Business owners who perceive stress as enhancing experience personal growth and better engagement

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You own a small business, and you find yourself stressing about, among other things, staffing, payroll, supply chains, the economy and the latest strain of COVID-19. Sure, you're overwhelmed, and you see the stress as debilitating.

You're probably doing it wrong, says Samantha Paustian-Underdahl.

Paustian-Underdahl, an associate professor in the Department of Management at Florida State University's College of Business, has published a new study with colleagues at FSU, Kennesaw State University and The University of Texas at El Paso that explored the effects of stress-related mindset and coping behaviors on health, engagement and personal growth among small business owners.

It's all about mindset, she says.

In the study, published in the Journal of Organizational Behavior, business owners experienced personal growth and engagement in their businesses when they increasingly saw stress as enhancing instead of debilitating. The study also indicated that business owners experienced stronger benefits of this stress-is-enhancing mindset when they believed their business might have been at risk and needed to close.

Driving home previous research cited in the study, Paustian-Underdahl and her colleagues challenged a one-sided bad rap that stress has gotten in the media and society.

Though they didn't seek to debunk literature that demonstrates debilitating effects of stress, the researchers wrote, "our findings suggest that a stress-is-enhancing mindset can be a critical tool for business owners to deal with stressful business challenges, such as those created by the COVID-19 pandemic."

Paustian-Underdahl served as lead author of the study, which included co-authors Randy Blass, a senior lecturer in FSU's management department; Kennesaw State University's Joshua C. Palmer, who received his doctorate at FSU in 2021; and Cynthia Saldanha Halliday of The University of Texas at El Paso.

"We were really pleased to find something that was theoretically relevant and also practically relevant for small business owners during COVID," Paustian-Underdahl said. "And for anyone who's stressed out, if they can reframe their mindset to think about stress as potentially helpful, then they're more likely to respond to stress in ways that are actually very helpful."

Paustian-Underdahl said the idea for the study emerged in 2020 when she and Blass found...
themselves discussing the stress on small-business owners from the pandemic. They found a study at Stanford University’s Social Psychological Answers to Real-World Questions, or SPARQ, in which researchers randomly asked participants to watch videos that portrayed stress as enhancing or to watch videos that portrayed stress as debilitating. A control group watched no videos.

The Stanford researchers discovered that people who had watched the stress-is-enhancing videos saw stress as having more positive effects and that people who had watched the stress-is-debilitating videos saw stress as having more harmful effects. The study also found that people with a stress-is-enhancing mindset responded better to stress and had more adaptive physiological responses.

Inspired by that study, Paustian-Underdahl and fellow researchers recruited small business owners and directors of nonprofit organizations throughout the U.S. to participate in what the researchers hailed as the first study “to examine the theoretical mechanisms for when and why stress mindsets change individuals’ personal growth, engagement, and health—via coping behaviors.”

Researchers randomly asked half the participants to watch three short videos on the Stanford site that showed them research and anecdotal evidence that stress can be beneficial for one’s health and performance. The other half of participants, the control group, watched no videos.

One video tells viewers that anxiety can help with cognitive performance. Another video trumpets stress for the hormones it produces—rebuilding cells, synthesizing proteins, enhancing immunity and “leaving the body stronger and even healthier than it was before.” The third stress-is-enhancing video says that stress releases cortisol into your brain and “kicks your mind into high gear, heightening your attention.”

Paustian-Underdahl and her team measured the coping behaviors of those who watched the videos and found that the participants increased their stress-is-enhancing mindset and were more likely to engage in approach coping and less likely to engage in avoidance coping, compared with those

Approach coping involves planning ahead, seeking information and social support and attempting to solve the problems that the stressor created, the paper says. Avoidance coping ignores the stressor.

"Avoidance can be really harmful, because you're just kind of ignoring the stress as opposed to trying to deal with it," Paustian-Underdahl said. "These small business owners who engaged in more effective coping were more engaged with their small businesses, had lower burnout and had better personal growth because of the experience they were going through."

She emphasized that the videos remain available on the Stanford website and that she and colleagues encourage "small business owners, entrepreneurs and anyone else experiencing stressful situations to watch these videos."


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