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SOCIAL RESPONSIBILITY

Why Social Entrepreneurs Are So Burned Out

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Can entrepreneurs help address the society’s biggest challenges — without burning out?

These are pressing questions. According to Deloitte, private businesses are increasingly expected to help solve the most challenging social problems of our times — health, poverty, and the promotion of sustainable development — in the absence of, or in conjunction with, government action. And many are eager to step into this role: the consultancy’s recent survey of more than 11,000 business and HR leaders worldwide found that almost 80% say “citizenship and social impact” is very important or important today.
But is it reasonable to expect a for-profit enterprise, and its employees, to address large-scale social problems? Helping those most in need and running a commercially viable business at the same time can create conflicting of goals. Our research, which explores how this conflict manifests itself in the lives of entrepreneurs working within for-profit companies, provides the first robust evidence that it can have serious repercussions for their health and wellbeing.

We based our study on original longitudinal survey data gathered from employees and entrepreneurs in the United Kingdom. We recruited 1,388 respondents from among 3,525 employees selected randomly from a representative database of the British working age population — a response rate of 39%. This sample was made up of 25% entrepreneurs and 75% employees. Our research focused on the entrepreneur subsample, and we collected over three waves of survey data from this group administered at two-month intervals. We asked questions about prosocial motivation and the desire to help others to gauge the extent to which individual entrepreneurs had such tendencies and interests. We also asked about their ability to control and cope with important things in their lives, and whether they ever felt that difficulties were piling up so high that they could not overcome them. We analyzed the data using statistical techniques that allowed us to identify the causal structure of how the pursuit of social objectives causes stress and ultimately affects health and wellbeing.

Our analysis revealed that, generally, stress is a significant problem for social entrepreneurs. When trying to achieve commercial goals and give back to the community at the same time, these entrepreneurs are likely to overload themselves with too many responsibilities and, consequently, deplete their personal resources. The cost of resource depletion can include reduced time with family and poor sleep quality.

However, we found that social entrepreneurs who enjoy a high degree of autonomy at work are less inclined to experience the same levels of stress. When these entrepreneurs can organize their business so they have control over how, where, and when they help others, they are better able to manage any work overload and stress levels. This autonomy is critical for entrepreneurs to create social impact without their mental and physical health plummeting, but is absent in the lives of many in our study. Specifically, new or smaller enterprises often find themselves dependent on a single client whose organizational procedures dictate when, where, and how entrepreneurs work.

The big question is: Can we help all social entrepreneurs safeguard their autonomy and reduce their stress levels to a manageable level? And how? The answer is important because, even as we recognize the importance of social enterprises in today’s business world, we might be be encouraging entrepreneurs to jeopardize their health.

While our research doesn’t yet explore which specific interventions might be most helpful for preventing burnout, we do know that leaders promoting social entrepreneurship initiatives within should be aware of possible adverse personal consequences for their employees. They should also help entrepreneurs organize their work to permit personal autonomy whenever possible. Social enterprises cannot continue to deliver sustainable impacts if the people running them are exhausted.
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