

Managing your business and your mental health

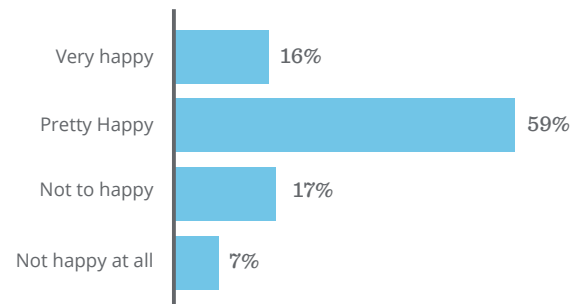
The last few years have been tough ones for Alberta small and mid-sized business enterprise (SMEs) owners. A slow economic recovery, trade uncertainty, pipeline politics, changing regulations—all potential stressors that can impact business and, as a result, a business owner's state of mind. In this issue, we explore the happiness of the people behind SMEs and strive to understand how happiness and mental well-being translate into running a successful business.

As always, we ask whether Alberta SMEs believe that the Alberta economy, and their businesses, will be better off, the same or worse six months from now.

It could be something in the water

It's encouraging to see that over three quarters (76 per cent) of Alberta's SME owners/operators are very happy or pretty happy despite the uncertain economic times. Only 65 per cent* of Albertans in general say the same thing. Perhaps the 11 percentage point difference can be attributed to the resilient nature and optimistic "get 'er done" attitude of those people who choose to run their own business. Even though times are tough, they are still doing what they love and on their own terms. These owners/operators can take pride in the employment they provide and the impact they have in their communities and on the economy.

*Q2 F19 ATB Consumer Pulse, unpublished



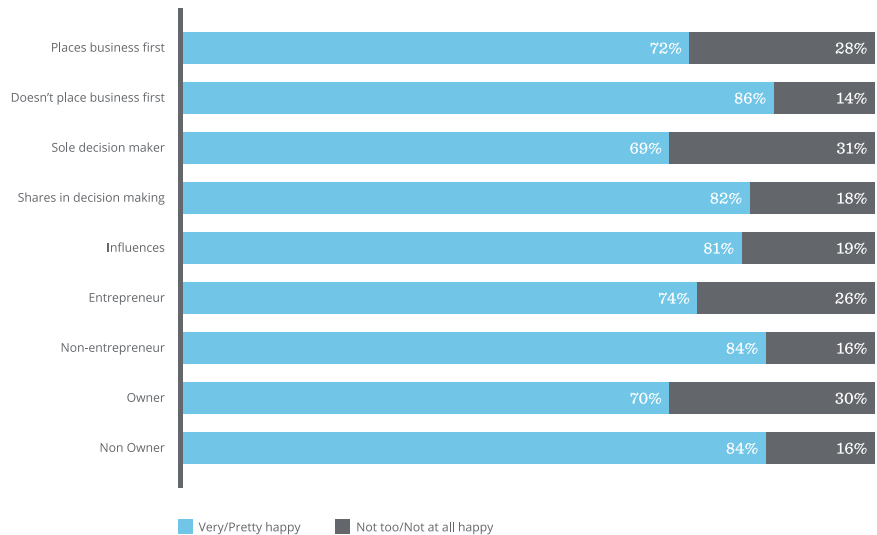
Work defines SME owners and their mental health

Almost eight in 10 (79 per cent) Alberta SME owners agree that their business is at the core of their identity. That is not surprising as we know entrepreneurs live and breathe their business. What is alarming, however, is that 71 per cent typically place the needs of their business ahead of their personal needs. The majority of those we spoke to agree that their happiness (61 per cent), sense of self-worth (56 per cent) and mental health (54 per cent) are directly tied to their business' success. If something goes wrong with the business, it may take a toll on their mental health.

It is encouraging to see 74 per cent of Alberta SMEs say they would feel comfortable showing vulnerability if their business were to struggle. Equally encouraging is that a vast majority say they would seek help and support to deal with that. Open conversation is needed to break stigmas surrounding mental health challenges. We can't escape the discussion, nor should we, as it is the only way to bring this important topic to the forefront.

The happiness factor

This chart illustrates a deeper dive into the happiness levels. Those who are able to put their own needs ahead of the needs of their business are 14 points happier overall. There is more pressure on individuals who are the sole decision makers (68 per cent) or own the business outright (70 per cent) versus someone who shares in decision making. There is a 10 point difference between those that describe themselves as entrepreneurs (74 per cent) versus those who do not (84 per cent). We can assume with responsibility comes pressure, and with pressure comes more stress. That's why finding ways to deal with stress is vital in today's fast-paced world.



// You are never completely off work as you would be if you are an employee. //

Owner/Operator,

Civil Enforcement Industry, 15 years in business, zero employees, \$500,000 to less than \$1 million in revenue

Business stressors

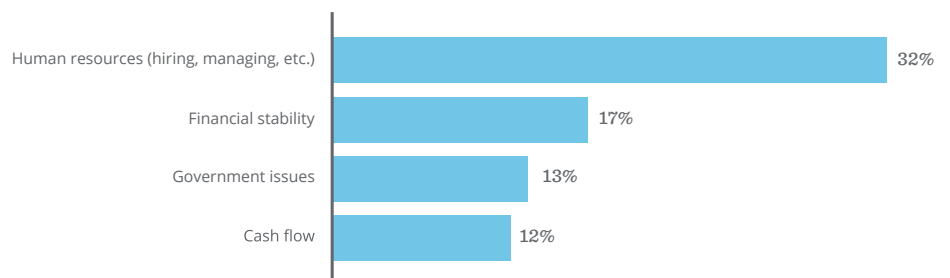
With people at the centre of business, it's no surprise that human resources-related issues were cited as top stress factors when running or owning a business (32 per cent). This is followed by financial stability (17 per cent), government policies (13 per cent) and cash flow (12 per cent).

In your opinion, which one aspect of running a business provides the biggest challenge to a business owner or manager's mental health?

// Managing people...people make your business and if they're not treated properly, you're not able to extract their maximum potential.//

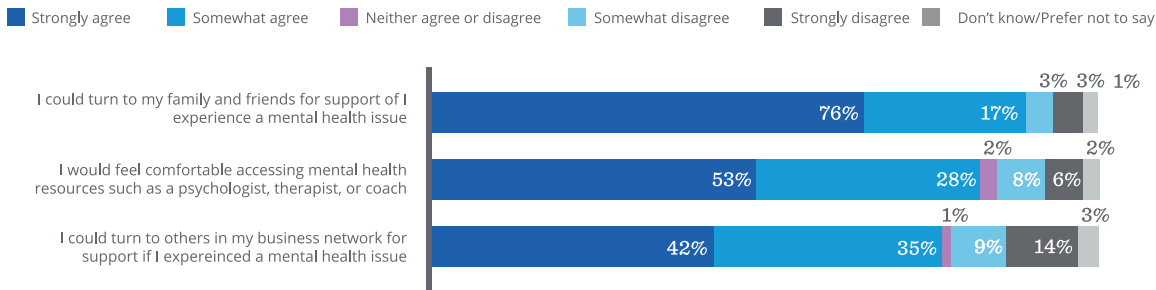
Senior Manager or Manager,

Accommodation/Food Services/Tourism/Hospitality/ Restaurant, 38 years in business, 5 to 19 employees, \$3 million to less than \$5 million in revenue

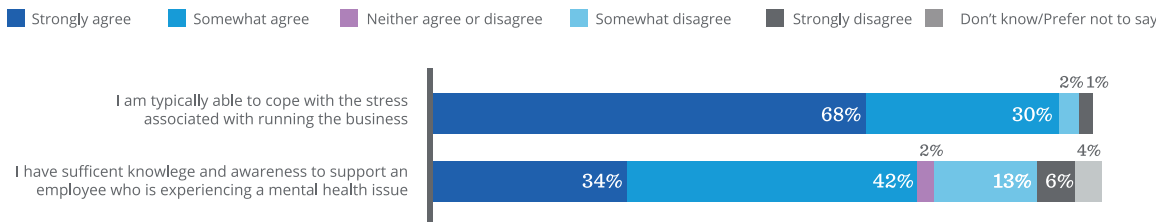


Coping with stress

Despite seven in 10 SMEs agreeing they put their business needs before their personal needs, an overwhelming majority feel they are able to cope with the stress associated with running a business (97 per cent). Respondents are more comfortable turning to their friends and family (93 per cent) or a professional (82 per cent) over their business network (74 per cent) for mental health support. It is encouraging to see eight in 10 say they find the time to spend with friends and family.



It appears SME owners/operators are thinking about their employees too. The vast majority (89 per cent) feel confident in their creation of a safe space for employees with mental health issues, but less are confident in their abilities to support said employees (76 per cent). Owner/operators who are more comfortable seeking professional help themselves are also more likely to create safe spaces and to be able to help employees facing mental health challenges. This supports the idea that awareness of mental health can have a direct connection to a proactive approach to mental health challenges. As the topic becomes more mainstream, business owners may find that more employees will disclose issues they may be dealing with on their own.



How banks can help

Although simplified borrowing (12 per cent), lower fees (10 per cent) and better rates (8 per cent) were top mentions, business owners and managers also spoke about the relationship with a bank, including better/more communication (11 per cent), flexibility (6 per cent) and understanding business needs (5 per cent)—highlighting the benefits of a more personal business banking relationship.



A note from our CEO; Curtis Stange on this important topic

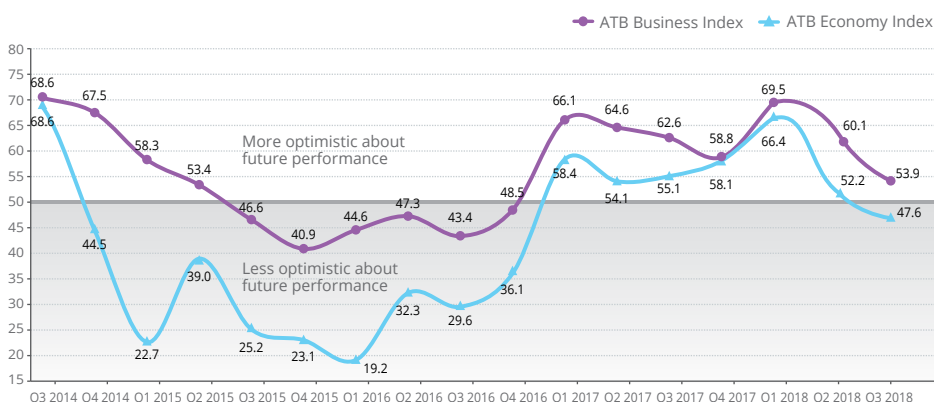
This is a topic very close to my heart, I want to thank all Alberta business owners for doing their part to encourage self care and helping to remove the stigma with mental illness.

// Probably working with the business to understand the demands and challenges it faces and therefore tailor the requirements accordingly. //

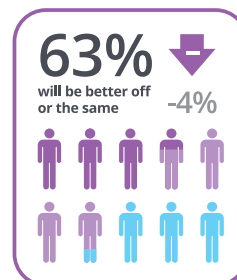
Chief Executive Officer (CEO) or President, Agriculture, 7 years in business, 1-4 employees, less than \$250,000 in revenue

Overall optimism continues on a downward slide

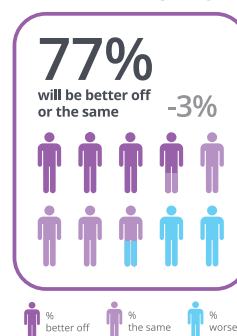
For the first time since 2014, more Alberta SMEs feel the economy will be worse off six months from now than those who feel confident it will be better. The ATB Business Index is just above the line at 53.9, but also experienced a drop. There was a lot of hope entering 2017 that the economy would quickly recover, but the pace has been slower than many had hoped. With daily uncertainty in the news, there is an indication of a type of “hope exhaustion.” Business owners have adjusted to a new normal, but just aren’t seeing signs of improvements in the near future.



Alberta Economy



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About this report

For more information on this report or the next ATB Business Beat, please email businessbeat@atb.com or visit atb.com/businessbeat to be put on the mailing list.

For support around peak performance and mental well-being, contact calgarycounselling.com To connect with courses around sleep, mindfulness and mental health, or meet with a peer supporter contact recoverycollegecalgary.ca

About ATB Financial

ATB (atb.com) is the largest Alberta-based financial institution, with assets of more than \$51.9 billion. ATB offers retail financial services, business and agriculture financial services, corporate financial services and investor services to over 753,000 Albertans and Alberta-based businesses in 244 communities across our province. Teresa Clouston, executive vice-president, leads the Business and Agriculture team which provides services to Alberta’s small and mid-sized businesses, farmers and other agriculture customers.



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About NRG Research Group

NRG Research Group (nrgresearchgroup.com) is a leading Canadian public affairs and market research company with offices in Calgary, Vancouver and Winnipeg.

Who did we talk to?

These findings are from an ATB Business telephone survey conducted during August 14–28, 2018 with 300 randomly selected Alberta SME financial decision makers. Study exclusions: agriculture (farms or ranches), government, financial institutions, and large businesses (500+ employees). Business size definitions: SOHO (0), micro (1-4), small (5-49) and medium-sized (50-499 full-time employees).