



# Why Wellbeing Needs to Become a Business Goal: How Founders, CEOs and Entrepreneurs Side-Step Burnout

Research conducted by King's College London and Softer Success®

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## Introduction

The Covid-19 pandemic highlighted the importance of wellbeing and mental health in business. This includes the wellbeing of CEOs and Founders, who in the past have often been overlooked due to widely held beliefs regarding their relative success, health and wealth. Over the last few years several CEOs and Founders have stepped down from their position, talking openly about burnout and poor wellbeing being the cause. In addition to the challenges and risk of building a venture, economic turbulence and volatility continue to present burnout risks for entrepreneurs, and the search for sustainable productivity in founder-led businesses remains ongoing

for many. With many founders, CEOs and entrepreneurs at risk of burnout, there is a need for research to address this phenomenon and this study pinpoints where those risks lie and how they can avoid pitfalls and bad habits that make burnout more likely. This innovative research contributes importantly to addressing the ongoing burnout pandemic confronting founders, CEO and entrepreneurs.

## **The Study**

Researchers from King's Business School in collaboration with Softer Success<sup>®1</sup> conducted an interview study on the wellbeing of founders, CEOs of start-ups and entrepreneurs in the UK. The research involved interviews of up to 75 minutes with 32 people, including follow-up interviews with 15 of the participants 8 to 12 weeks later. The aim of the interviews was to identify the unique wellbeing challenges being faced by this population and to identify factors that may help avoid high work demands leading to burnout. Participation was completely voluntary and all information provided was confidential.

## **The Participants**

The participants were a mix of founders, CEOs of start-ups and entrepreneurs across a variety of sectors, including IT, education, professional services, creative, fashion, health and fintech. The businesses were mostly early start-ups, but others were growing and many were mature. Some were bootstrapping, while others were at early stages of funding or had been sold.

Interviewees were invited to participate via networks of either King's Business School or Softer Success<sup>®</sup>. They were 20 men and 12 women, some single and others married, and many had dependents; the oldest interviewee was 62 years and the youngest was 22 years.

## **The Findings**

The researchers learned of a variety of working patterns and a diversity of experiences. They found that the large majority of interviewees felt very positively towards their work. However, while some interviewees were comfortable in terms of wellbeing, others were struggling to cope, or were simply not coping very well meeting the business demands and their needs as a person. The following is a set of four themes that capture many of the stories that were heard:

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<sup>1</sup> <https://softersuccess.com/> - for more information on successful implementation - Burnout Proof Your Business

## Tight link between wellbeing and business effectiveness

For founders, CEOs and entrepreneurs, wellbeing and business performance were tightly coupled. Probably the strongest link is in the direction from business performance to wellbeing; the good days for the business felt great, while the bad days for the business could spark a chain of negative thoughts and neglected self-care leading to poor wellbeing. Extended periods of uncertain or poor business outcomes could lead to negative spirals.

This tight connection between wellbeing and business performance is not necessarily unexpected given that the identity, reputation and livelihood of founders, CEOs and entrepreneurs are tightly woven into their businesses; a threat to their venture has wide-ranging personal implications. But this is an important differentiator when comparing to organisation-employed workers, who do not have this personal connection.

*“It’s like a rollercoaster because you either feel incredibly exhilarated by the smallest thing that’s gone right, but also at the same time because you’re so passionate, if someone says ‘oh I don’t think that’s very good or this process wasn’t very slick or you haven’t done this right’, it completely topples you the other way. So it’s about, yes, it’s a rollercoaster of emotions”*

The relationship from wellbeing towards business performance is a more complex one, but arguably more important to think about. The ‘fighting fires’ mindset does not give people much opportunity to engage in personal practices of wellbeing enhancement that could contribute to their effectiveness – most often wellbeing’s impact on the business was in a negative direction. But many interviewees did discuss a positive relationship between both small scale and more substantial wellbeing practices (e.g., going for a walk at lunch time, an hour of exercise and meditation before work, tight limiting to working hours) and their contribution to the business. Among those describing this relationship, there was a recognition that the founder, CEO or entrepreneur, especially at the early stages, is the most valuable resource the business has and is therefore worth protecting and investing in. The focus on sustainable performance is key; we can all maximise our performance today, but if that compromises one’s ability to work effectively tomorrow, then that should be avoided. This is a learned behaviour, often developed through trial and error, understandably given that the feedback loop from working too hard and burnout plays out over a long period of time.

## Compulsion towards work

The interviewees were asked whether they felt 'passion' towards their work. Many identified with this feeling and agreed that they did, albeit for different reasons; some were passionate about the cause at the heart of their venture or their product, while others linked this feeling to being able to fix a problem with their business. Although fewer in number, the group comprised founders who felt less strongly that they were keenly motivated towards business success and suggested that it did not involve such intense emotions.

Greater cause for concern were others in the sample who felt deeply about their business in a way that crossed over into compulsion. Passion is a wonderful thing, but it can have a darker edge which can manifest in obsessive behaviours. The researchers saw the full spectrum of experience and many of the interviewees talked about a darker, more compulsive past, even if they had things more under control now. Compulsive behaviours, e.g., the checking of email very early or very late in the day without intending to, being unable to stop working or 'switch off' from work when you should, and the failure to say 'no' or delegate tasks that fall far from people's remit.

One participant explained:

*"I don't have that many vices but I think this is it and it is, it's both a blessing and a curse because you don't have automatic switch off and leaving the work behind, you're constant, like constantly on"*

Unsurprisingly, it was the interviewees that engaged in more obsessive behaviours that seemed to be most at risk. But stepping off the compulsion treadmill was talked about as being very difficult. Having the self-control required to resist compelling urges is the very resource that people in this vicious cycle seem not to have.

Most successes against this work orientation were hard gained. People who felt more balanced could very often recall times of former compulsive, or even addictive, behaviour, and had to battle their way out, usually following an incident or major threat to their health or wellbeing (e.g., burnout, severe illness or other physiological effects). These wellbeing events allowed such founders to become adept at learning the warning signs of being close to the brink of the compulsion cycle again and taking action. Strict prioritisation and boundary management were

the repeated tools people used, though they acknowledged that there are times (e.g., during fundraising) when good intentions would go to the wall.

### Wellbeing as a business goal

Every founder, CEO and entrepreneur in the study described having a detailed set of business goals. Mostly a set of quantifiable targets set out over short, medium and long-term periods of time. The idea of running a business with no clear sense of where things are going, no understanding of what success looks like, and no measurable outcomes sounds highly unprofessional. But if the individual running the business is the most precious resource that the business has, then wouldn't it make sense to set goals in relation to managing that resource?

Many of the wellbeing success stories that were heard involved either the explicit or implicit adoption of wellbeing goals as goals for the business. These goals could relate to healthy eating, exercise, IT use, boundary management, amongst other things, but they were definable and actionable. The more explicit these goals were, the better: some people diarised hours dedicated to wellbeing activities, others had cardinal rules that were never broken, such as no phones before gam. The crucial thing was the connection made in people's minds: these wellbeing goals were important, not only for the individual but for the business. They enable the business to become more sustainable and more successful. However, there was also a subset of individuals who described that the wellbeing goals had moved from being explicit to implicit and as such had become automatic habits and integrated in their lifestyle – in other words, they didn't need to think consciously about them.

### Support and networks

Not everyone talked about the value of support from other founders, CEOs and entrepreneurs. Some people were resilient enough to go it alone and take the lone wolf approach. But these were in the small minority. A large majority of interviewees, especially those who were younger or less experienced, talked about the crucial role that shared experiences had. The role of both peers and mentors was discussed as being significant, particularly in unravelling the taboo of wellbeing amongst this population.

A couple of pertinent barriers to wellbeing disclosures were identified amongst this group. First, that others (namely friends and family in whom they might usually confide) would not understand their issues. Second, that there is a difficult balance to find in how much of your wellbeing challenges you disclose, since investors may be observing and they are investing in the person, as much as the venture:

*“I feel with them, investors, it’s always a shiny, the shiniest possible picture you can ever present”.*

The issues faced by founders, CEOs and entrepreneurs are reasonably universal, and the realisation that you are not alone in the daily struggles and that many people like you are going through similar experiences can be transformative. Learning from people that have been through the difficult stages already (and survived) is helpful and reassuring.

### **Summary and recommendations**

Given the tight coupling of wellbeing and business performance among this population, and the tendency for founders, CEOs and entrepreneurs to regularly fail to disengage from work and behave compulsively, we note two main findings here:

- The need for wellbeing to be a business goal for individual founders, CEO’s and entrepreneurs
- The need for support in the founder, CEO and entrepreneur role

We have developed the following recommendations for individuals in founder, CEO and entrepreneur roles, and for the teams they manage:

1. Define metrics of success: Make mental connections between the success of the business and your own wellbeing as its most precious resource. Your business success cannot be sustained without you prioritising your wellbeing.
2. Make short-, medium- and long-term wellbeing goals. Short-term goals, in particular, do not need to be complex or difficult. Going for a 10-minute walk in the morning or turning your work phone off in the evening may be enough to get you started. Identify daily practises that can start long-term habits and even alter neural pathways in the brain regarding healthy ways of working.
3. Be aware and understand your own personal risks of burnout. Everyone is different and the triggers for compulsive behaviour through to burnout can be highly individual. Reflective practice was a key process identified by our successful participants for doing this.
4. Consider trying tools to help you measure the risk of burnout, such as the Softer Success® Business Wellbeing Assessment (SSWA)
5. Look for and develop support networks; they are great sources of information and sharing on wellbeing related issues. This can include people you already know, other founders and entrepreneurs, or can be entirely unrelated to your work.

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