

**MENTAL
HEALTH
AT WORK**

+

SB

Simply Business



The mental health of small businesses owners and the self-employed

Research Summary

Introduction

Self-employed people and micro-business owners often get overlooked when workplace interventions to support mental health are developed. While the Government's Spring Statement included some measures to support small- and medium-sized businesses, industry experts worry that not enough support is available for those who work for themselves or run businesses that employ fewer than 10 people. And as there is often no HR, line managers or even colleagues to turn to, this group are left on their own when facing poor mental health.

Mental Health at Work, a programme curated by Mind, the mental health charity, has partnered with Simply Business – one of the UK's largest business insurers – to create a growing collection of resources to support small business owners and self-employed people. To kick off the partnership, 749 self-employed people and small business owners were surveyed on their mental health. The survey uncovered the extent and causes of poor mental health amongst this community and contributes key insight to potential recommendations for how to support them to thrive.

The survey paints a worrying picture: over half of those who participated experienced poor mental health in the last 12 months, and almost a half struggled with sleep. 1 in 3 small business owners reported working more than 46 hours a week, while three quarters admitted to taking fewer than 20 days of annual leave.

Sadly, mental health stigma is still prevalent

with almost a half of micro-business owners reporting that they wouldn't seek support from colleagues or peers, and almost three quarters unwilling to disclose poor mental health to their clients.

It is encouraging that more than a half have an understanding of the tools and techniques that they can use to support their own mental health, while almost three quarters would be able to recognise the signs of poor mental health in a colleague.

However, only 1 in 10 (10%) of those surveyed think that the Government is doing enough to support the mental health of micro-business owners and the self-employed. The survey reveals that this community could be helped by introducing measures such as statutory sick pay for the self-employed, while respondents were also calling for new online resources to support themselves to take proactive steps to manage their own mental health.

There are almost 1.2 micro-businesses in the UK, employing over 4 million people. In addition, there are further 4 million businesses with no employees. This represents 22% and almost 74% respectively of the total UK business population¹. It is both economically as well as morally imperative that the needs of this important, yet vulnerable sector are identified, and measures put in place to support their wellbeing. [Mental Health at Work](#) and [Simply Business's](#) partnership project aims to do just this through a combination of first and secondary source research focused on those with lived experience of mental health problems that will inform the creation of supportive online content and advice. The project will then take on a wider multi-stakeholder approach by developing a set of considered recommendations for Government to address the complex needs of this community.



Key findings

The survey found that over 1 in 2 (56%) of micro-business owners have experienced poor mental health in the last 12 months. Overall, almost two fifths (38%) of those surveyed say that running their own small business has a somewhat or very negative impact on their mental health.

A range of issues were found to be contributing to the poor mental health of this group:

- **Stress (64%)**
- **Anxiety (60%)**
- **Financial worries (49%)**
- **Insomnia/trouble sleeping (45%)**
- **Depression (39%)**
- **Burnout (33%)**
- **Isolation and loneliness (22%)**

The survey revealed that there are specific aspects of running a business that have a negative effect on small business owners' wellbeing. Financial worries such as irregular income, increasing costs and debt have been identified as having the most negative impact on the wellbeing of 2 out of 5 (41%) small business owners, while 15% are worried about being unable to take a holiday and almost 1 in 10 are worried about the future of their business.

Other issues include: lack of networks or support, not enough time for admin, competition with other businesses, the ability to take care of employees, not getting paid on time and difficulty in striking a good work/life balance. Only 1 in 5 (20%) feel that running a business doesn't have a negative impact on their mental health or that it has a positive impact.



I had to take on additional freelance work to keep money coming in which gave me less time to relax. I had to do my own accounting which is a major stressor as I didn't have enough income to pay someone else.

– Quote from survey respondent



Mental health stigma

Unfortunately, there is still a lot of stigma attached to mental health problems amongst this community. Almost a half (45%) of micro-business owners would be unlikely or very unlikely to seek support from colleagues or peers, while almost three quarters (72%) would be unlikely or very unlikely to disclose poor mental health to their clients at work.

Conversely, 52% of staff surveyed in Mind's 2021/22 [Workplace Wellbeing Index Insight report²](#) felt confident they would be supported by their manager when experiencing poor mental health while working at their current employer. 35% responded that they would feel uncomfortable disclosing poor mental health to their employer.

Less than a third (29%)

of self-employed and micro-business owners agree that their sector encourages openness and discussion about mental health, while a third (30%) disagrees with this statement.

This compares starkly to 66% of employees who feel their organisation encourages openness and discussion about mental health.

While more than 2 in 5 (41%) of surveyed self-employed people and micro-business owners would feel comfortable taking time off for their mental health, another 40% wouldn't. 1 in 2 (50%) of those surveyed wouldn't feel comfortable disclosing poor mental health as a reason for absence or a delay meeting deadlines.

When looking at employees however, 28% feel comfortable disclosing poor mental health to their employer while of those who experienced poor mental health, 30% have taken time off because of it. Of these, 31% said it was for a reason other than mental health.

This indicates the additional negative pressures that the self-employed and micro-business owners feel subject to. The concealment of suffering like this can result in increased stress and cognitive load, with those in this position feeling unable to reach out for vital support.

Only 1 in 5 (20%)

feel that running a business doesn't have a negative impact on their mental health or that it has a positive impact.



I left a stressful job to run my business.

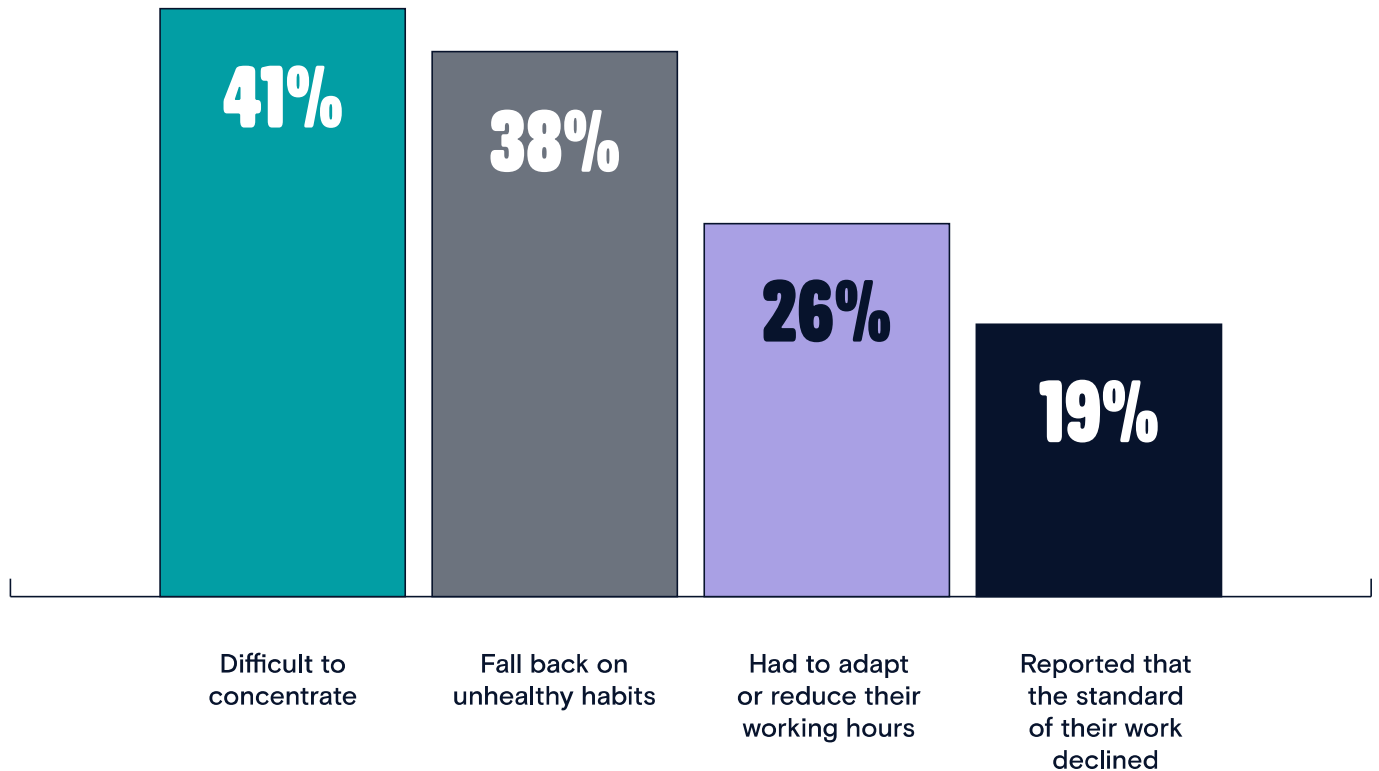
– Quote from survey respondent



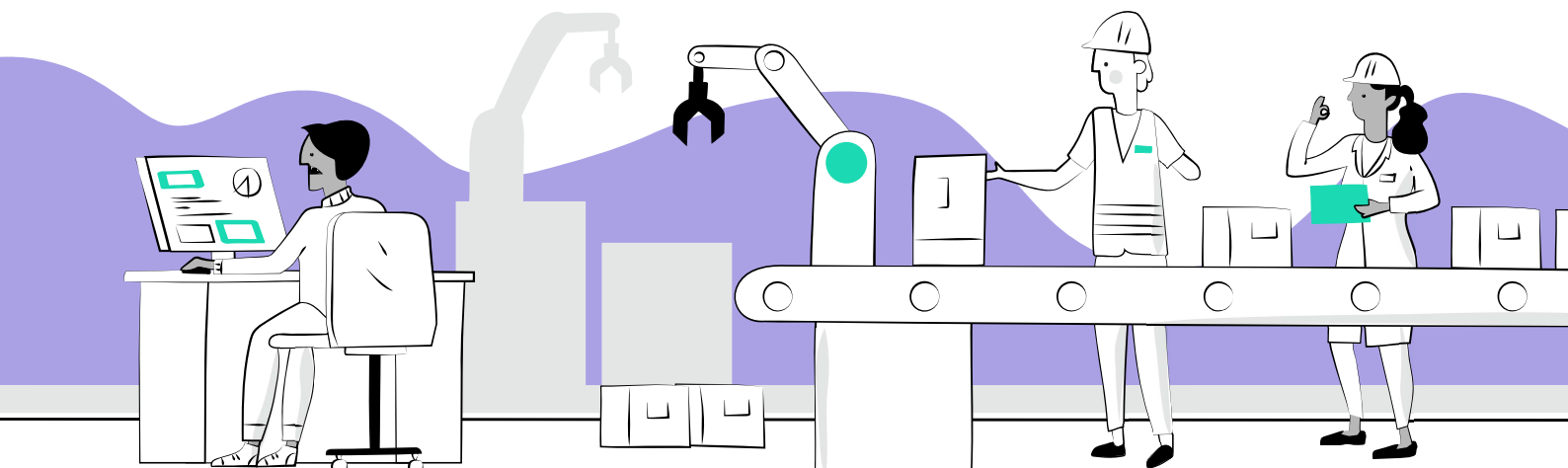
Many people become self-employed in order to exert greater control over their working lives and improve their work-life balance. Unfortunately, only 25% of self-employed respondents ranked their mental health as good according to Mental Health of Freelancers and the Self-Employed in a 2022 annual survey by Leapers³. This compares to a figure of 60% of employees who stated that they were generally happy at work, as uncovered in Mind's 2021/22 [Workplace Wellbeing Index Insight report](#)².

Impact of poor mental health

The most reported negative effects



Because of poor mental health, 2 in 5 of those surveyed find it difficult to concentrate (41%) and fall back on unhealthy habits (38%) such as smoking, drinking or eating unhealthily. Over a quarter (26%) have had to adapt or reduce their working hours, while just under a fifth (19%) of those surveyed reported that the standard of their work declined. According to Mind's 2021/22 [Workplace Wellbeing Index Insight report²](#), this compares to 69% of employees finding it difficult to concentrate, 47% falling back on unhealthy habits, 30% taking time off because of poor mental health and 40% reporting that the standard of their work as declining.



Working hours and time off

Almost three-quarters (74%) took under 20 days of annual leave on average in the last 5 years, which is significantly less than the national entitlement. Out of those, 1 in 10 (10%) took only up to 3 days a year off.

When experiencing poor mental health, more than two thirds of those surveyed (68%) don't tend to take time off or always/often go to work.



Family members complain over my work hours.

– Quote from survey respondent



Survey results show that the majority of self-employed people and micro-business owners tend to work longer hours and take less time off than employed workers, even when experiencing poor mental health.

33% of those surveyed worked more than 46 hours per week which is 10 hours more than the average working hours worked by employed workers (36.4 hours, according to ONS data)⁴. This compares to a figure of 17% of staff reporting working 50 or more hours a week according to Mind's 2021/22 [Workplace Wellbeing Index Insight report](#)².

Almost three-quarters (74%)

of self-employed and micro-business owners reported taking under 20 days of annual leave on average in the last five years, which is significantly less than the national entitlement.

Out of those, 1 in 10 (10%) took only up to three days a year off. When experiencing poor mental health, more than two thirds of those self-employed or micro-business owners surveyed (68%) state that they didn't tend to take time off or always/often went to work. This compares to a figure of 30% of employees who have taken time off because of poor mental health as disclosed in Mind's 2021/22 [Workplace Wellbeing Index Insight report](#)².

In the short-term, long hours might seem manageable, but sustained pressure and a poor work-life balance can quickly lead to stress and burnout. At its worst, this can go on to cause depression and withdrawal from both work and social situations. At its least, reduced productivity, performance, creativity, and morale are commonly experienced.

Sleep

“ Experiencing poor mental health affects my physical health too. ”

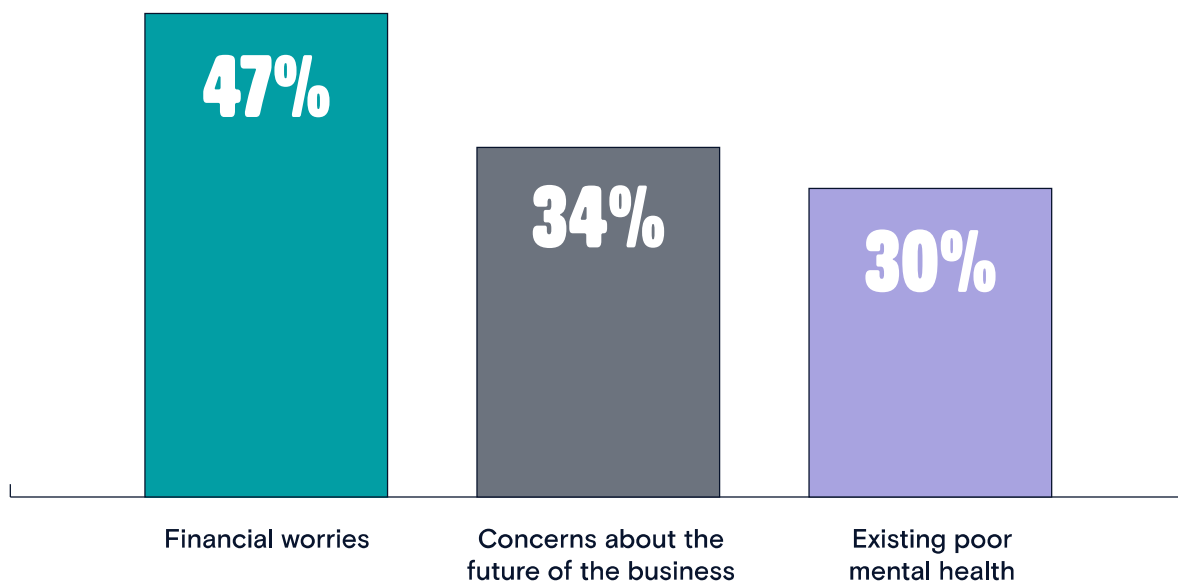
– Quote from survey respondent

While almost a half (45%) of micro-business owners and self-employed people have trouble sleeping or suffer from insomnia, a third (32%) get less than five hours of sleep at night.

This, in turn, has the following impact:

- **Almost a half (49%) find it difficult to concentrate**
- **Two fifths take longer to complete tasks (42%) or put off challenging tasks (37%)**
- **Almost a third (28%) fall back on unhealthy habits (smoking, drinking or bad diet)**
- **For almost a quarter (24%) their work standards drop**
- **Others make more mistakes at work, must reduce their hours, are more likely to get into conflict, or become unable to work**

Reported causes of poor sleep



The main causes of poor sleep for almost a half (47%) of those surveyed are financial worries, followed by concerns about the future of the business for a third (34%) and existing poor mental health (30%). Other causes include concerns over not spending enough time with family and friends, employees, menopause, caring responsibilities and deadlines.

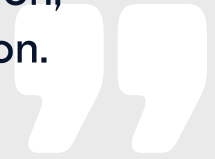
It is important to note that there is a close relationship between sleep and mental health. Living with a mental health problem can affect how well you sleep, and poor sleep can have a negative impact on your mental health⁵.

Discrimination



I have experienced homophobic discrimination, and witnessed racial and sexual discrimination.

– Quote from survey respondent

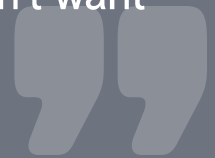


More than a third (35%) either experienced and/or witnessed some form of discrimination (when a person or particular group of people is treated in a worse way than other people because of their race, gender, sexuality or another characteristic). This, in turn, impacted negatively on the mental health of 1 in 2 who witnessed and/or experienced discrimination.



I was discriminated to a point I had to start my own business. When I started my own business, the discrimination did not stop. Some clients don't want to work with a black owned business.

– Quote from survey respondent

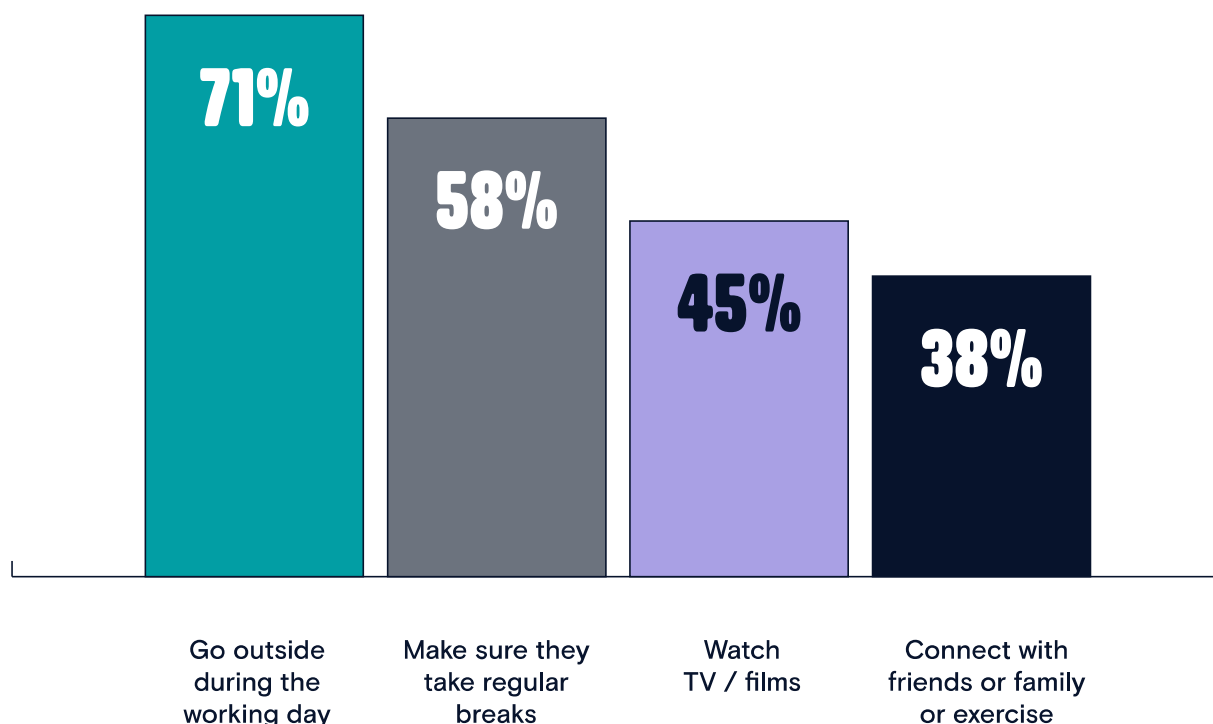


Research suggests that experiences of discrimination can contribute to specific mental health problems, such as anxiety disorders, depression, psychosis, and suicidal feelings. There is an overwhelming need to create diverse and inclusive workplace cultures that are free of systemic racism, prejudice, and discrimination.

Looking after their own mental health

Micro-business owners and the self-employed use a range of strategies to look after their mental wellbeing and avoid work-related stress:

Most commonly used tactics to support mental health



- **More than two thirds (71%) go outside during the working day/spend time in nature**
- **More than a half (58%) make sure they take regular breaks, including for meals**
- **Almost a half (45%) watch TV/films**
- **Almost 2 in 5 (38%) connect with friends or family or exercise (36%)**
- **Other strategies include: getting enough sleep, reading, learning new things, gardening, mindfulness and meditation and art and crafts**

These findings highlight the importance of promoting effective coping techniques and positive mental health practices that can concretely support the wellbeing of micro-business owners and the self-employed. [Mental Health at Work](#) and [Simply Business's](#) online support hubs are developed as a place to curate and share such best practices.

Topics of interest and resources

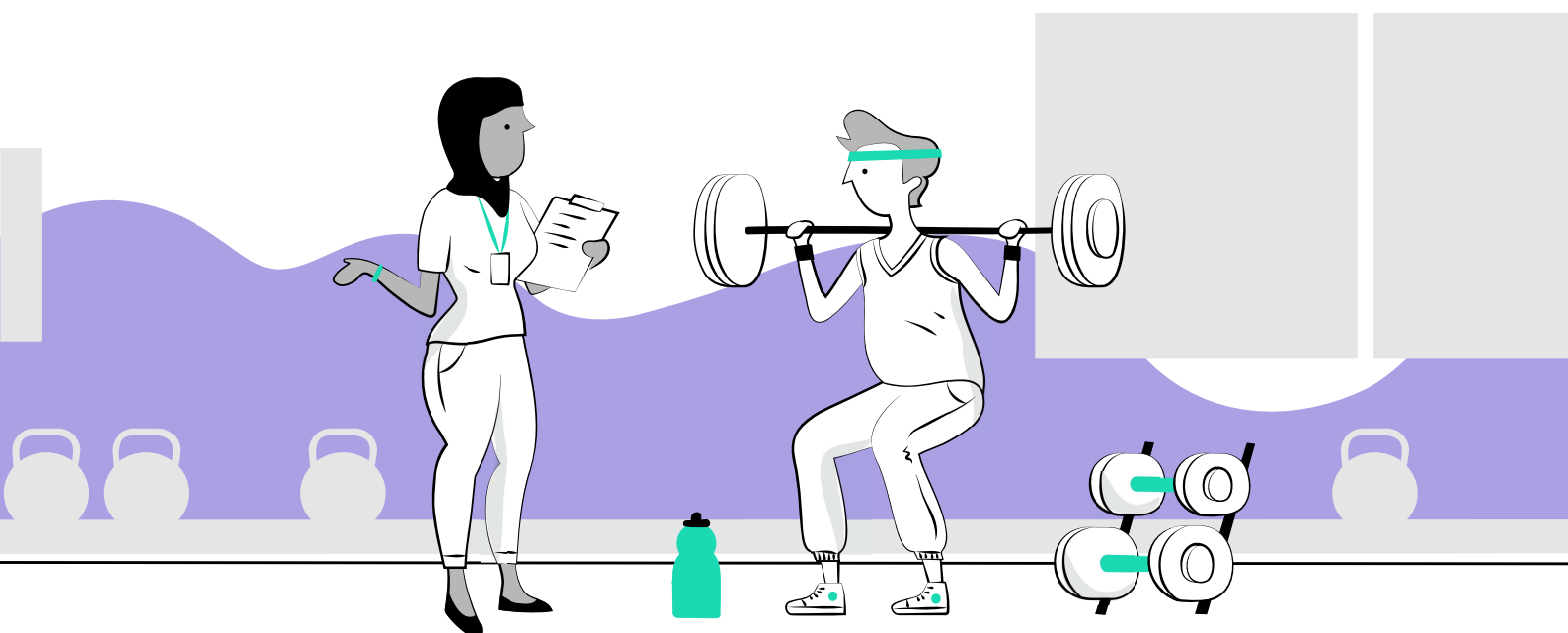
Half of the micro-business owners and self-employed people surveyed were interested in learning about stress management (53%) and improving their own mental health while running a business (50%). A fifth (20%) are interested in support groups and networks. Other topics mentioned include: learning how to meditate, improving sleep, how to maintain contact and support each other online and learning how to switch off.

I'd like to learn more about managing the stress of not having a fixed income, especially in a cost-of-living crisis.

– Quote from survey respondent

There's an appetite for a range of mental health resources and content among micro-business owners and the self-employed who were surveyed:

- **Two fifth (40%) would be interested in the stories and experiences of other micro-business owners**
- **A third (33%) would like guides and interviews with mental health experts and articles**
- **Just under a third (30%) would like downloadable toolkits**
- **A fifth would like videos (22%) and social medial posts (17%)**



Tools and access to resources

It is encouraging that more than a half of those surveyed (58%) have an understanding of the tools and techniques that they can use to support their own mental health and wellbeing and that almost three quarters (74%) feel confident that they would be able to recognise the signs that a colleague or peer may be experiencing poor mental health.

Just over a half (54%) feel comfortable accessing resources or signposting to mental health support. On the other hand, more than 1 in 10 (13%) don't. More than 1 in 10 (13%) still don't feel they have an understanding of the tools that they can use to support their own mental health.

By comparison, employees feel more supported. Mind's 2021/22 [Workplace Wellbeing Index Insight report²](#) found that 68% of employees feel they know how to look after their own mental health and wellbeing and that 67% feel confident that they would be able to recognise the signs that a colleague or peer may be experiencing poor mental health. 54% felt confident their manager would be able to spot the signs that someone is struggling with a mental health problem. 61% of staff felt that colleagues at their organisation had good awareness and knowledge of mental health with 47% reporting that their employer had built their understanding of how to look after their own mental health.

[Mental Health at Work's](#) self-employed and micro-business portal includes a growing collection of quality assured resources, advice and tools from leading organisations and professionals in the field of mental health.



Help from the Government



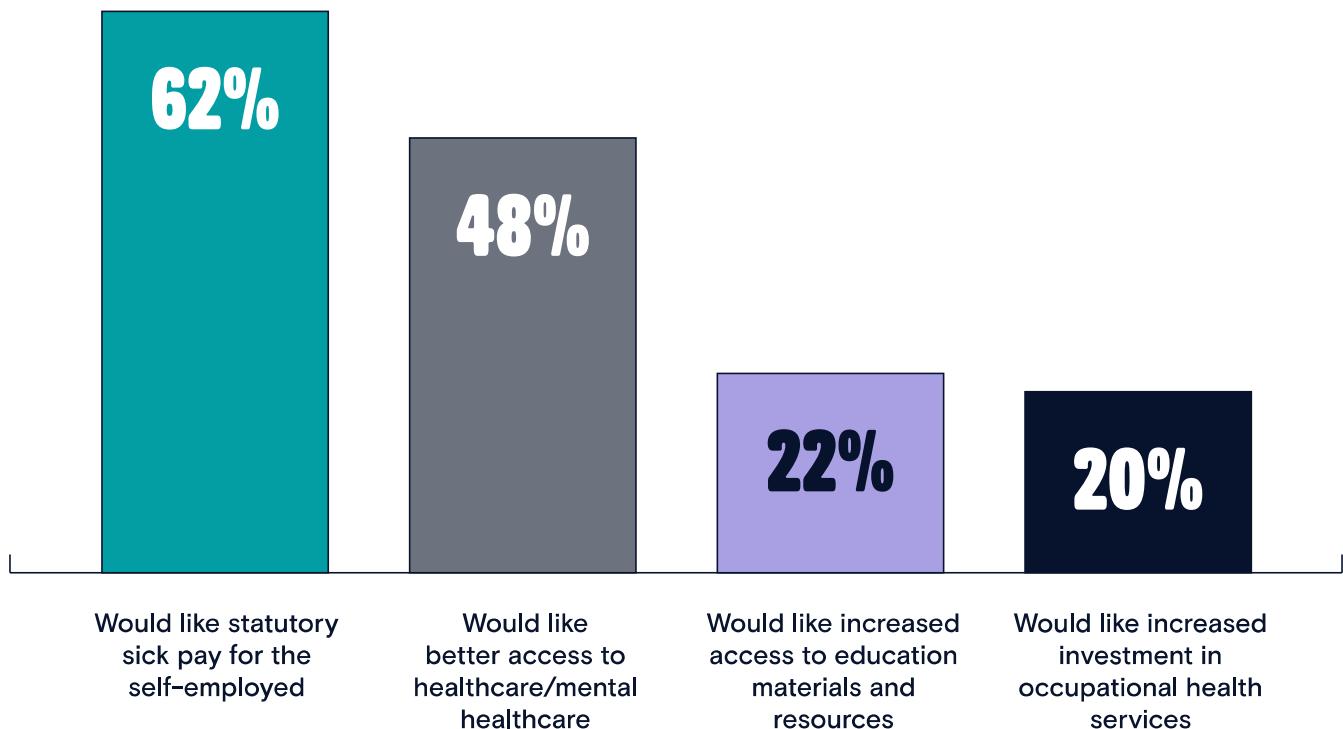
I'm fairly well-aware of most tools and techniques, I have no time for meetings. I have anxiety over very real financial instability from external factors that isn't going to be fixed except by improving the state of our society and economy (sic).



– Quote from survey respondent

There is lots to do to bring micro-business owners and the self-employed, particularly those with lived experience of mental health challenges, together with policy makers to truly affect change in way that is impactful and wide reaching.

Most requested Government actions



Our survey showed that 9 in 10 (90%) of those surveyed think that the Government does not do enough to support the mental health of micro-business owners. Out of those surveyed:

- **Almost two thirds (62%) would like statutory sick pay for self-employed people to be introduced**
- **Almost 1 in 2 (48%) would like better access to healthcare/mental health care**
- **More than 1 in 5 (22%) would like increased access to education materials and resources**
- **1 in 5 (20%) would like an increased investment in occupational health services**

Demographics

Gender

58.1% of those who answered the survey identified as male compared to 40.5% female. Only 0.1% identified as non-binary.

Ethnic background

At 91.5%, the vast majority of respondents signified that they were White or White British. Just 1.9% selected Mixed, 1.6% Black or Black British, 0.9% Asian or Asian British and 0.9% chose Other Ethnic Group.

Age

36.6% of respondents indicated that they were aged between 55 and 64, 28.8% were 45 to 54, 6% were 35 to 44, and 12.7% were over 65. Only 5.1% of those aged 25 to 34 responded, while 0.4% were aged 18 to 24.

Location

When looking at the geography of respondents, the breakdown was as follows:

- **Southeast – 16.8%**
- **Southwest – 15.2%**
- **Northwest – 10.2%**
- **London – 9.2%**
- **West Midlands – 9.0%**
- **East of England – 8.3%**
- **Yorkshire and the Humber – 8.3%**
- **Scotland – 7.5%**
- **East Midlands – 7.3%**
- **Wales – 4.4%**
- **Northeast – 3.1%**
- **Northern Ireland – 0.8%**

Demographics

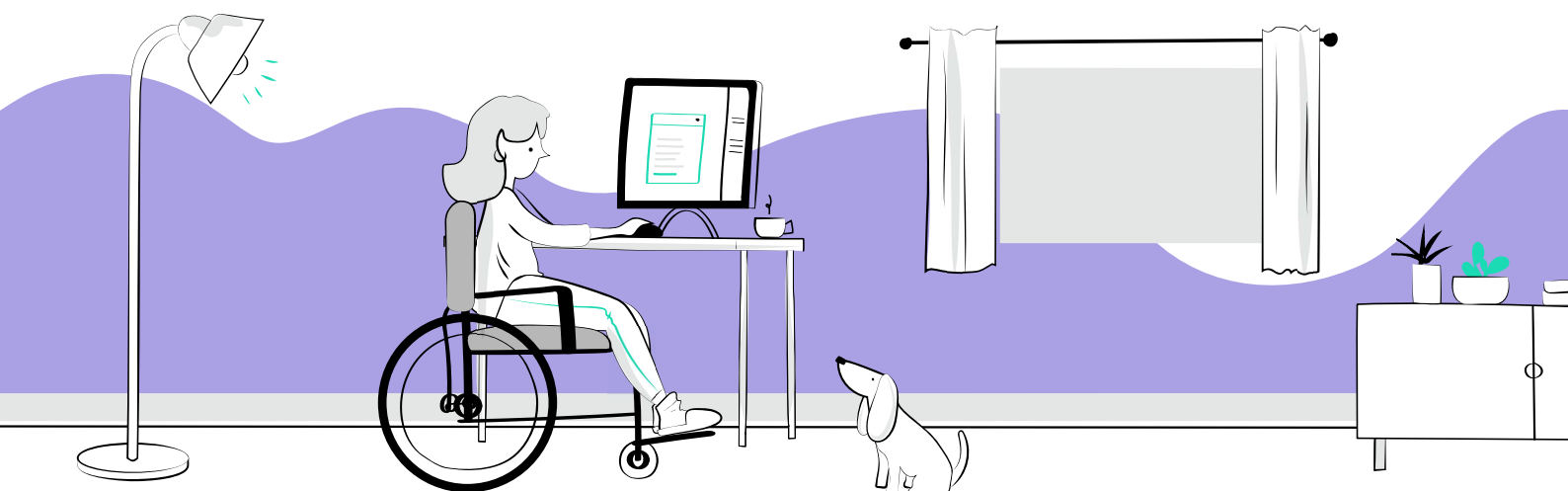
Sector

There was a wide split between areas of work:

- **Construction, plumbing and other trades – 31.4%**
- **Consultant, management and recruitment – 13.2%**
- **Facilities and maintenance – 9.9%**
- **Education and training – 7.5%**
- **Healthcare – 6.9%**
- **Food and drink – 4.5%**
- **High street and retail – 4.1%**
- **Hair and beauty – 3.6%**
- **Art, fashion and photography – 3.1%**
- **Architecture and engineering – 2.8%**
- **Charity and not-for-profit – 2.8%**
- **Leisure and tourism – 2.7%**
- **Finance and legal – 2.5%**
- **Pets – 2.3%**
- **Transport – 1.3%**
- **Fitness – 1.1%**
- **Security – 0.3%**

Demographic limitations

It is notable that this study cannot be considered as representative of non-White self-employed or micro-business owners, nor those under the age of 35. It is important that future studies focus on these specific demographics in order to build a clearer picture of the mental health of the self-employed or micro-business population in all of its diversity.



Conclusion

Micro-businesses and the self-employed make a significant contribution to the UK economy. And yet our survey revealed that too many are struggling with workplace mental health and its serious attendant repercussions.

Half of those who we surveyed experienced poor mental health over the last 12 months, including stress, anxiety, depression, burnout, insomnia, and loneliness, with financial worries causing the most negative effect on wellbeing. Worryingly, many appear to be suffering in silence with half of those surveyed stating that they wouldn't seek support from colleagues or peers or feel comfortable disclosing poor mental health to clients.

While this resilient community uses a range of strategies to look after their own mental wellbeing and avoid work-related stress, more resources, tailored specifically to their needs would be helpful. This should include specific resources on challenging mental health stigma when dealing with clients and others from the community.

Recommendations

Poor mental health can often lead to unhealthy habits and sickness that can keep people from reaching their full potential, or even cause them to withdraw from the workforce altogether. With the Government focused on increasing productivity and getting people back to work, it seems prudent that measures should be taken to ensure better access to both physical and mental healthcare, with an understanding that the two are often interlinked. Supportive actions could include the better promotion of local mental health services and Access to Work programmes.



I'm permanently worried about my finances and my financial future.

– Quote from survey respondent



Financial worries and irregular income have the most negative effect on the wellbeing of micro-business owners and the self-employed, causing a high level of stress which in turn can lead to physical health problems. The introduction of statutory sick pay for this group would ensure more financial security during illness, reducing stress and working to keep this community active for longer.

Increasing investment in occupational health services and making them more easily accessible to the self-employed would also be helpful.

There is a need for employers and employees alike to be able to access quality, practical information on workplace mental health. The Mental Health at Work website delivers tools, guidance, and support to meet this need. Government should look to signpost to useful resources and information including Mental Health at Work and the Commitment.



There isn't any help available. I've tried but I've been let down every time.



– Quote from survey respondent

There is a need for a curated collection of quality, online advice and mental health support resources and information tailored to the needs of micro-business owners and the self-employed. Topics that this audience would find helpful include stress, anxiety and depression management, advice from experts on how to tackle the work-related mental health challenges of running your own business and stories from the experiences of other real-life, micro-business owners and self-employed people. [Mental Health at Work](#) and [Simply Business's](#) partnership project has been developed to meet this need.



Access to one-to-one or group support would help.



– Quote from survey respondent

This community would benefit from the creation of peer-to-peer schemes where mutual support, advice and mentoring or coaching could be offered. This would be particularly beneficial for those thinking of starting a business so that they can consider how becoming self-employed might impact their mental health and take steps to mitigate challenges. A peer support scheme may also help to alleviate loneliness, a key issue experienced by survey respondents.

[Mental Health at Work](#) is currently piloting an online peer support platform for [Mental Health at Work Commitment](#) signatories that may provide a useful model.

Sources

¹ [Department for Business, Energy and Industrial Strategy, Statistical release, Business population estimates for the UK and the regions 2022.](#)

² [Mind, Workplace Wellbeing Index Insight Report 2021/22.](#)

³ [Leapers, Mental Health of Freelancers and the Self-Employed in 2022 annual survey.](#)

⁴ [Office for National Statistics, Census 2021.](#)

⁵ [Mind, How to cope with sleep problems.](#)

Contact

mentalhealthatwork@mind.org.uk

Follow Mind on [Linkedin](#)

