

Psychological techniques with proper discussion on entrepreneur's strategies to avoid stressful situations

Debajyoti Sarkar

Research Scholar, Department of Commerce Rajiv Gandhi University, Arunachal Pradesh, India

Abstract

The key responsibility of entrepreneurs is to build a successful business due to which the symptoms of mental stress can be seen in them. Entrepreneurs have to go through with a tremendous pressure for dealing with the entire business, therefore, they have to adapt entrepreneurial traits that include certain psychological capacity such as being optimistic, having full of self-efficacy. Primary quantitative data collection is found to be effective for the concerned research article by applying survey analysis through SPSS software. The result has shown that psychological techniques are not that important for entrepreneurs and also the stresses cannot affect severely the entrepreneurs as they have to stay strong and optimistic. However, innovation and advanced technologies are significant for entrepreneurs to have. Entrepreneurs have to learn how to handle stresses in terms of any problems that arise in different parts of the businesses as it is a basic thing for today's entrepreneurs. Entrepreneurs must have innovative skills behind their business ideas and strategies. Also, they must include advanced technologies in different business processes so that they can achieve success in the business.

Keywords: Entrepreneurship, Stressful situations of entrepreneurs, Psychological techniques

Introduction

Stress in an entrepreneur is discovered to be distinct from other stresses such as stress of employees or stress of a manager in the organization. It is because creating a business from scratch is much more difficult than handling office work (Arijs and Michiels, 2021). Entrepreneurs have to be highly active and effective as they have to cover and manage each and every part of their own businesses such as handling financial matters, dealing with sales issues, managing human resources, focusing on the scaling of the business, maintaining the work overload, and etcetera.

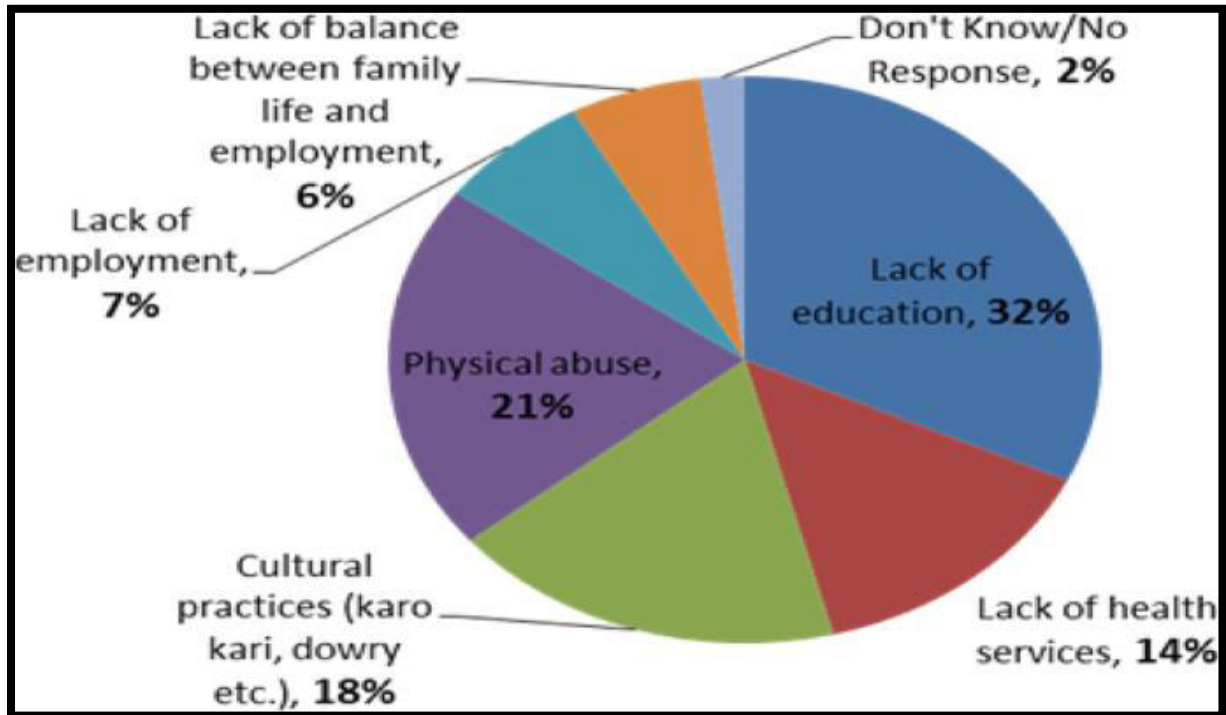


Figure 1: The factors and anxieties affecting a woman entrepreneur
(Source: Noor, et al.2021)

From the above-mentioned figure, a gender difference can be seen in the context of difference in society (Nooret al.2021). It is seen that a women entrepreneur deals with many negative stresses and anxieties such as poor health, balancing between family and business, and etcetera in Indian society.

The aim of the concerned research article is to identify the psychological techniques that entrepreneurs face so that they can overcome stressful situations.

Based on the research aim, the objectives of the research are presented below:

- RO 1: To identify the stressful situations for entrepreneurs
- RO 2: To recognize the impact of stressful situations on the entrepreneurs
- RO 3: To evaluate the psychological techniques that can help entrepreneurs to overcome the stressful situations
- RO 4: To analyze the effectiveness and benefits of those psychological techniques

The questions for the research are built based on the objectives that are stated in the following:

- RQ 1: What are the possible stressful situations that entrepreneurs face?
- RQ 2: What are the effects of those stressful situations gone through by entrepreneurs?
- RQ 3: What are the potential psychological techniques that entrepreneurs can adopt to get on top of stressful incidents?
- RQ 4: What are the advantages of stressful situations in reducing the stress of entrepreneurs?

Literature Review

Sources of stressful situations faced by entrepreneurs

Scaling the business accordingly is one of the difficult situations that an entrepreneur has to face. They also face trouble maintaining the business at the level it is currently at (Kipkosgei, 2022). On the other hand, the tremendous pressure of responsibilities, to handle and manage everything on their own can give entrepreneurs severe stress and anxiety (Ahmed et al. 2022). They not only handle the business operation, but they also have to deal with their responsibilities towards employees, suppliers, stakeholders, employees, and most importantly their families.

Psychological techniques adopted by entrepreneurs

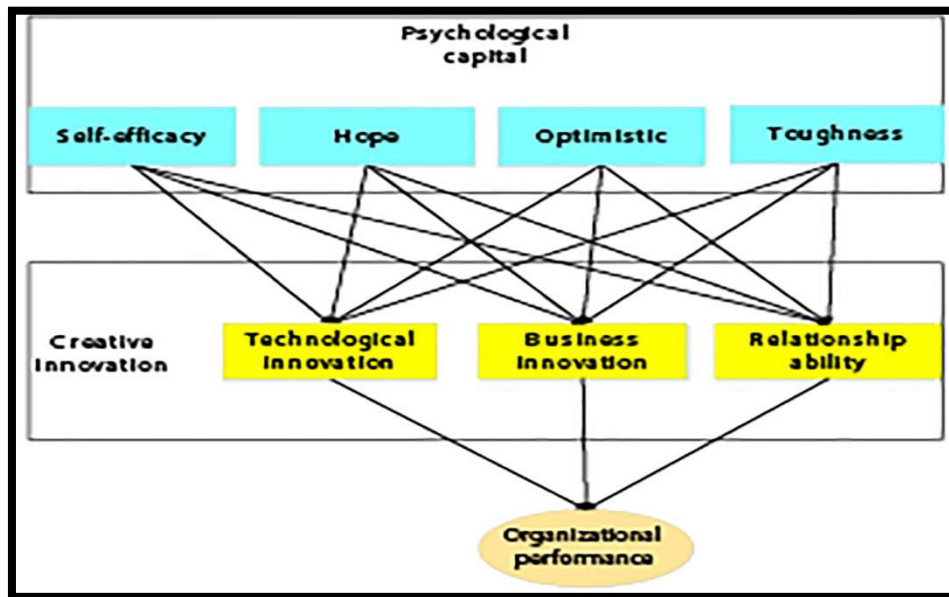


Figure 2: Psychological capital of an entrepreneur

(Source: Maslakci *et al.* (2021))

The above-provided figure shows the basic capacity of entrepreneurs in the context of their psychology and mindset (Maslakci *et al.* 2021). Following this, to explain the given figure, it can be stated that being hopeful means having a positive outlook towards the situation. Hence, when sales issues hit entrepreneurs due to the loss of a certain group of consumers, entrepreneurs have to remain positive to strive for other opportunities for catering to new segments of consumers and gaining those consumers back.

On the other hand, it is necessary for entrepreneurs to have self-efficacy and toughness is significantly relevant. Self-efficacy is about having confidence in own capacity to get through a rough situation such as handling the business when the market is down (Wach *et al.* 2021). Being confident is the basic and most important requirement of becoming an entrepreneur as not believing in one's own capacity can affect their confidence. Additionally, then entrepreneurs might not be able to begin their own start-ups. In this difficult situation, to get over the issue, entrepreneurs have to be tough and it is a must-have skill for them (Arijs and Michiels, 2021). If they do not handle situations with roughness and toughness, their work would not get done.

Psychological Entrepreneurship Theory

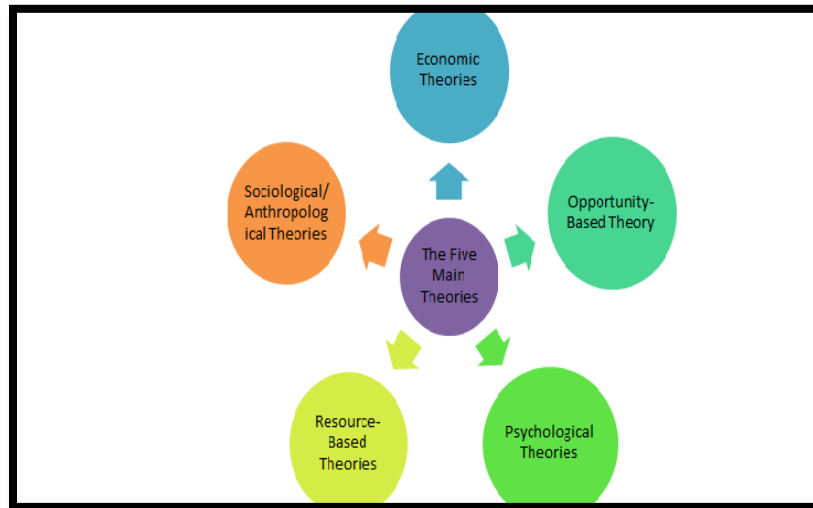


Figure 3: Psychological Entrepreneur Theory, one of the main theories of Entrepreneurship
(Source: Nicolaou et al. (2019))

There are many theories available on entrepreneurship that is given in the above-presented figure; the psychological entrepreneurship theory is one of the most significant theories of all (Nicolaou et al. 2019). Psychological theories consist of three sections that are built based on the basic distinctive characteristics of an entrepreneur (Frese & Gielnik, 2014). One of the sections is the locus of control, the connection and integrity of the internal and external locus of control of an entrepreneur would bring out the entrepreneurial success of the individual (Okhomina, 2010).

Additionally, the locus of control would provide the required strength to the entrepreneurs to stay calm during any stressful situations and overcome any obstacles strategically (Sánchez, 2013). Following this, the second section is personality traits theory which focuses on the inborn natural qualities of an individual. Recognizing and nurturing these qualities make the individual a successful entrepreneur (Ucbasaran et al. 2013). Also, the theory of need for achievement reflects that entrepreneurs are driven by hunger and indeed for making their ideas into successful businesses (Unger et al. 2011). This mental strength and desire to be successful eventually make them succeed.

Methodology

The concerned research article has been carried out through the use of a primary data collection process with the quantitative method that brings the survey method of data collection (Sánchez, 2011). Hence, quantitative primary data collection refers to the research analysis where the data can be measured through a numeric scale (Baum et al. 2014). Moreover, 57 people have taken as a sample to conduct the quantitative research (Baron et al. 2016). Also, the Statistical Package for Social Sciences (SPSS) software has been taken into consideration to analyze the complex quantitative information of this research article.

Findings

Findings and Analysis

DV: Entrepreneurs

IV1: Psychological techniques

IV2: Stressful situations

IV3: Innovation and technology

Hypothesis testing

Hypothesis 1

H1: Strategically applying psychological techniques is beneficial for entrepreneurs to gain achievement in the businesses

H0: Psychological techniques are not much of a help for the entrepreneurs

Hypothesis 2

H1: Stressful situations tremendously affect the entrepreneurs

H0: Stressful situations cannot impact the entrepreneurs

Hypothesis 3

H1: Innovation and technology are one of the most significant entrepreneurial factors that entrepreneurs must have

H0: Innovation and technology are not the important entrepreneurial aspects for entrepreneurs.

Demographic data

Age

	Frequenc y	Percent	Valid Percent	Cumulative Percent
Above 60	6	10.5	10.5	10.5
Between 15- 30	13	22.8	22.8	33.3
Valid Between 30- 45	16	28.1	28.1	61.4
Between 45- 60	22	38.6	38.6	100.0
Total	57	100.0	100.0	

Table 1: Age analysis

(Source: SPSS)

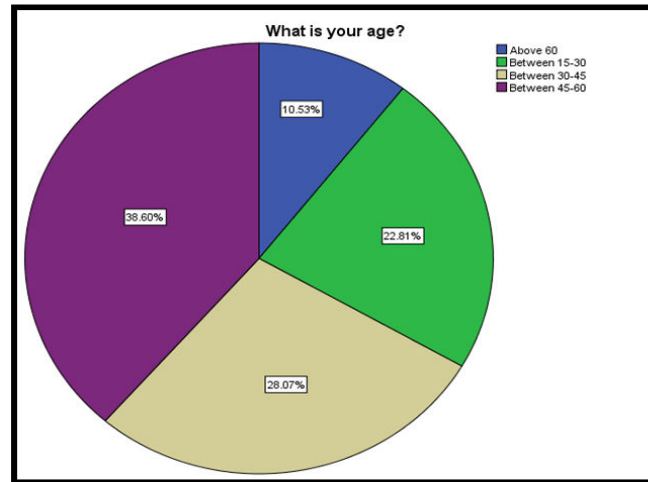


Figure 4: Age analysis
(Source: SPSS)

From the above-presented graphical representation, it is seen that the age group that responds most is between 45 and 60 (38.60%) as it is evident aged people with experience in doing and managing businesses plan to start their own businesses at this time.

Gender

	Frequenc y	Percent	Valid Percent	Cumulative Percent
Man	18	31.6	31.6	31.6
Transgender	10	17.5	17.5	49.1
Woman	29	50.9	50.9	100.0
Total	57	100.0	100.0	

Table 2: Gender analysis (Source: SPSS)

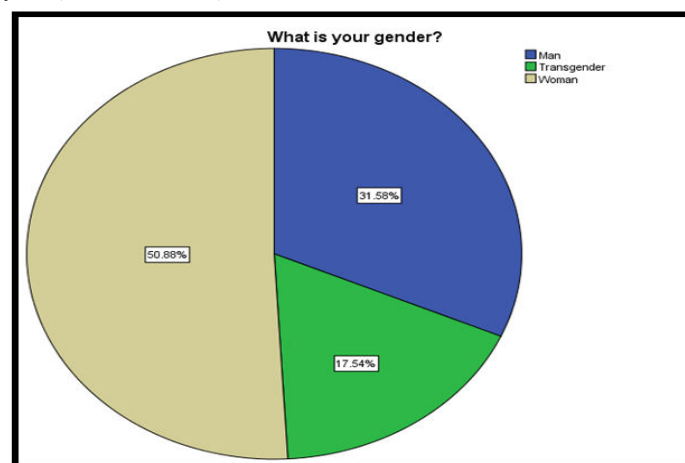


Figure 5: Gender analysis
(Source: SPSS)

In India, the number of women entrepreneurs is increasing. The woman respondents were 50.88%, male respondents were 31.58%, and the percentage of transgender respondents was 17.54%.

Monthly income



What is your monthly income?

	Frequency	Percent	Valid Percent	Cumulative Percent
Above 60,000	18	31.6	31.6	31.6
Between 25,000-45,000	22	38.6	38.6	70.2
Between 45,000-60,000	17	29.8	29.8	100.0
Total	57	100.0	100.0	

Table 3: Analysis of monthly income (Source: SPSS)

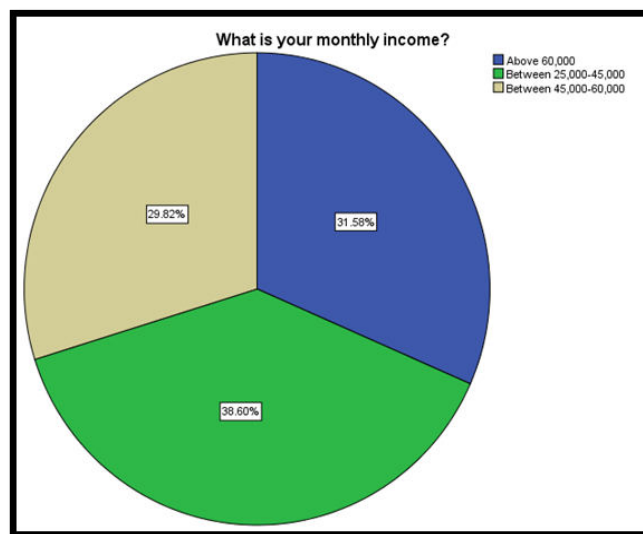


Figure 6: Analysis of income (Source: SPSS)

The monthly income range represented the range between 25,000 and 45,000 was 38.60% and respondents who earn between 45,000 to 60,000 were 29.82%. Also, 31.58% earn above 60,000.

Descriptive analysis

Hypothesis 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.168 ^a	.028	.011	.88201	.028	1.604	1	55	.211	1.246

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1.248	1	1.248	1.604	.211 ^b
1 Residual	42.787	55	.778		
Total	44.035	56			

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.331	.718		7.426	.000
	IV1	.084	.067	.168	1.267	.211

From the aforementioned regression linear analysis, it has shown that IV of psychological analysis has less impact on entrepreneurs (DV). The ANNOVA and Coefficient table both are showing the significance value less than 0.05 supporting the results.

Hypothesis 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.010 ^a	.000	-.018	.89474	.000	.005	1	55	.942	1.275

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	.004	1	.004	.005	.942 ^b
1 Residual	44.031	55	.801		
Total	44.035	56			

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	6.204	.344		18.022	.000
1 IV2	.004	.058	.010	.073	.942

From the above-presented analysis, it is stated that stressful situations (IV) do not impact tremendously on the DV (entrepreneurs). The ANNOVA and Coefficient table both are showing the significance value more than 0.05 that is 0.942 supporting the results.

Hypothesis 3

Model Summary^a										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.384 ^a	.148	.132	.82606	.148	9.532	1	55	.003	1.702

ANOVA^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.504	1	6.504	9.532	.003 ^b
	Residual	37.531	55	.682		
	Total	44.035	56			

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.169	.638		12.802	.000
	IV3	-.157	.051	-.384	-3.087	.003

It is evident from the given regression analysis that innovation and technology (IV) have more impact on entrepreneurs. The ANNOVA and Coefficient table both are showing the significance value less than 0.05 supporting the results.

Discussion

The concerned research article is based on the impact of psychological techniques on the stressful situation faced by entrepreneurs, based on the result of hypothesis 1. The result shows that psychological techniques are not severely beneficial for entrepreneurs to gain success (Rudolph et al. 2017). However, it can be mentioned that entrepreneurs can use certain techniques to be effective during any stressful situation (Rauch & Hulsink, 2015). They motivate themselves which eases the process of success (Baer et al. 2012). Also, it is proven that stressful incidents cannot tremendously affect entrepreneurs as they cannot get stopped by small obstacles to building their businesses (Karimi et al. 2016). On the other hand, the inclusion of innovation and technological development is tremendously significant and required for

entrepreneurs in this contemporary era of business. Changing the product positioning or representing different aspects of the product in the advertisements might be a possible situation in this regard to attain the focus of the target consumers (Kuratko et al. 2021). The aforementioned strategy and its implementation can only be done by them if they do not lose their calm in these types of situations and try to stay optimistic to derive a positive consequence.

Conclusion

Stressful situations are part and parcel of an entrepreneur at every step of building their startup ideas, to carry out their business. They must have innovation and creativity with other psychological skills. Also, they should apply a few psychological techniques to overcome their obstacles so that they do not lose their internal and external locus of control and gain success in the business.

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