



Study May 2021

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 multi-phase survey of 500 Canadian business owners. The first survey was conducted from August 20 to September 1, 2020; the second was conducted from November 3 to 17, 2020; the third and latest was conducted from March 1 to 12, 2021. These surveys aim to shine light on the current mental health of Canadian entrepreneurs through each new wave 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 generously 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.

Overall, satisfaction with one's mental health¹ slightly increased compared to last fall. Those in businesses that did not suspend their activities and are still operating are more likely to say they are satisfied with their mental health once per week or more.

¹Those who felt satisfied once per week or more.

Entrepreneurs are feeling:

More in control

↑ 13% since Nov '20



Less depressed

↓ 7% since Nov '20



Less tired

↓ 3% since Nov '20



56%

of entrepreneurs want a better work/life balance.

47%

of entrepreneurs deal with mental health issues in their personal lives by taking time out/going for a walk as well as exercising. 31% report talking to someone.

Good news: Some mental health challenge scores have decreased significantly since November.

- Mental health challenges are more present among younger entrepreneurs and SMEs, and those whose businesses have not recovered.
- One in ten respondents said that at least once a week, they wish to seek support from a mental health professional, a significantly lower score than last fall.

Compared to November, the proportion of fully operating businesses has increased significantly.

- When it comes to operating their business, reasons to worry have remained consistent with those stated in the previous waves.
- 45% reported their top worry is generating enough revenue to make a profit.



Main results

Respondents are more optimistic compared to November 2020.

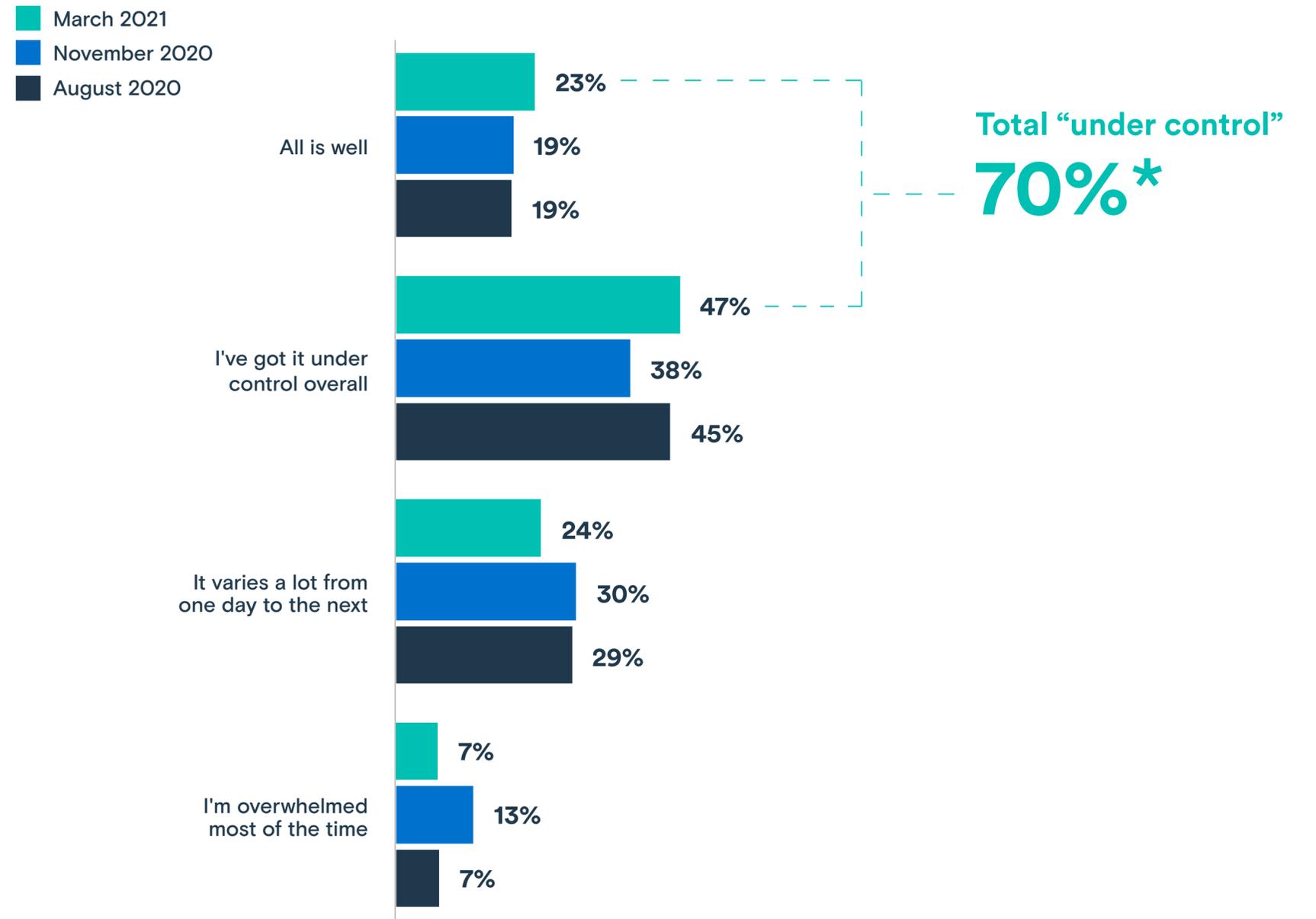
A significantly higher proportion say they are in control overall and a lower proportion say they are overwhelmed or that it varies a lot.

Difficulties adjusting to the COVID-19 context

Businesses in the public services sector as well as those that have partially or not resumed their activities are significantly less optimistic.

Figure 1

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



Base: All respondents (n=506). Those who preferred not to answer were excluded from the calculation base. Arrows indicate statistically significant differences between March 2021 and November 2020. * The result was rounded up to 70%.

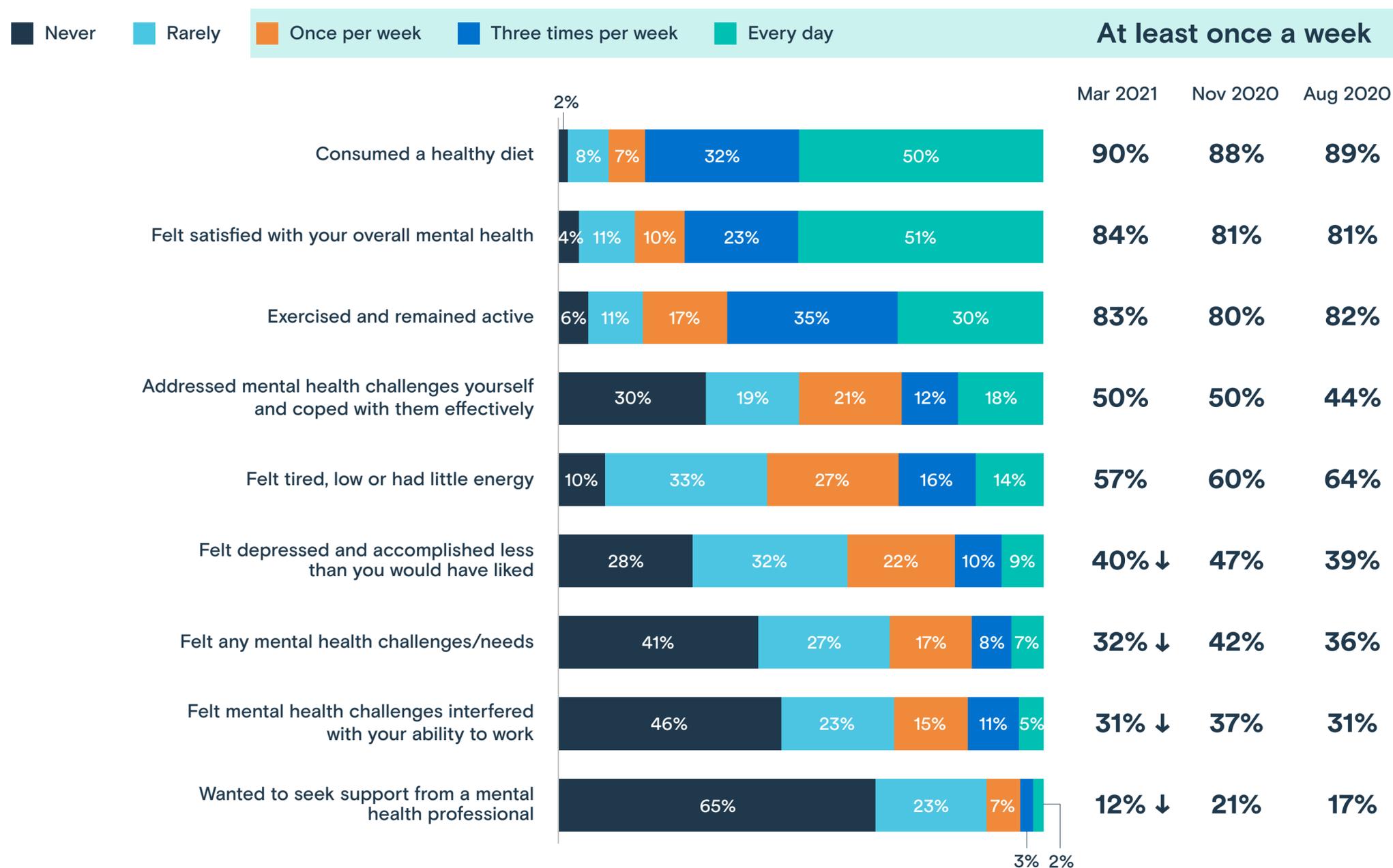
Overall, mental health indicator scores remain stable compared to those of the last two waves.

Quebec respondents score significantly lower on these indicators compared to other regions.

Most mental health challenge scores have decreased significantly, which is good news, but they are higher among younger respondents and SMEs, and those whose businesses have not recovered.

Figure 2

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



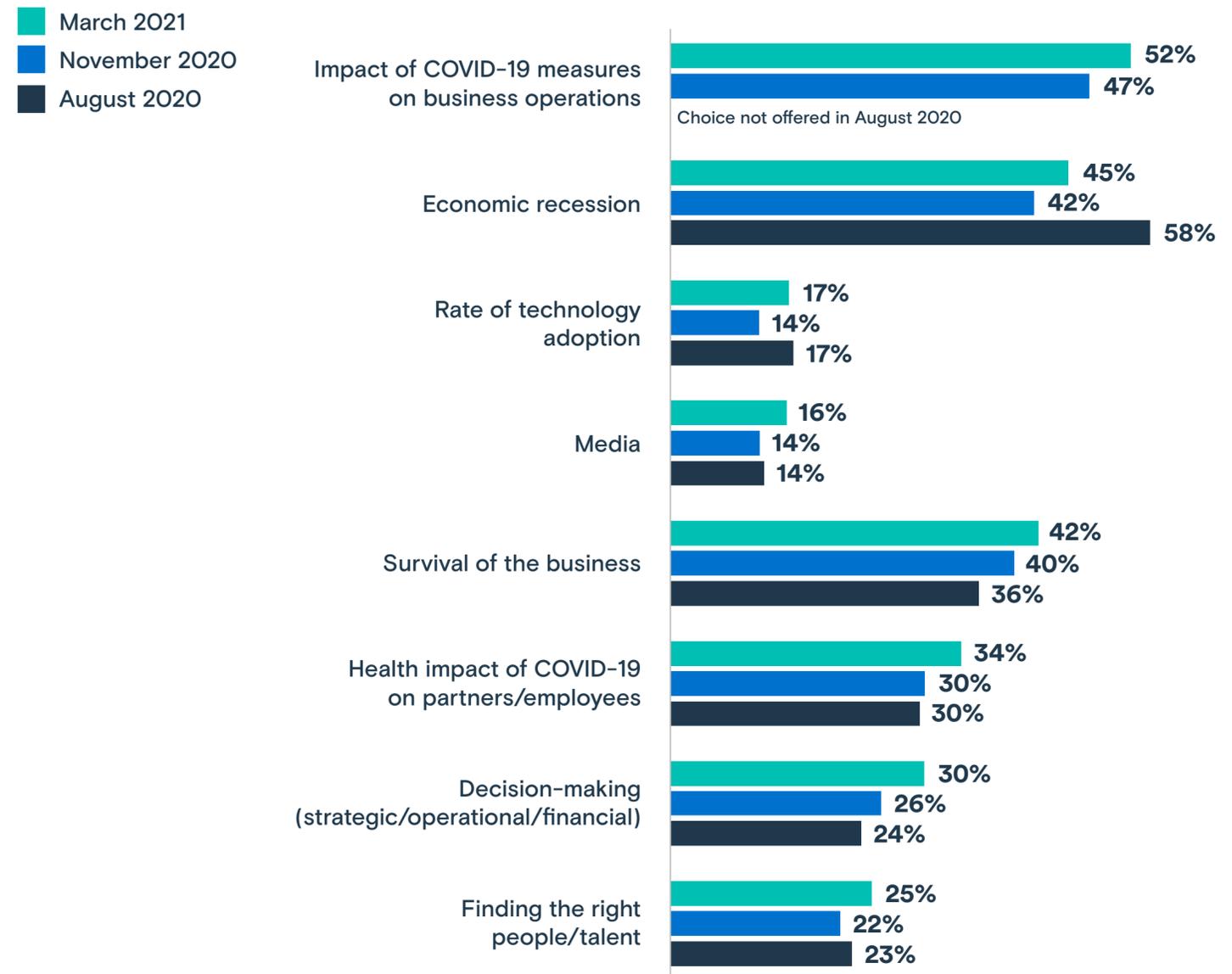
Base: All respondents (n=507). Arrows indicate statistically significant differences between March 2021 and November 2020.

The situation remains very stressful, with external and operational factors putting the most strain on entrepreneurs.

The impact of COVID measures on operations is still a major source of stress.

Figure 3a

Which of the following are sources of stress for you as an entrepreneur?



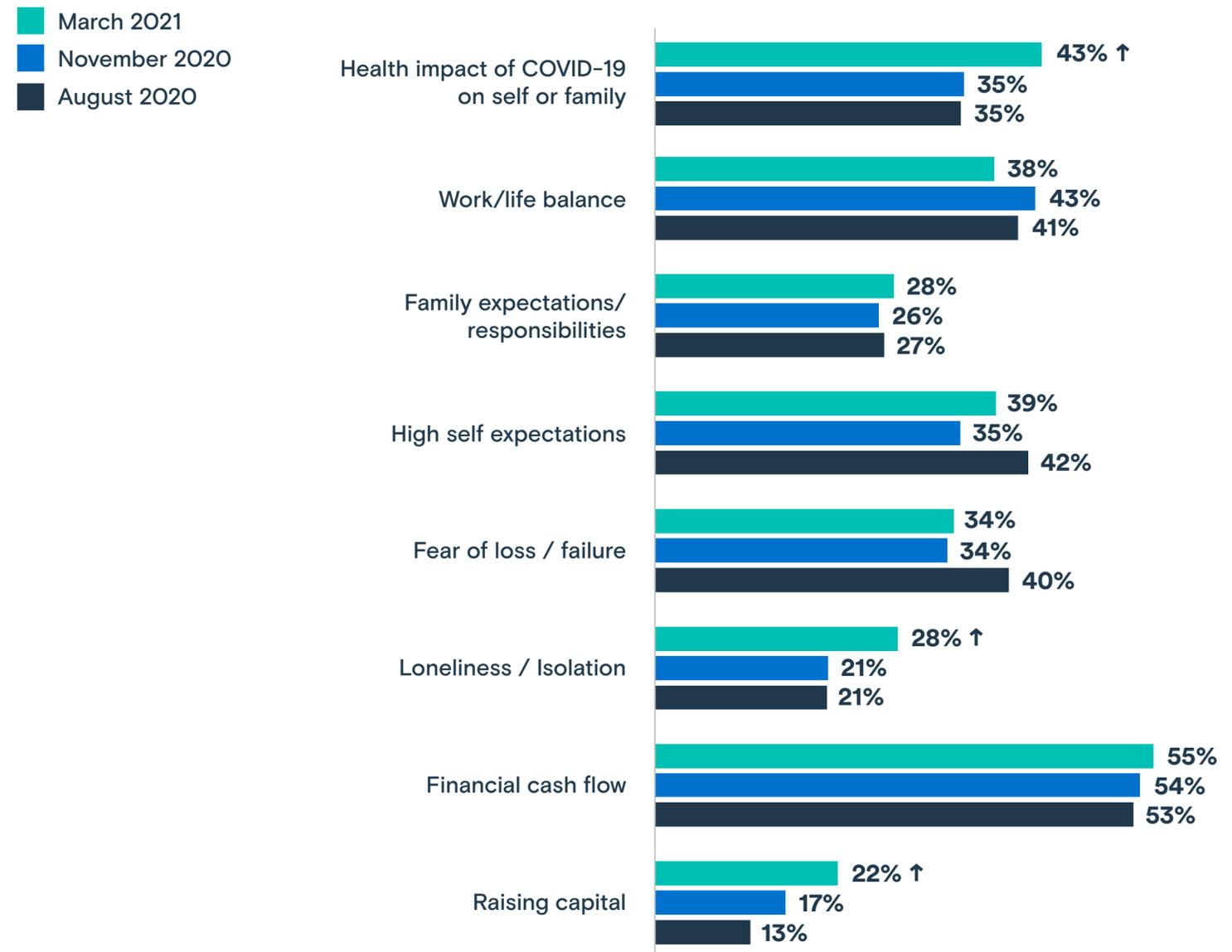
Base: All respondents (n=507). Multiple answers were allowed, therefore total may not equal to 100%.

Financial cash flow is – for the third time – the most often mentioned source of stress.

Results are significantly higher for health impact of COVID, loneliness and raising capital vs. last wave.

Figure 3b

Which of the following are sources of stress for you as an entrepreneur?

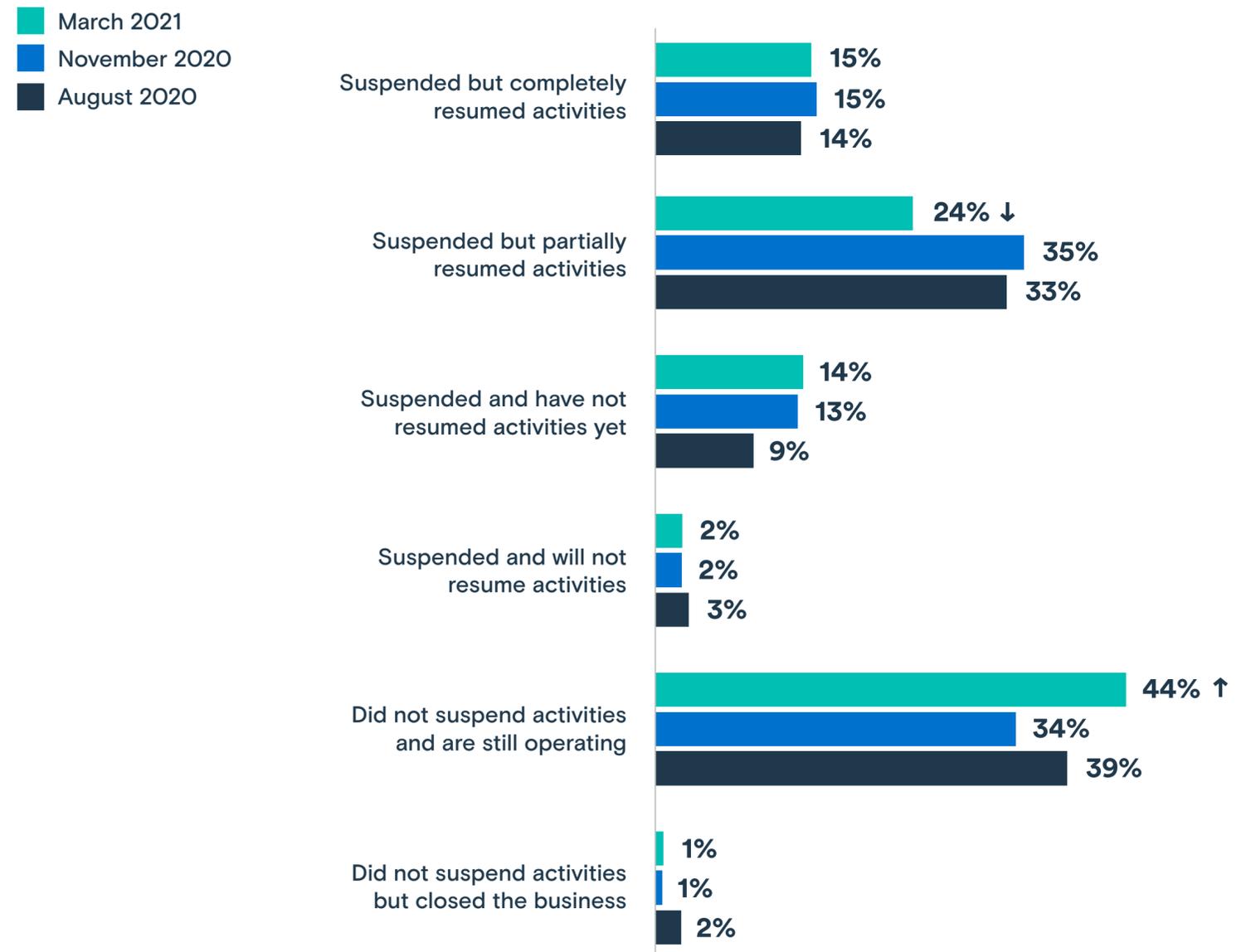


Base: All respondents (n=507). Multiple answers were allowed, therefore total may not equal to 100%. Arrows indicate statistically significant differences between March 2021 and November 2020.

The reported proportion of businesses whose operations were suspended because of the COVID crisis decreased compared to November.

Figure 4

Thinking specifically of the COVID-19 crisis, did your company have to suspend its activities?



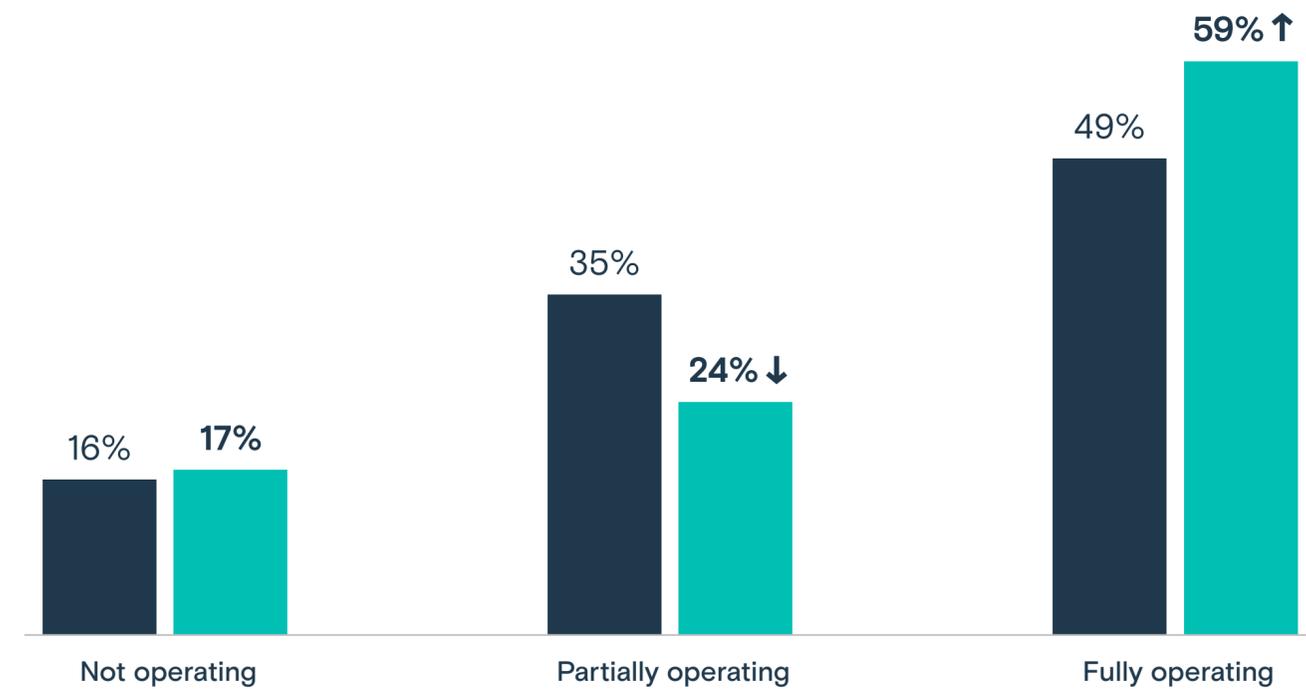
Base: All respondents (n=507). Those who preferred not to answer were excluded from the calculation base. Arrows indicate statistically significant differences between March 2021 and November 2020.

A significantly higher proportion of businesses are now fully operational compared to November 2020.

Figure 5

Thinking specifically of the COVID-19 crisis, did your company have to suspend its activities?

■ November 2020
■ March 2021

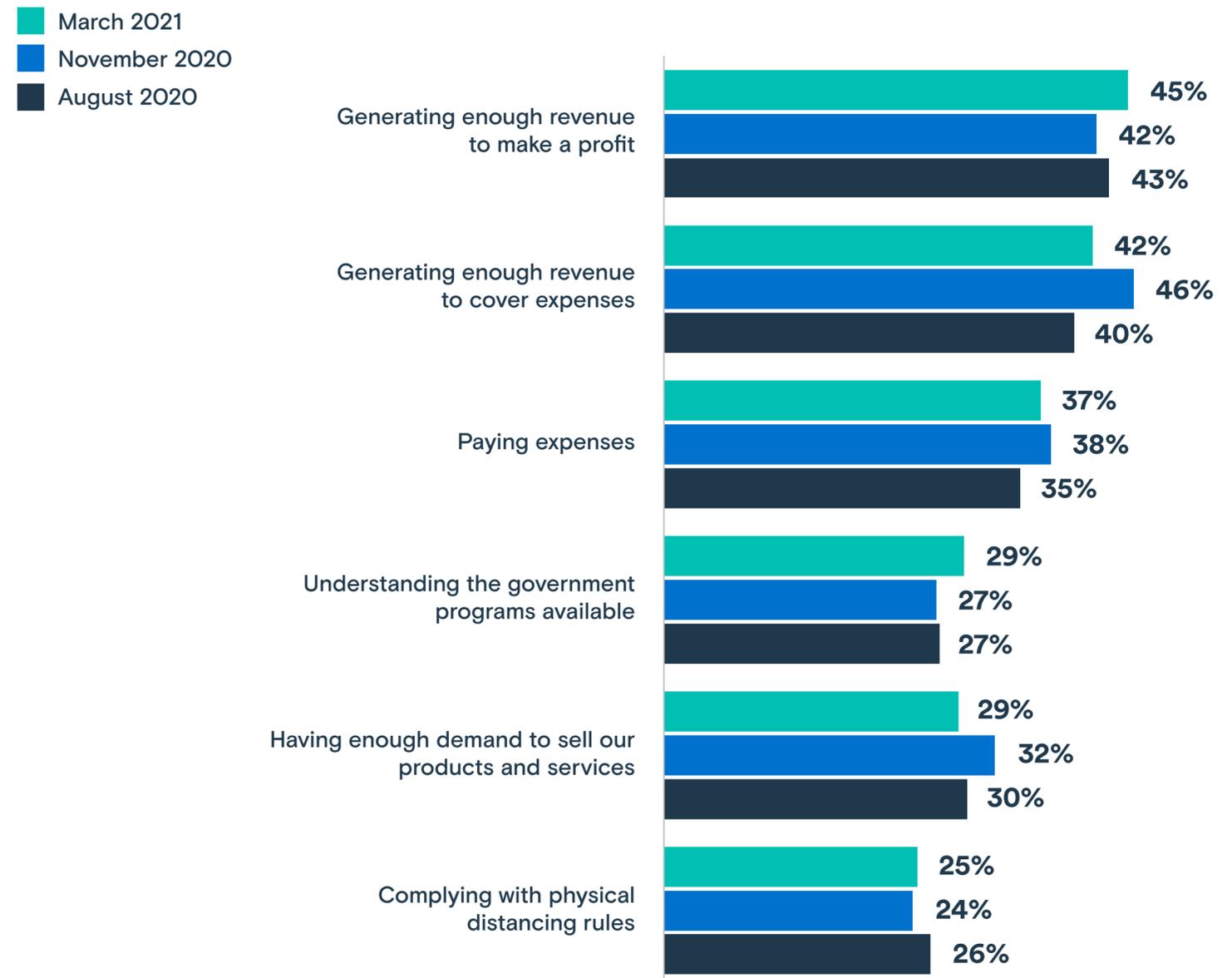


Base: All respondents (n=507). Those who preferred not to answer were excluded from the calculation base.

Generating enough revenue, paying expenses, understanding government programs and having sufficient demand remain the greatest worries for entrepreneurs when it comes to their business.

Figure 6

Thinking of the challenges of operating a business in the context of the COVID-19 crisis, which of the following are you the most worried about?

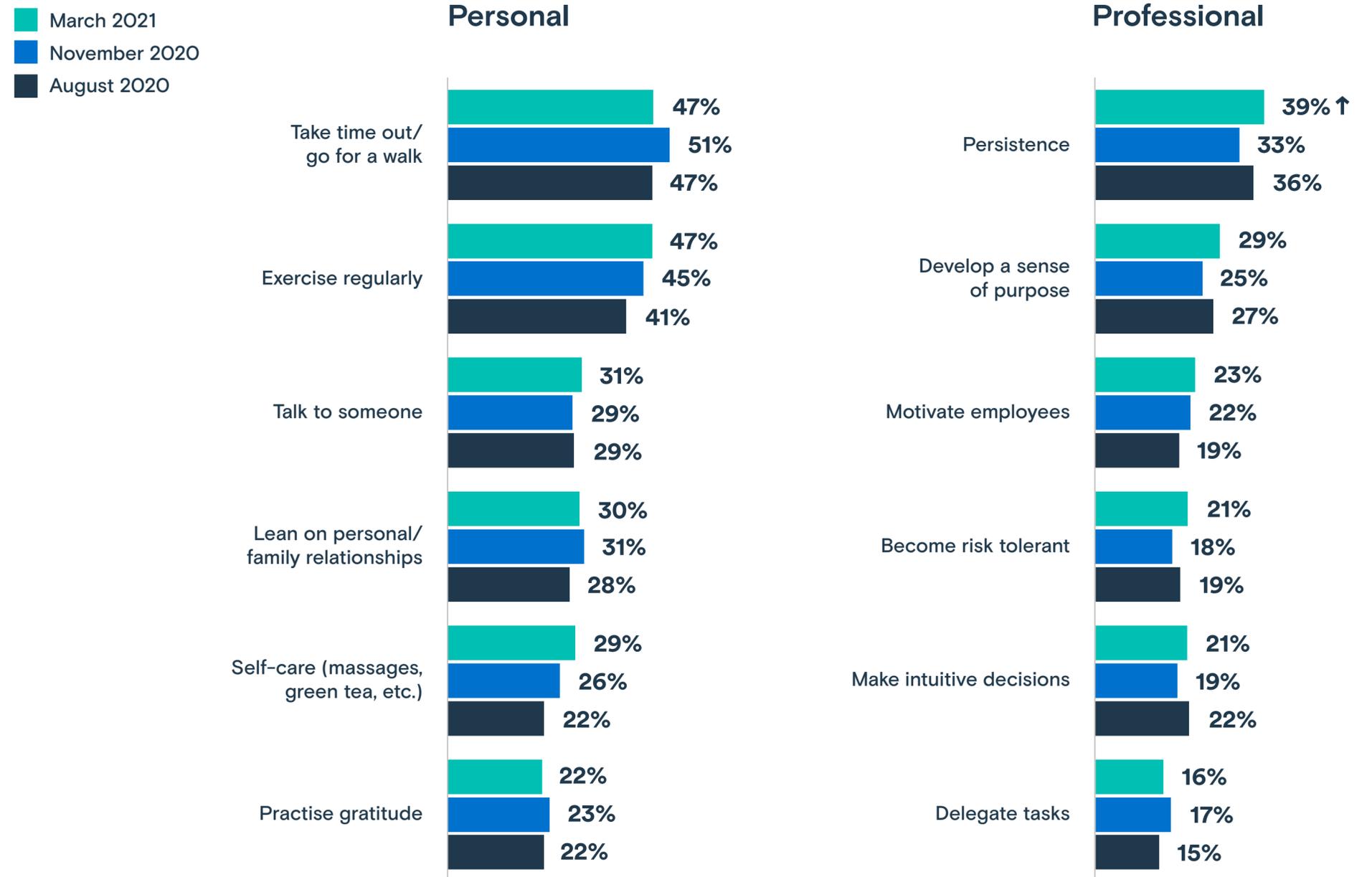


Base: All respondents (n=500). Those who did not know were excluded from the calculation base. Multiple answers were allowed, therefore total may not equal to 100%.

For the third time, physical activity is the most frequent means used for dealing with mental health issues on the personal side, and persistence is most often mentioned one on the professional side.

Figure 7

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



Base: All respondents (n=507). Multiple answers were allowed, therefore total may not equal to 100%. Arrows indicate statistically significant differences between March 2021 and November 2020.

Work/life balance

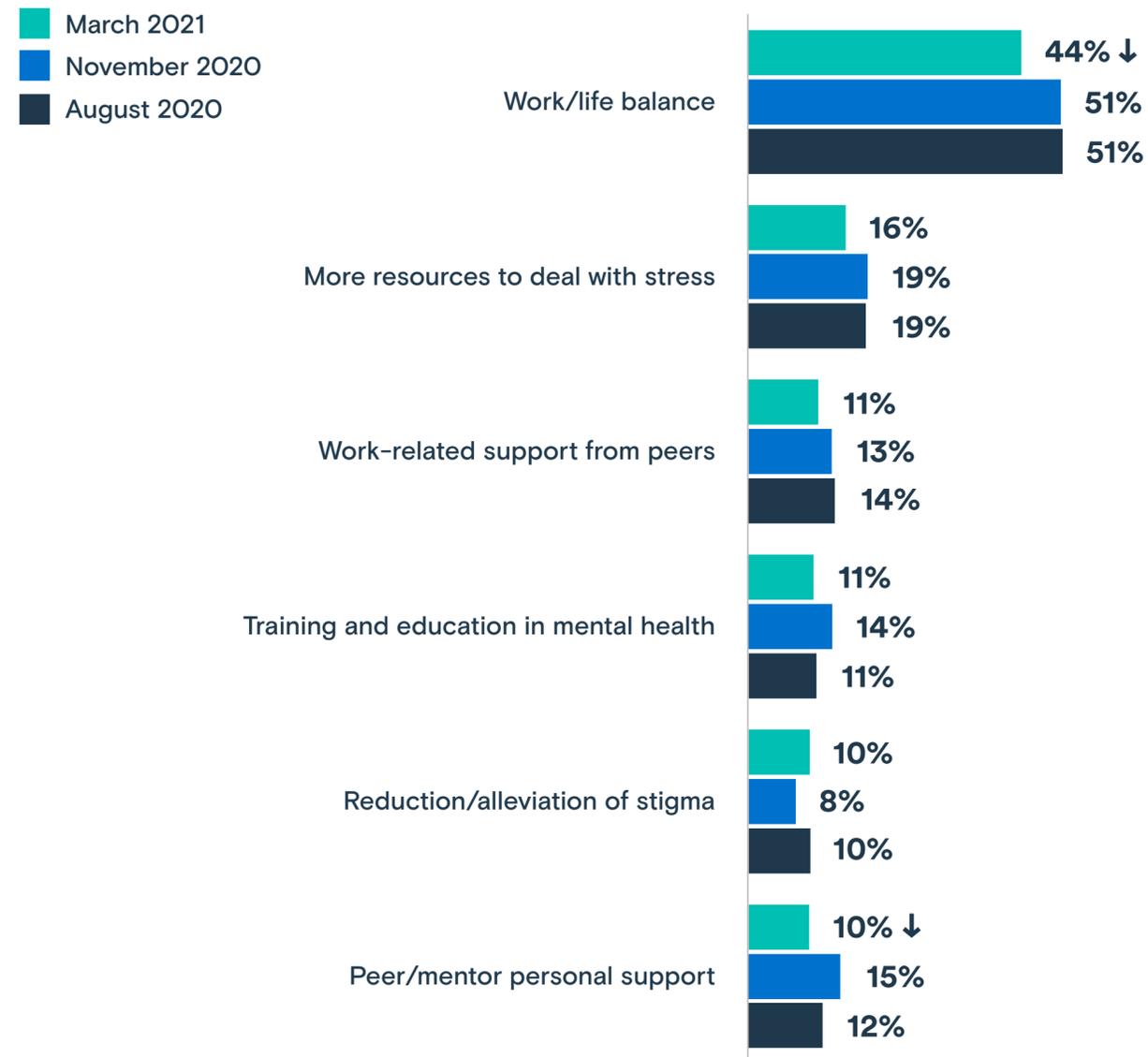
Although work-life balance is mentioned significantly less, it remains the most in-demand measure, followed distantly by additional resources to manage stress.

B.C. and North respondents, those who have difficulties adjusting to the situation from one day to the next, those with 5 to 19 employees, diversity group members and those who feel depressed or tired are more likely to say they need a better work/life balance.

Conversely, respondents from Quebec were less likely to select this option.

Figure 8

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



Base: All respondents (n=507). Multiple answers were allowed, therefore total may not equal to 100%. Arrows indicate statistically significant differences between March 2021 and November 2020.

Insights from our panel of experts

The results reflect the circumstances of the pandemic

The data gathered in the third phase of the mental study suggests that entrepreneurs are overall more satisfied with mental health, with 70% reporting that they feel more in control, a rise from 57% last November. The panel of experts noted the yo-yo effect of the pandemic on mental health. As COVID cases rise and fall, so do the mental health and mindset of entrepreneurs.

“The results are strongly correlated to the incidence of new cases in

Canada. March 2021 corresponds with the end of the second wave, so it’s a much more encouraging situation with respect to the progression of the pandemic,” says Professor Étienne St-Jean, Canada Research Chair on Entrepreneurial Career at the Université du Québec at Trois-Rivières.

Coping strategies are good but need diversification

The top coping mechanisms entrepreneurs report using in their personal life are getting outside (47%) and exercising (47%). Dr. Joaquin

Poundja, Psychologist at the Douglas Mental Health University Institute, says that while he is pleased by the prevalence of physical activity, which helps minimize the fluctuations in mental health, he also encourages entrepreneurs to get more diverse coping strategies. “Only 31% of the entrepreneurs have talked to someone as a coping strategy, which remains too low. Talking to others, networking, seeking social support, these are all important during a pandemic,” says Dr. Poundja.

Mental health challenge scores are improving

According to the experts' analysis, between the first and third wave, more entrepreneurs have moved from questioning if their business can survive at all to focusing on the on-going concerns of how to keep their business going.

“Research shows that there are four characteristics that can cause a stress response: lack of control, unpredictability, novelty of experience and threat to the self-esteem. The novelty factor might have become less of a stress factor throughout the duration of the pandemic,” says Dr. Poundja.

Although mental health challenge scores have decreased significantly, it is still concerning that one third respondents reported that, at least once a week, they felt tired and had little energy, felt depressed and

accomplished less than planned, and felt mental health challenges interfered with their ability to work.

“Entrepreneurs are masters at hiding their low energy levels and yet worry constantly,” says Michael DeVenney, President and Founder, WorkInsights and the Mindset Project. “The impact of the pandemic on operations and surviving are still high.”

Work-life balance still a source of worry

For the third time, financial cash flow came first as the most mentioned source of stress, followed by the impact of COVID on business operations and its health effects on self and family.

Members of the panel are concerned that 51% of respondents listed work-life balance as their most desired measure for supporting mental

health. This could be a sign that entrepreneurs are having trouble maintaining boundaries between work and time-off, and they are using the distraction of their business to mask anxiety and worries about mental health.

“The results remind me of an iceberg—there’s what you see on top, and what lies beneath,” says DeVenney. “I think the real problem lies underneath the waterline—what is beneath the surface—worries, loneliness, and continuing strain.”

The experts emphasize that entrepreneurs must stay aware of their mental health and ensure they are taking the necessary time off business duties to take care of themselves. By not talking about it or acknowledging the issue, they risk going down the path towards more serious consequences.



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

Survey methodology

Online tracking survey.

Respondent profile

Business owners and business decision-makers from the AskingCanadians (Delvinia) panel.

Survey dates

- Wave 1: August 20 to September 1, 2020
- Wave 2: November 3 to 17, 2020
- Wave 3: March 1 to 12, 2021

Margin of error

For a probability sample of 507 respondents, the maximum margin of error is ± 4.4 percentage points, 19 times out of 20. However, as this survey is based on a non-probability sample, this information is provided for reference only.

Data processing and analysis

Were performed by BDC's Research and Market Intelligence team.

Weighting factors

Results were weighted by region and number of employees to be representative of the Canadian SME population (not the Canadian SME-owner population).

Comparison of results

The results of this survey wave are compared with those of the previous wave. Statistically significant differences are indicated with arrows. If there are no arrows, the results are within the margin of error, and therefore, differences 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



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