



Study
November 2020

Canadian Entrepreneur Mental Health and Well-Being Report

bdc 

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Introduction

As Canada's bank for entrepreneurs, we are deeply committed to building awareness and education around entrepreneurs' well-being and mental health. We want to be a catalyst on this subject and are committed to delivering regular research, insights and resources to destigmatize mental health among the entrepreneurial community.

The release of this report is one step we are taking in this direction. To better understand how entrepreneurs are doing in the context of the COVID-19 pandemic, BDC commissioned a survey of 500 Canadian business owners conducted from August 20 to September 1, 2020.

The survey aims to shine light on the current mental health of Canadian entrepreneurs as well as the coping strategies they are using to ensure their well-being.

Members of our expert panel from the Douglas Institute, the Université du Québec à Trois-Rivières and WorkInsights have gratefully donated their time to provide insights and contextualize the results of this survey based on their expertise. We hope that the advice they share in this report will bring additional light to the importance of mental health and well-being for Canadian entrepreneurs.

By working with partners across the country, we believe we will be

able to draw attention to this often neglected issue and help break the stigma that often surrounds the issue of mental health and well-being for Canadian owners and operators of small and medium-sized businesses.

We know there is a lot of work that still has to be done if we hope to shift the popular view of entrepreneurs from “tireless visionary” to one that allows them to show their vulnerability and ask for help when needed. We hope this study can help us move forward towards this goal.

Highlights

A majority of entrepreneurs reported generally sound mental health and ability to cope with the COVID-19 context.

- 64% stated either that all was well or that they had things under control overall.
- Results are more divided when it comes to satisfaction with one's mental health: 47% said they felt satisfied with their mental health every day, while the other 53% reported feeling unwell at times.

39%

of business owners reported feeling depressed at least once a week

2/3

of entrepreneurs reported feeling tired, low or had little energy at least once a week.

Specific groups consistently showed more mental health and well-being challenges:

- Women
- Entrepreneurs of immigrant origin and visible minorities
- Respondents under 55 years old, and more specifically those between 45 and 54 years old.
- Businesses who had not resumed fully or at all their activities following the initial COVID lockdown.
- Businesses who had operated for five to nine years.

The economic recession and worries about cash flow were the top two sources of stress for entrepreneurs.

- Generating revenue, paying expenses and having enough demand worry entrepreneurs the most through the COVID-19 crisis.
- Women are particularly worried about generating revenue.

Partaking in physical activity, maintaining persistence and turning to someone were the most common coping strategies.

- In open-ended feedback, respondents stated that maintaining a positive attitude and practising gratitude were their top coping strategies.



Main results

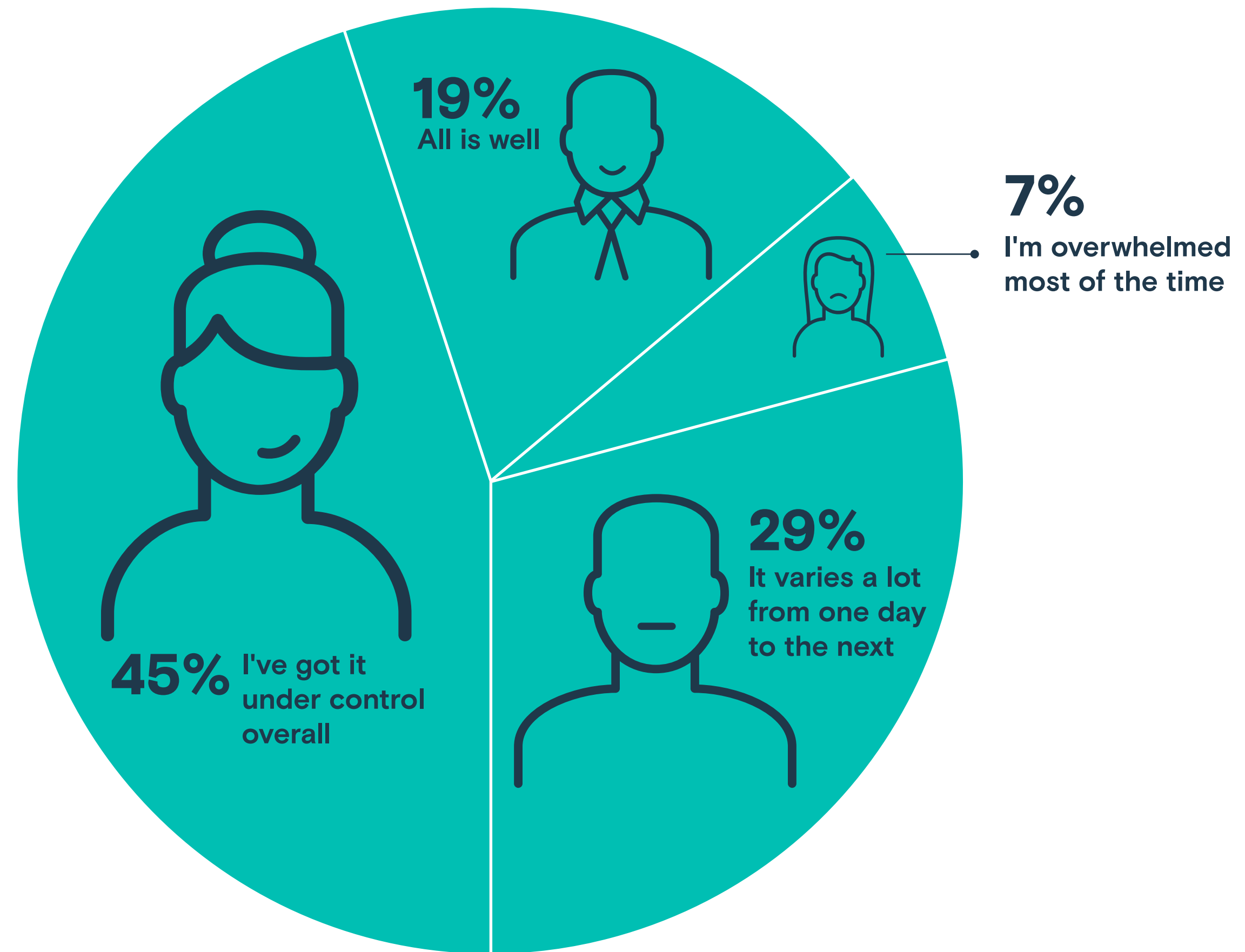
Most entrepreneurs were positive about their ability to cope with the current context

Entrepreneurs mainly reported that they had control over their overall situation in the current context. Owners of businesses in the professional services sector and of businesses that never suspended their activities, as well as men, were more likely to say that all is well.

Certain groups were more likely to express concern. Women and those who had partially or not resumed their activities were significantly less optimistic than their peers.

Figure 1

How are you adjusting to the COVID-19 context as an entrepreneur?



Base: All respondents (n=497). Those who preferred not to answer were excluded from the calculation base.

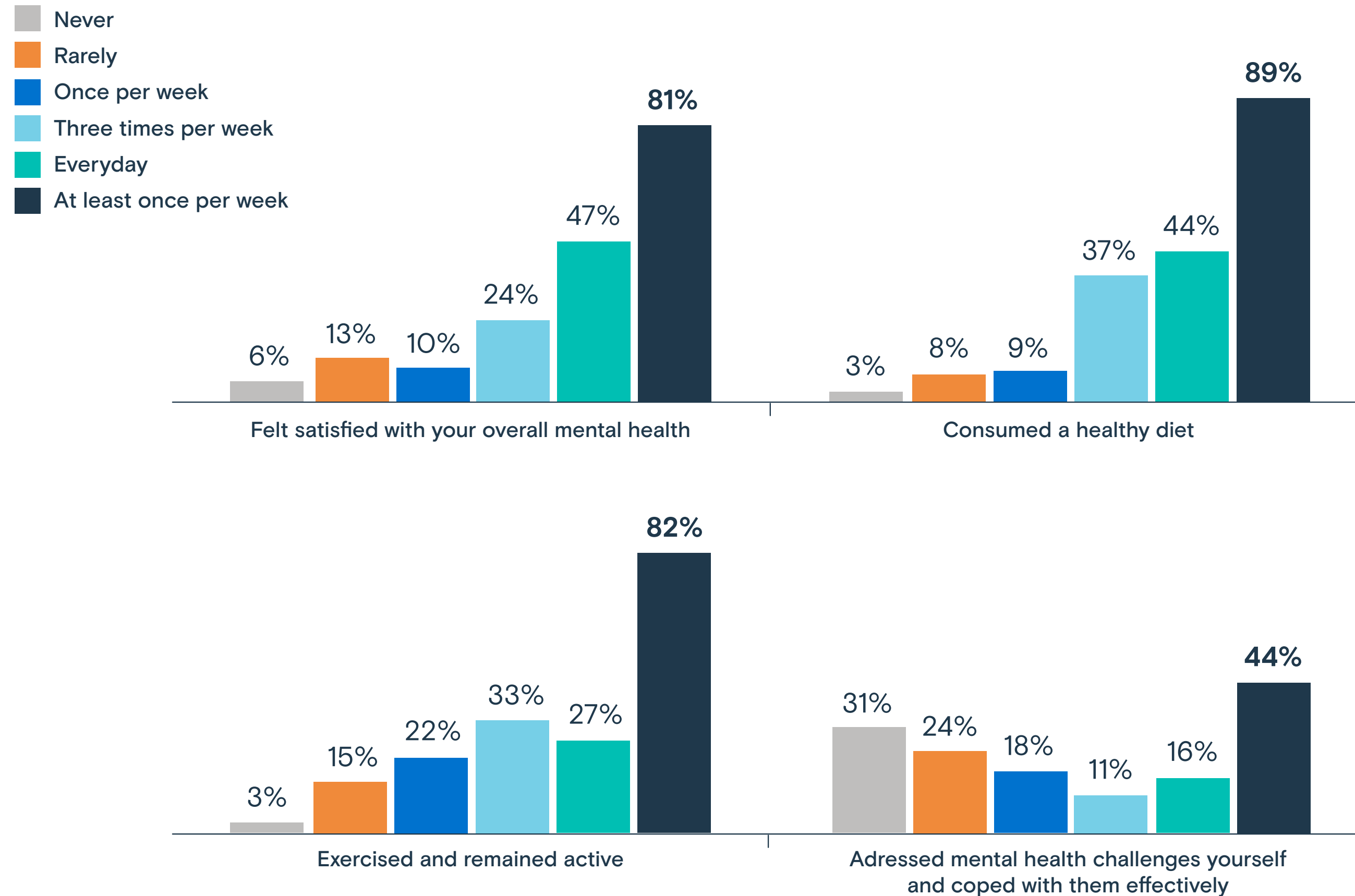
Mental health indicators are mostly positive

Men, owners of fully and partially operational businesses, older respondents, owners of more mature companies and non-minorities were more likely to have positive mental health indicators.

Women as well as owners of smaller companies and of businesses whose operations hadn't resumed or had only partially resumed were more likely to have experienced mental health challenges, but they also reported coping with them effectively.

Figure 2

How often during the past three weeks, have you...?



Base: All respondents (n=500). At least once per week includes once per week, three times per week and every day.

Two in five entrepreneurs reported feeling depressed at least once per week

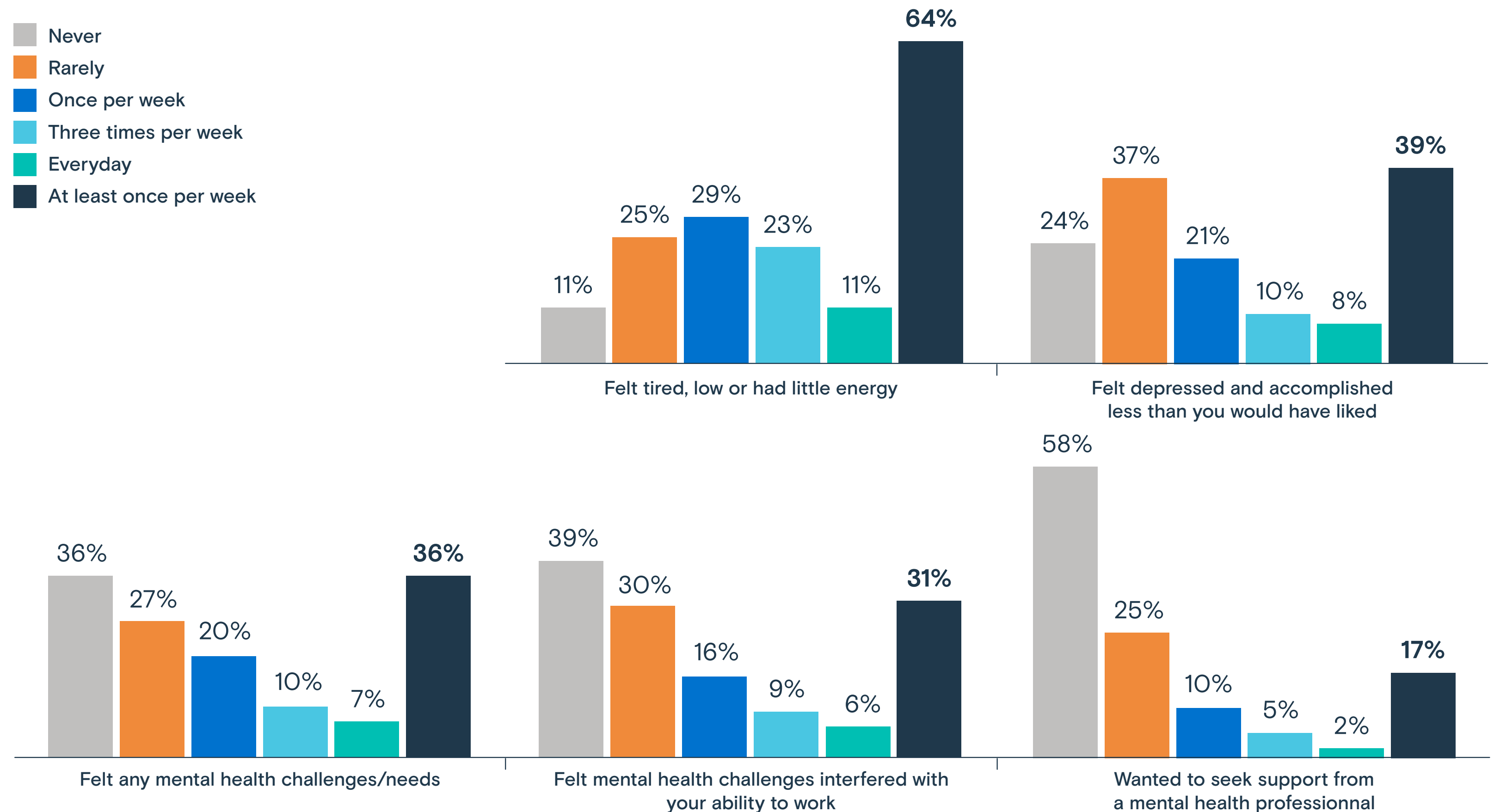
Overall, scores on depression and mental health challenges are relatively low. However, about two thirds said they had low energy and two in five mentioned feeling depressed at least once a week.

Entrepreneurs who had not yet resumed their activities, certain minority groups as well as entrepreneurs whose business was five to nine years old were more likely to feel tired or depressed.

Younger respondents, women, minorities, owners of less mature companies and of businesses whose operations still hadn't resumed struggled with mental health challenges more frequently.

Figure 3

How often during the past three weeks, have you...?



Base: All respondents (n=500). At least once per week includes once per week, three times per week and every day.

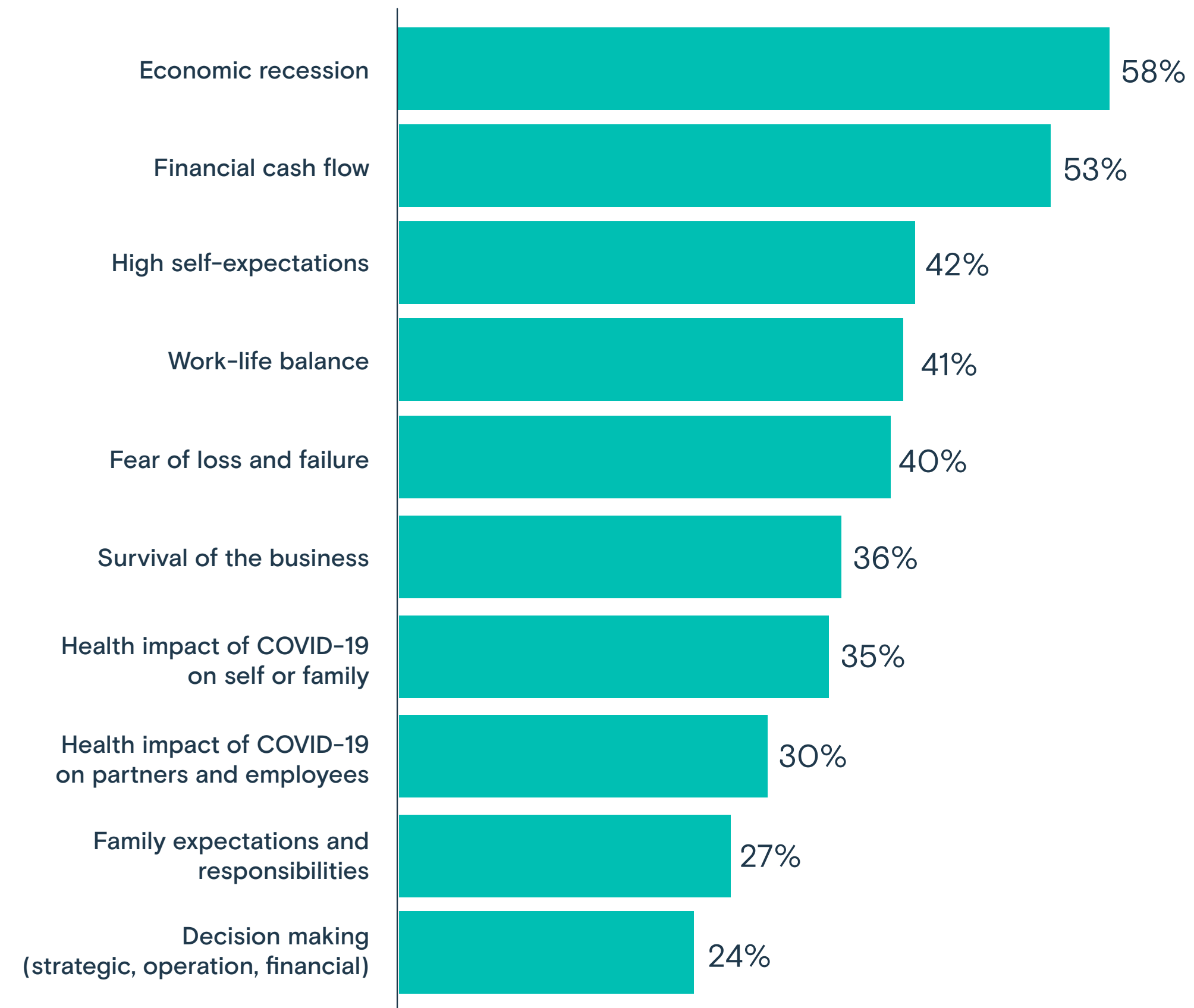
Financial factors were the most likely sources of stress

The economic recession and worries about cash flow were the top two sources of stress for entrepreneurs.

Unsurprisingly, those who had not yet resumed their activities had more sources of stress than their peers.

Figure 4

Top sources of stress for entrepreneurs



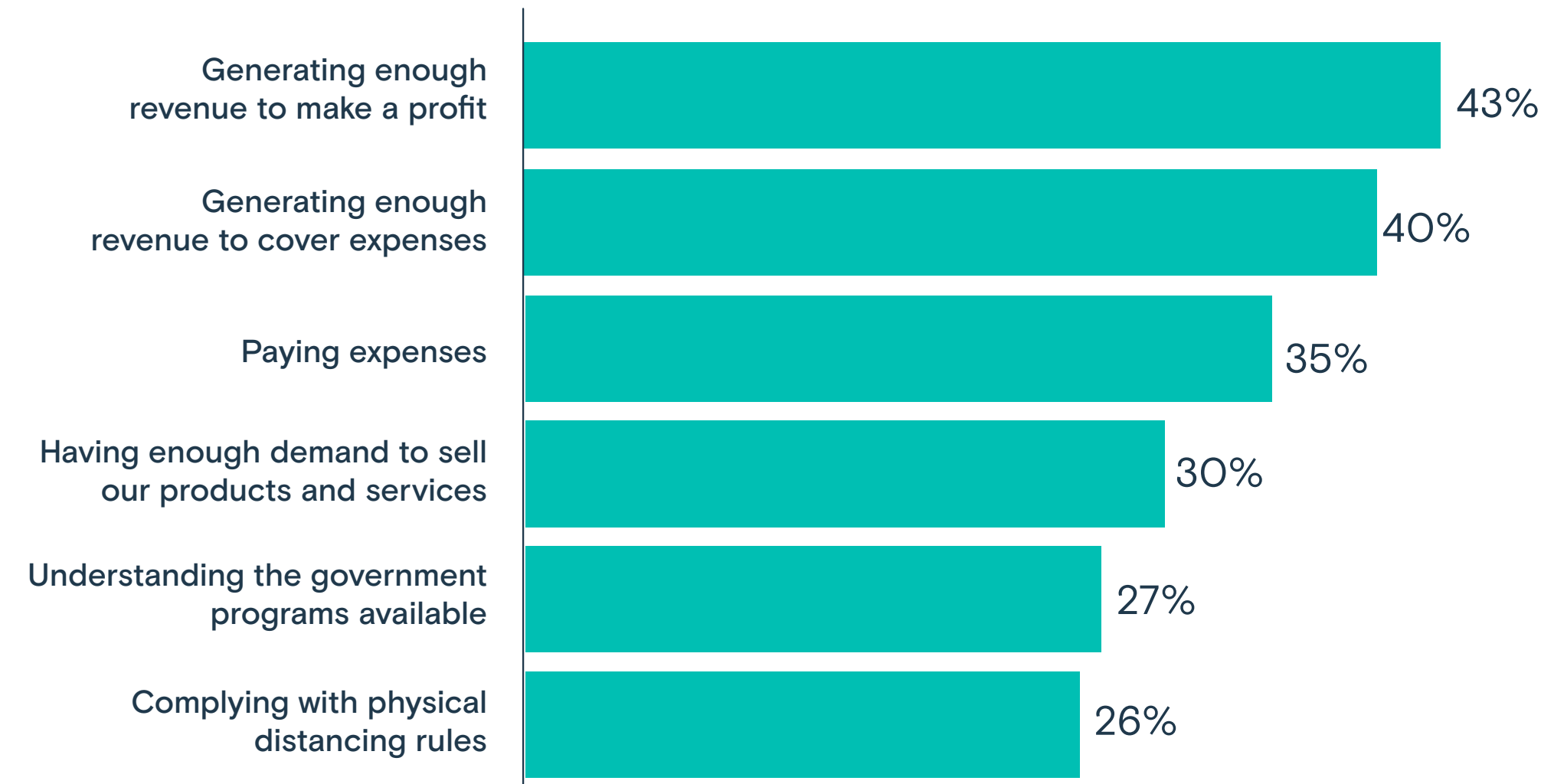
Base: All respondents (n=500). Multiple answers were allowed, therefore total may not equal to 100%.

Revenue generation topped the list of worries for entrepreneurs

Generating enough revenue, paying expenses and having enough demand to sell their products were the top worries for the entrepreneurs we surveyed. Women tended to be more worried about generating revenue.

Figure 5

Top worries in operating a business in the current context



Multiple answers were allowed, therefore total may not equal to 100%.
Base: All respondents (n=494). Those who did not know were excluded from the calculation base.

Physical activities, persistence and turning to someone were the most common coping strategies

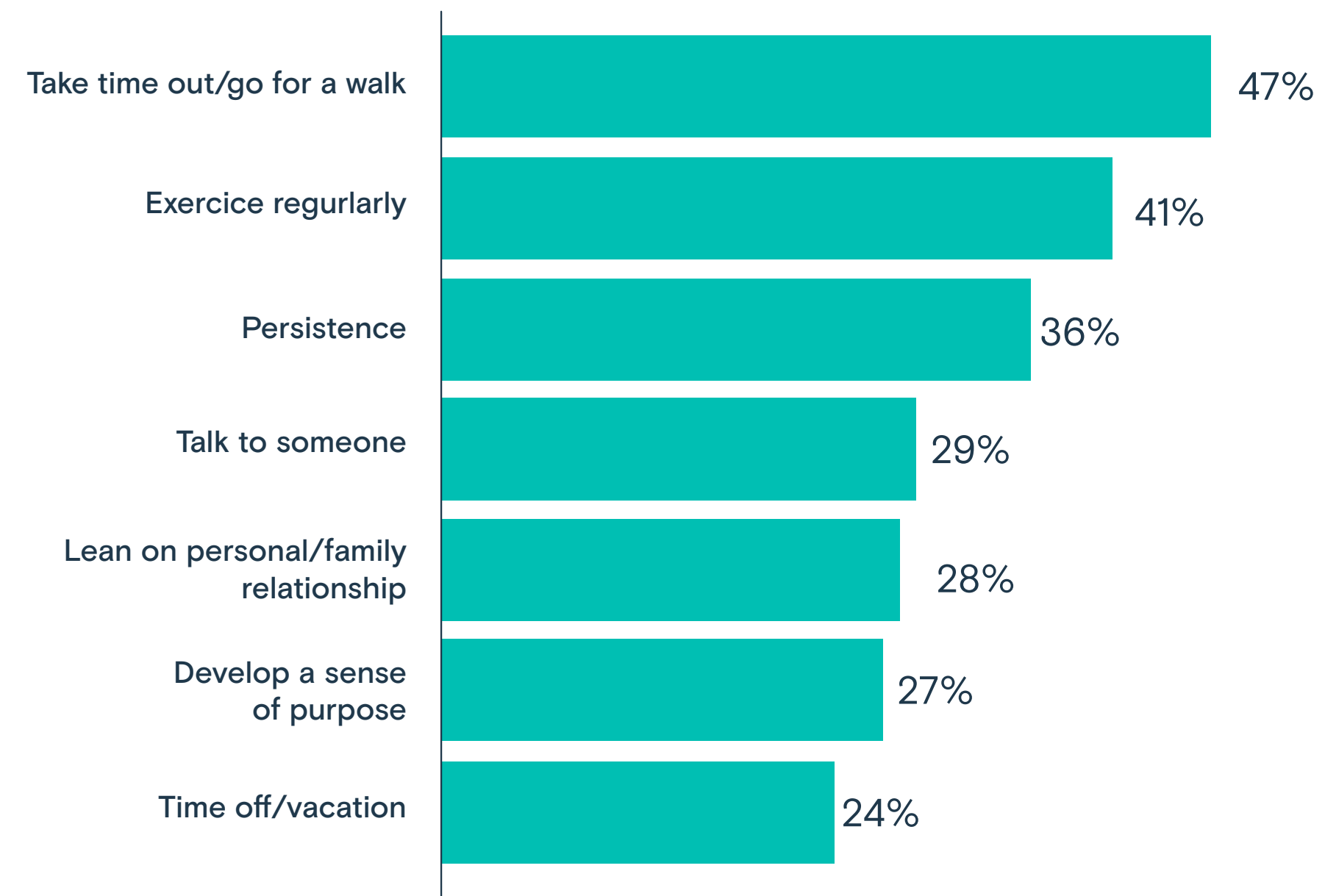
Physical activities were the most frequently mentioned coping strategies. Persistence was mentioned by about one third of respondents.

Turning to someone (talking to someone, leaning on a personal or family relationship) is also common.

Furthermore, in open-ended feedback, 18% of respondents stated maintaining a positive attitude and practising gratitude as coping strategies.

Figure 6

How do you address any mental health issues that you experience?



Note: Only includes top seven answers.
Base: All respondents (n=500). Multiple answers were allowed, therefore total may not equal to 100%.

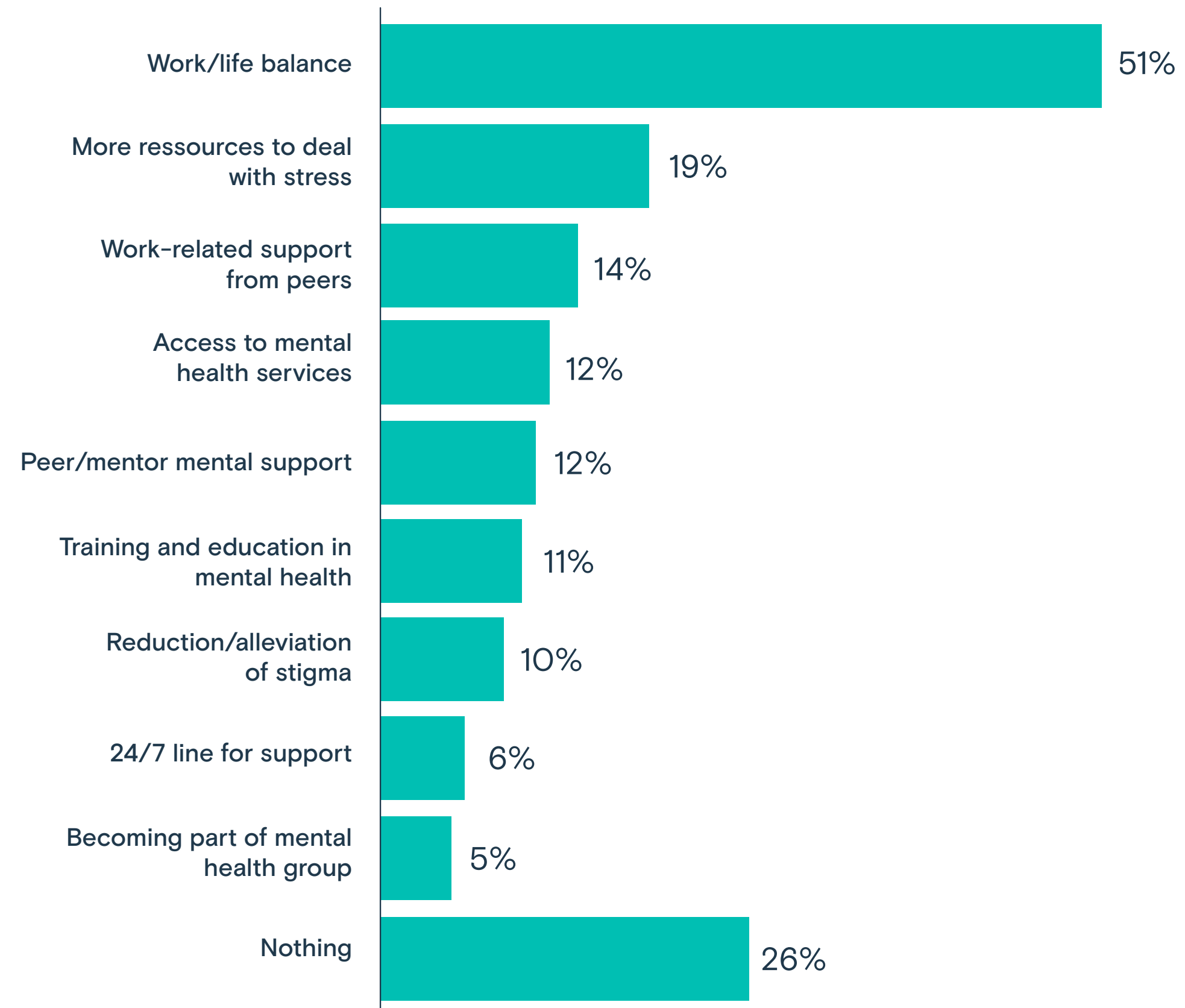
Over half of entrepreneurs said they would welcome a better work-life balance

Balancing work obligations with other responsibilities in their life seems to be a major challenge for a majority of entrepreneurs who said a better work-life balance would help improve their mental health. Getting access to more resources to deal with stress was the second-most cited solution to help with mental health.

Those who are middle-aged (45-54) were more likely to say they need better work-life balance.

Figure 7

What do you need to better support your mental health in the current context?



Base: All respondents (n=500). Multiple answers were allowed, therefore total may not equal to 100%.

Insights from our panel of experts

A mixed picture

The data gathered in this study gives a mixed picture of the mental health and well-being of Canadian entrepreneurs, according to our panel of experts.

On one hand, around two-thirds of entrepreneurs felt they had the current situation under control. However, other answers left our experts worried about the future mental health of business owners.

In particular, the panel was

concerned that 64% of respondents felt tired, low or had little energy at least once a week. These high numbers could be cause for concern as exhaustion is often a precursor to more serious mental health afflictions.

"The fact that 64% of respondents feel tired, low or have little energy is worrisome and should be addressed", says Dr. Joaquin Poundja, Psychologist at the Douglas Mental Health University Institute.

"It is important to keep in mind that being more anxious at times or having mild ups and downs is a normal reaction during a pandemic, but it can be problematic when we become self-critical or judgmental. Working on better accepting these reactions and on increasing kindness towards oneself is important to better cope with normal emotional reactions in the current pandemic."



“Stress can be good in the short-term, but a high level of stress over a long period of time could lead to more serious mental health problems,” says Professor Étienne St-Jean, Canada Research Chair on Entrepreneurial Career at the Université du Québec at Trois-Rivières.

Certain groups are more at risk

The panel was also concerned about the higher rates of negative mental health indicators from certain segments of the entrepreneur population. Women entrepreneurs, in particular, were more likely to express concern about the current situation, and they were more likely to be dealing with mental health challenges more frequently.

“Women are often in more precarious sectors and they have family responsibilities that men do not necessarily share,” says

Michael DeVenney, President and Founder, WorkInsights and the Mindset Project. “As entrepreneurs, they face higher stress levels from more places.”

Business success and mental health are often intertwined

Entrepreneurs are passionate people; they are achievers, doers and high performers. They put a large load on their shoulders to turn their dreams into reality. Their company and its success often become a part of who they are. And their business and personal lives will tend to overlap.

Unfortunately, this often results in high stress, exhaustion, loneliness or burnout when a business hits a rough patch. Entrepreneurs whose operations had been affected by the COVID-19 crisis, for instance, were more likely to say they have experienced mental health challenges.

The financial success of the company seemed to be related to the well-being of the entrepreneurs. For this reason, the panel was worried that entrepreneurs were not always separating their personal health from their business success. This was reflected in the top sources of stress for entrepreneurs.

“Entrepreneurs were mainly concerned about the economic impact of the COVID-19 crisis, not so much the health impact,” says DeVenney. “Mainly because they shoulder the financial responsibilities for so many others.”

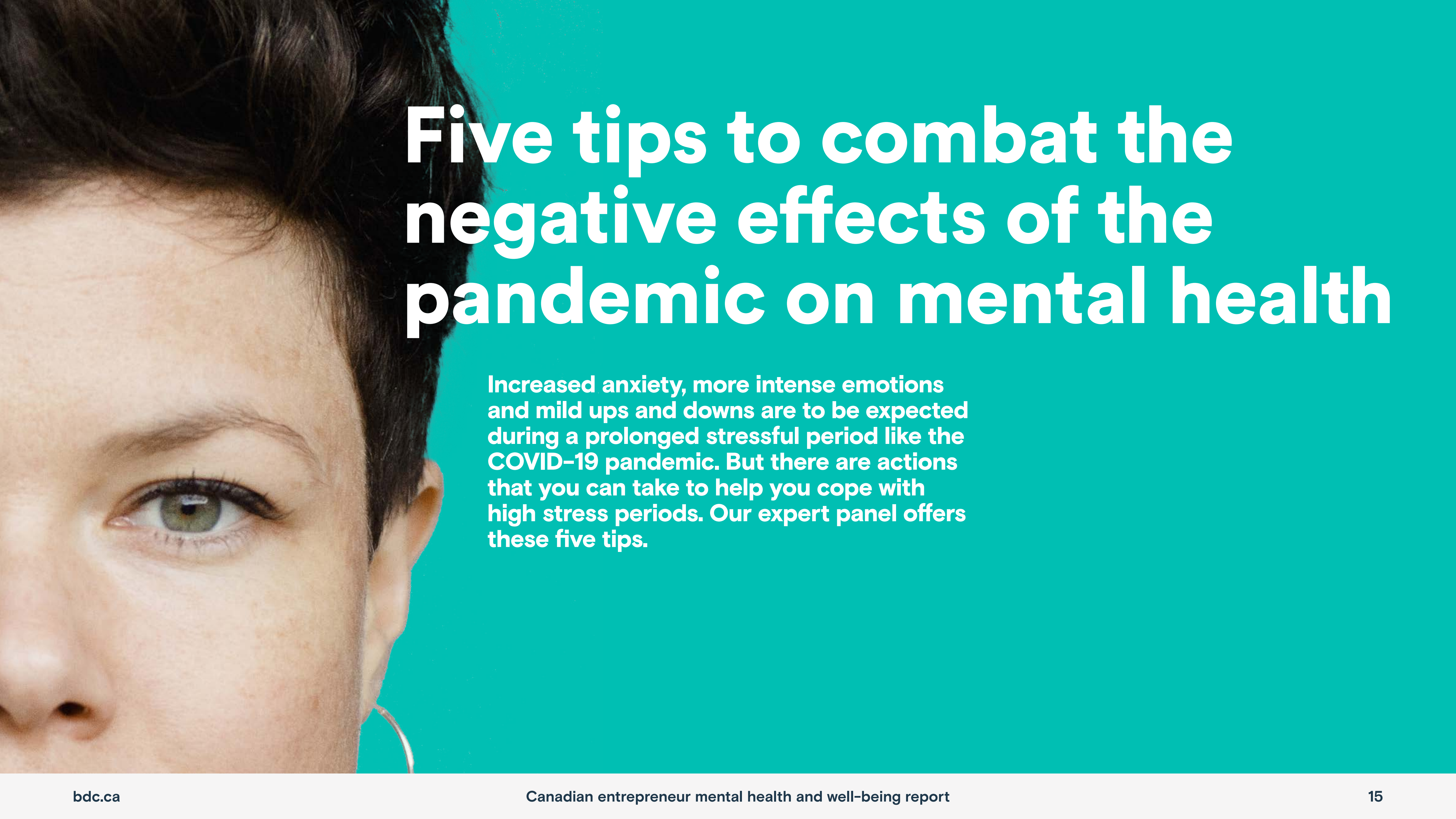
The panel also felt that the high level of interest entrepreneurs demonstrated for more resources to help with work-life balance was a symptom of these high expectations for success and results.

Positive signs in the coping strategies

The panel was encouraged that close to 30% of entrepreneurs were talking about their mental health and well-being with people around them.

“Increasing connectivity with others would be an important coping strategy,” says Dr. Poundja. “Entrepreneurs who feel more isolated might have increased levels of stress. Social support could help decreasing the stress levels and improve mental health.”

While the numbers could be higher still, the panel felt that this was a positive step in tackling the stigma often surrounding entrepreneurs' mental health.

A close-up photograph of a woman's face, showing her eyes, nose, and part of her hair. The background is a solid teal color. The text is overlaid on the right side of the image.

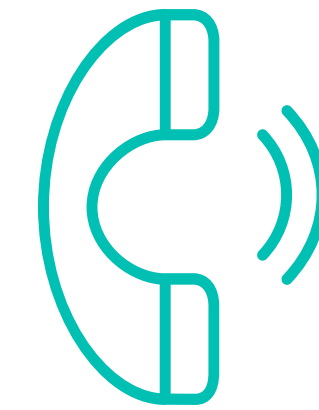
Five tips to combat the negative effects of the pandemic on mental health

Increased anxiety, more intense emotions and mild ups and downs are to be expected during a prolonged stressful period like the COVID-19 pandemic. But there are actions that you can take to help you cope with high stress periods. Our expert panel offers these five tips.



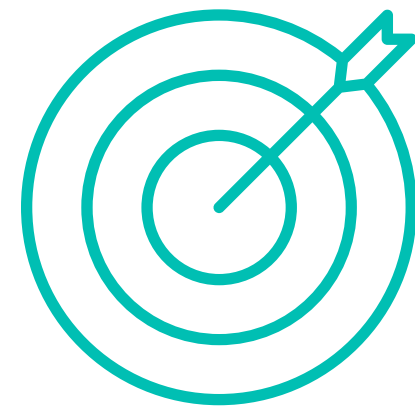
1 Take advantage of your innate resilience

Every one of us has an innate resilience that can help us rebound in times of stress. Try to develop behaviours that will help promote resilience and take advantage of our natural coping mechanisms including a sense of humour, the solace that comes from doing something kind for another person as well as leaning on and reaching out to social networks.



2 Don't be afraid to reach out for help

You don't have to carry everything on your own shoulders. Don't hesitate to reach out to family and friends to talk about your worries and stresses. You may also want to think about joining an entrepreneur support group; it can sometimes be easier to talk with other entrepreneurs than with employees or family members. Finally, don't be afraid to reach out for professional help. A discussion with a psychologist can often prevent problems from becoming more serious.



3 Manage your expectations

Entrepreneurs are notorious for having unreasonable expectations; it's almost part of the job description. But having overly ambitious goals can take a toll on mental health. It can be healthy to slow down your goal-setting process. Take the time to analyze market trends as well as the capacity and capabilities of your team before you set a goal that will stretch you too thin.



4 Try to delegate

It can be hard to relax or deal with personal issues when you are doing everything yourself. Resist telling yourself you're the only one who can do things right, or that it will take too long to train someone to do something. The initial time investment it takes to train someone will be paid off many times over when you get that extra time to spend with your family or relax on a Friday night.



5 Watch for these five warning signs

As people, we naturally want to appear strong in front of friends, colleagues and family members. But it's important to take care of yourself and find support when needed along the way. When entrepreneurs are stressed, they often think that working more will help them perform better. This leads to exhaustion, loneliness, burnout and depression. It's very important to recognize warning signs to break this cycle.

These include:

- ① **Changes in normal behaviour patterns** (eating or sleeping significantly more or less than usual)
- ② **Increased alcohol or drug** consumption
- ③ **Withdrawal from relationships** and reduced sociability
- ④ **Difficulties in daily functioning** at work, at home or in relationship
- ⑤ **Rumination** about how things could go wrong that start to affect your capacity to work

Profile of our panel of experts

Dr. Joaquin Poundja,
Psychologist, Outpatient clinic for
depressive and suicidal disorders, Montréal
West Island IUHSSC, Douglas Mental Health
University Institute

Joaquin Poundja first completed a doctorate in psychology from the Université de Montréal. His research, conducted at the Douglas Mental Health University Institute, focused on trauma and post-traumatic stress disorder. He has since mainly worked as a clinical psychologist and has been serving as a psychologist at the Douglas Mental Health University Institute, in the depressive and suicidal disorders program. His clinical interests include trauma, anxiety and depression, as well as underlying relational issues.

[Learn more](#)

Dr. Étienne St-Jean, Canada Research Chair on Entrepreneurial Career at the Université du Québec at Trois-Rivières

Étienne St-Jean, Ph.D. holds the Canada Research Chair on Entrepreneurial Career at the University of Quebec at Trois-Rivières (UQTR). He is a full professor at the same university and a regular member of the Research Institute on SMEs. He is responsible for Quebec with the Global Entrepreneurship Monitor, the largest survey on the attitudes, aspirations and entrepreneurial activities of citizens of several countries. His work focuses on entrepreneurship and the entrepreneurial intention, training, coaching and development of entrepreneurs through mentoring, entrepreneurship as a specific career and psychological health of entrepreneurs.

[Learn more](#)

Michael DeVenney, President and Founder, WorkInsights and The Mindset Project

Michael DeVenney is an entrepreneur as well as living with complex PTSD, making entrepreneurial mental health personal. He is a Chartered Financial Analyst as well as having a background in strategy and organizational performance. After his own depression forced him to sell two businesses he had started, he founded The Mindset Project to research and develop solutions centered on leaders, decision-making, and overall mental well-being, with eight published articles on the work. Following the insights from the research, he founded WorkInsights, a business analytics company that assesses the impact of the working environment on the capacity for innovation and growth, while maintaining a healthy experience for people.

[Learn more](#)

Data and methodology

This report is based on the results of an online survey of business owners and business decision-makers from the AskingCanadians (Delvinia) panel.

The survey was conducted amongst 500 respondents from August 20 to September 1, 2020. Results were weighted by region and number of employees to be representative of the Canadian SME population. Respondents included men and women of

various backgrounds and ages operating businesses across sectors and at various levels of maturity. Data processing was performed by both Delvinia and BDC's Research and Market Intelligence team.

To help us better understand the results of our survey, the data was shared with a panel of expert who contextualized the results based on their expertise.

In January 2019, BDC collaborated with the Canadian Mental Health

Association (CMHA) to conduct a similar survey among business owners. We made the decision not to compare the results of these two surveys for methodological reasons. Specifically, the two samples were constructed differently (snowball method in 2019 and use of an online panel for the current survey). Therefore, we could not assert beyond a doubt that differences were due to an evolution of the situation rather than to these methodological changes.

The maximum margin of error is ± 4.4 percentage points, 19 times out of 20. As this survey is based on a non-probability sample, these numbers should be interpreted with caution.



Find mental health and well-being support

We are going through unprecedented and unsettling times. It is more important than ever before to take care of your health and that of your loved ones. We've gathered a list of services on mental health and well-being to help you find support.

➤ Visit [bdc.ca/wellbeing](https://www.bdc.ca/wellbeing)

Thank you to our partners for helping us create and validate this report



For more information

info@bdc.ca

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