

Does entrepreneurship make you happier?

This led to new insights into the psychological utility of working as an entrepreneur. "The work of entrepreneurs actually appears to result in

less daily work stressors—such as work pressure, [time pressure](#) and administrative tasks—compared to paid work," says Obschonka.

"In addition, entrepreneurship offers the entrepreneur a high degree of personal work autonomy. All this leads to a positive psychological return on the substantial investment that entrepreneurs make due to their great involvement in the work. As a result, their work not only gives them more energy and a more positive state of mind than salaried employees on average; they are also happier and more satisfied with their work. On average, [entrepreneurship](#) seems to make people happier."

Entrepreneurs with a one-man [business](#) (without employees) in particular appear to run less risk of a burnout. However, if they expand their businesses and hire employees, the likelihood of burnout increases. According to Obschonka, it is important that they should be aware of this, and also of the higher risks surrounding burnout for their employees.

Broader benefits

The research results are also relevant for paid employment. If a more entrepreneurial approach were chosen such as intrapreneurship in large organizations, this may also reduce the risk of burnout in, for example, high-risk jobs that require a strong commitment to the work.

"If we can maximize the psychological utility of working as an entrepreneur, it promises not only personal benefit in the entrepreneurial sector, but also, more broadly, to the development of healthy, motivated, and well-rewarded entrepreneurs running their businesses, collectively generating broader social and [economic benefits](#)," says Obschonka.

More information: Martin Obschonka et al, Job burnout and work engagement in entrepreneurs: How the psychological utility of

entrepreneurship drives healthy engagement, *Journal of Business Venturing* (2022). [DOI: 10.1016/j.jbusvent.2022.106272](https://doi.org/10.1016/j.jbusvent.2022.106272)

Provided by University of Amsterdam

Citation: New study reveals how entrepreneurs avoid burnout and accumulate happiness (2022, December 14) retrieved 6 May 2024 from <https://phys.org/news/2022-12-reveals-entrepreneurs-burnout-accumulate-happiness.html>

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