



THE PSYCHOLOGICAL AND MENTAL WELL-BEING OF ENTREPRENEURS

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Psychological and Mental well-being of entrepreneurs

Abstract: New business ventures enable the growth of the market and create wealth and new jobs. In a developing country like India, entrepreneurship is important as they are wealth creation and good for the economy. Therefore, entrepreneurs are the backbone and strength of any economy. Entrepreneurship has witnessed many start-ups emerging amidst the pandemic and has become successful. The success of any entrepreneurship not only depends upon the quantity of business, but it also depends upon the personality, and mental and psychological well-being of entrepreneurs. Mental well-being includes mental, social, and psychological well-being, it determines how we feel, think, believes, and plan based on that. Psychological well-being is your conscious which includes emotions and personality. Entrepreneurs' conscious act is based on each individual behavior, experience, and cognitive perspectives which create values not only for themselves and for the community. Therefore, it is necessary to focus on the well-being of entrepreneurs as it has a direct impact on the entrepreneur's career and growth which in turn reflects on the economy of the county.

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Entrepreneurs: An entrepreneur in a developing economy is one who starts a business, takes risks, faces uncertainties, makes appropriate decisions, and emerges successful. The definition of an entrepreneur is "he is a man who detects and evaluates a new situation in his environment and directs the making of such adjustments in the economic systems as he deems necessary". They create wealth and the growth of society. However, entrepreneurs are depicted as individuals with a lot of potential and enthusiasm, on the other hand, entrepreneurs also have emotions like fear, anxiety, and stress which in turn affect their decision-making, opportunities, health, mental and psychological.

Mental and Psychological well-being of entrepreneurs: Psychology plays an important role in individual behavior, Mental issues will not only affect the health but also psychological well-being which in turn will affect the mental stability and decision-making ability of the entrepreneurs. Factor like stress level, frustration level, Willingness to take risk, Locus of Control (Self-efficacy), and confidence about their business was taken into account for understanding their mental well-being.

The success of the business can be determined in many ways, one success is doing good business without any difficulties, earning profits, and paying bills on time. For our study, we have taken these three variables to measure success.

Personality Traits: The big five personality approach helps to determine the personality of the entrepreneurs. The big five personality factors are Openness (which is being Bold, Intelligent), Agreeableness (which is Cooperative, Kind), Extraversion (which is sociable, and talkative), Conscientiousness (which is responsible),



Neuroticism (which is taking impulsive decisions, self-pitying and calm).

Literature review: Dewey (2007), must be a circular chain in which his/her well-being determines entrepreneurial behavior, which in turn reciprocally benefits well-being perception. The income level of the entrepreneurs is positively associated with their well-being of the entrepreneurs. Information and individual cognitive nature were two important factors in the decision of entrepreneurs to grasp entrepreneurial opportunities (Shane & Venkataraman, 2000). Entrepreneurship was to find and capture opportunities, create innovative products, services, and achieve their potential value (Hisrich, 2006). Self-employment involves increased levels of stress, role ambiguity, heightened emotional energy, as well as higher risks and potential rewards [Cardon MS, Patel PC (2013)

Research Methodology:

Objective of the Study:

1. To study the Mental and Psychological well-being of entrepreneurs
2. To study the personality traits of entrepreneurs
3. To study the impact of Personality traits, Family, and the success of the business on their mental and psychological well-being

Scope of the Study: The personality of the entrepreneurs plays an important role in determining their mental and psychological well-being of entrepreneurs. It is necessary to understand the impact on the mental well-being of entrepreneurs. Mental well-being can be determined by various factors like personality, success in their business, and spending quality time with family. The success of the business plays an important role in determining mental health, which would lead to psychological issues like stress, fear of risk, Self-efficacy, and anxiety. The study aims to understand the personality, mental and psychological well-being, and impact of success on the mental well-being of entrepreneurs.

Limitations of the study: The study is limited only to Chennai. The study has covered only a few mental and psychological well-being of entrepreneurs. The questionnaire is constructed by taking only a few personality traits factors.

Research Methodology:

The questionnaire is divided into two parts. Part one is a demographic study and Part two studies the psychological and mental health, success, and personality traits of the entrepreneurs. The questionnaire is constructed with 5 points Likert scale with a range from 1 Strongly Disagree to 5 Strongly Agree.

Respondents were sent google forms to fill and an interview method is conducted to take the survey and circulated it through social media.

Descriptive statistics is done to analyze the mental and psychological mental-well-being, success, and personality of the entrepreneurs.

Findings and Discussion:

The study aims at understanding the psychological and mental well-being of entrepreneurs. The study is made through descriptive analysis and through correlation. Descriptive analysis is done to find out the mean and standard deviation for demographic and other factors. Correlation is used to find out the association and significance level of success, family, and personality traits with mental and psychological well-being.



Descriptive analysis:

Table. No.1 Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Age of the respondents	52	1	5	1.65	1.083
Gender	52	1	2	1.13	.345
Family Members	52	1	3	1.44	.669
Educational Qualification	52	1	4	2.94	.639
Mobile Apps	52	1	2	1.69	.466
Upset about my business	52	1	5	2.52	1.075
Business gives lot of pressure	52	1	5	2.94	1.145
Frustrated	52	1	5	2.92	1.169
Confidence	52	1	5	3.75	1.082
Risk	52	1	5	3.19	1.205
Self-Efficacy	52	1	5	3.27	1.254
Resilience	52	1	5	3.58	1.054
Arranging funds for business	52	1	5	2.92	.967
Pay bills on time	52	1	5	3.85	1.539
Satisfied with business	52	1	5	3.75	1.169
Work takes up time	52	1	5	3.63	1.138
Devote time to family	52	1	5	2.62	1.174
Success only with profit	52	1	5	3.19	1.269
Organized	52	1	5	3.33	1.184
Bold and talkative	52	1	5	3.52	1.075
Kind and Cooperative	52	1	5	3.56	1.227
Impulsive decision	52	1	5	2.75	1.007
Good at making friends	52	1	5	3.54	1.275
Type of Business	52	1	6	2.79	1.993
Valid N (listwise)	52				

Table No.1 gives the descriptive analysis of the questionnaire. The study was conducted among 52 respondents who are doing business. Google form was circulated through social media to get the responses. The questionnaire is divided into 4 sections. Section 1 explores the demographic details of the respondents. The majority of respondents were Male and their educational qualification was undergraduate. 42% of the respondents were doing small business, 19% were doing traditional or family business, and 15% were doing innovative business. The number of family members of the respondents who had 2 to 4 members was 65% which also played a vital role in the success or mental well-being of the entrepreneurs, 69% of the respondents didn't have health-based apps on their mobile. The age of their business was 50% were doing business for more than 5 years and 29% were less than a year. 71% have done their investments and feel secure about it. Section 2 of the questionnaire measures the mental and psychological well-being of the respondents. The mean value of whether they are upset about the business was 2.54, frustrated about spending a lot of time in business and found business gives a lot of pressure was 2.94%. Respondents were confident and were taking a lot of risks while doing business. Respondents were the locus of Control (self-Efficacy) and feel that success is only because of them and external



factors don't influence their business. Respondents showed a higher mean as they were willing to adapt to changes (Heinze I (2013) Entrepreneur sense-making of business failure. Small Enterprise Research 20: 21-39.) Section 3 measures the success and the time spent with their family. The mean values show that entrepreneurs pay the bills on time (3.85), and are satisfied with the business (3.75), and respondents feel that they are devoting most of their time to the business and not to their family. The mean value of 3.15 shows that respondents measure the success of their business by profit. Section 4 is related to the personality of the entrepreneurs. The personality trait of Openness, Agreeableness, Extraversion, Conscientiousness and Neuroticism has been examined.

Research Question 1:

H0: There is no significant difference between the Locus of Control and the Psychological and mental well-being of entrepreneurs.

H1: There is a significant difference between the Locus of Control and the Psychological and mental well-being of entrepreneurs.

Locus of Control is the perception of having control over own performance and feel that external factor doesn't have a role to be played in the performance of the business. Individuals with high internal Locus of control find themselves to be more persistent and see themselves as the main source of success. (Ben Bulmash 2016). High Locus of Control can be problematic as they need to spend long working hours sacrificing family time and their health. The success of self-employment is often related to the success of the business, which means a lot of stress and other physical problems.

Table.2 presents the correlation of the entrepreneur's perception that the success of the business is only because of their own performance towards the Stress, Pressure from business, Over or low confidence, and fear of risk arising from the business. Correlation is significant at the 0.01 level two-tailed between two variables. The Significance level is 0.000 which is highly significant and there is a relationship between the Locus of Control and the mental and Psychological well-being of entrepreneurs. (Hye-Jin Kim¹, Jin-Young Min², Kyoung-Bok Min¹)

Working conditions of self-employed individuals require long hours of dedicated work towards the business which would make them feel frustrated and stressed out. Self-employed business groups significantly suffer from depression and other health-related issues

Table No.2 Correlations

		Mental	Locus of Control
Mental &Psy	Pearson Correlation	1	.571**
	Sig. (2-tailed)		.000
	N	52	52
Locus of Control	Pearson Correlation	.571**	1
	Sig. (2-tailed)	.000	
	N	52	52



Research Question 2:

H0: There is no significant difference between the Personality and Psychological and mental well-being of entrepreneurs.

H1: There is a significant difference between the Personality and Psychological and mental well-being of entrepreneur.

Entrepreneurs who are organised, bold creative and make friends with people easily find that their level of stress and frustration is significantly low. There is a significant impact on the personality of entrepreneurs and their mental and psychological well-being. (p value =0.001). Characteristics of openness, agreeableness, and extraversion are important for the growth of any business which is very essential for entrepreneurs. Neuroticism and conscientiousness don't have any relevance to entrepreneurs. (Bostjan Antoncic, Tina Bratkovic Kregar, Gangaram Singh, and Alex F. DeNoble 2015).

Table No.3 Correlations

		m	per
m	Pearson Correlation	1	.440**
	Sig. (2-tailed)		.001
	N	52	52
per	Pearson Correlation	.440**	1
	Sig. (2-tailed)	.001	
	N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Research Question 3:

H0: There is no significant association between the Success and Psychological and mental well-being of entrepreneurs.

H1: There is a significant association between Success and the Psychological and mental well-being of entrepreneurs.

Success and spending time with family play an important role in the life of self-employed individuals. Entrepreneurs who measure their success based on the profit, growth of their business, and timely payment of loans tend to relatively spend more time working for success. Paying debt on time reduces the stress factor of the entrepreneur (Xiang, Tan, Kang, Zhang, & Zhu, (2019). There is a significant association between success and mental well-being. Entrepreneurs devote most of their time to the growth of their businesses and to earning profits and devote very less time to their families. If they earn fewer profits or their business doesn't grow, they feel frustrated and upset about the situation which in turn will affect their mental and physical health.

Discussion and Findings:

The association between Success which is also determined by paying off debts on time and the mental and



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psychological well-being of entrepreneurs largely agreed with the literature which concludes that debt and psychological well-being are negatively associated. (Xiang, Tan, Kang, Zhang, & Zhu, (2019)) Individuals in debt often end up with a lack of sleep, eating habits, and poor concentration in work and family. (Dobbie & Song (2015). Individuals who are self-employed have an association with Locus of Control (Self-Efficacy) and Mental well-being. They take the credit for the success of business ignoring the external factors. They had to spend a lot of time for the success of the business. High Locus of Control means additional stress and strain which in turn will affect the mental and physical health of the entrepreneurs (Cardon MS, Patel PC (2013) Is Stress Worth it? Stress-Related Health and Wealth Trade-offs for Entrepreneurs. *Applied Psychology* 64: 379-420. Individual behavior determines psychological well-being. Entrepreneurs were found to be more open, extravert, and agreeableness factors. They tend to lack factors like Conscientiousness and Neuroticism (Bostjan Antoncic, Tina Bratkovic Kregar, Gangaram Singh, and Alex F. DeNoble 2015).

Conclusion and Future research

Most entrepreneurs suffer from mental and psychological issues thinking about their well doing of business, making a profit, and paying bills on time, but research is made only about their motivation, skill, capacity, belief, and determination. Mental and psychological issues are very important as it always has a great impact on the growth and success of their business and on the growth of the nation. Only a few personality traits were taken into consideration. Research can be done to explore the different personality traits and their impact on entrepreneurial development in turn how it affects their well-being. Future studies on understanding personality can be made to explore the mental and psychological well-being of entrepreneurs in different states and different businesses.

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