

F C W F P U R E R A  
K X L F A M I L Y R E O B H G  
E D E C I S I O N S W H W U E O  
A S W B F R E E D O M R N S A Y  
Q P R E S S U R E X Y K E I L D  
O P I N V E S T M E N T R N T E  
W I M D R T H E L M A J A E H  
U R E L A T I O N S H I P S P C  
U M D W H I F I N A N C E S L C  
T C P R T H E E D Y S F E S A  
W O U T H H I D D E N U S Y N  
V N C P R I C E I N Y S S F N  
I T W N E R S H O F R N K C I  
E R E O F F B U S I N E S S N  
T O W N E R S H I P M K R G  
Q L U T I H L I F E S T Y L E  
P I C C O P F I Z T O B F A



FAMILY  
BUSINESS  
PRESSURE  
RELATIONSHIPS  
PLANNING  
LIFESTYLE  
CONTROL  
FINANCES  
DECISIONS  
HEALTH  
OWNER  
INVESTMENT  
FREEDOM  
CHALLENGE  
GROWTH  
HOLIDAY  
AMBITION  
INCOME  
REWARD

*love*<>**Money**

M D W C D R D W Z S R  
Z P T R B V C D Y S F L T F W D C A Y E Y M X  
M U S L Z S Y J B N U V Y K O Q D J X F R I G  
F Y W F P U R E R X Y K F F I E R P S X J P N  
K X L F A M I L Y R N F V H G B X F W H R H L  
D E C I S I O N S W H W O E O Z C V M M A Z Z  
S W B F R E E D O M R N S A Y L S Y P B K U U  
P R E S S U R E X Y K E I L D Q W H Z I O H A  
P I N V E S T M E N T R N T B L N E W E N B V  
I M D R T E E L M A J A E H I A K D B Q J Q E  
R E L A T I O N S H I P S P Q L F L X A Y T T  
M D W H I F I N A N C A S V A P C E U Q Y P C  
T C P R X H E J D Y S F E S A W K C A M E Y M  
W O U T H H I J D Q X U B Y N A Q D J X F R I  
V N C S Z I B E I N Y S S F N I E R P S X J P  
I T W N E R S H J T R N K C I G B X F W H R H  
C E F E B U S I N E S S N O Z C V M P P M  
C E F E B U S I N E S S N O Z C V M P P B

**T H E  
H I D D E N  
P R I C E  
O F  
B U S I N E S S  
O W N E R S H I P**



**INTRO**

**THE IMPACT ON LIFE**

**THE IMPACT ON  
FINANCES**

**THE IMPACT ON  
MENTAL HEALTH**

**CONCLUSION**

Z Q T E Z V Q O A S X Y K D C U D Q W H Z I O H A R  
Q O P I G O Q P F I T T O B F A B L N E W E N B V U  
H W I M O R T X U L M A J H K K I A K D B Q J Q E M  
F U M D W C D R D W Z U K X Z T Q L F E U A Y P C N  
G T Z P T R B V C D Y S F L T F W D C A M E Y M X B  
H W M U S L T Z  
R T M V E Q H I P W Z Z K O Z J Q W F T I D Y T Y L  
F U M D W H I D D E N U K X Z T Q L F E U A Y P C N  
G T Z P R I C E E D Y S F L T F W K C A M E Y M X B  
H W M U T H E Z O F B N U V Y K A Q D J X F R I G Z  
W V F C H I T U V I N E U S F S I E R P S X J P N H

## Running a business and being your own boss may be a dream for many, but it also comes with a whole host of challenges.

Conflicting pressures from their business needs and family lifestyles force SME owners to lead double lives, which is severely impacting their health, their private lives and the wellbeing of their business.

Small and medium-sized businesses are the bedrock of the UK economy, but over-stressed owners are more likely to feel out of control and make mistakes. Finding ways to take the pressure off and time to unwind is an essential, but often extremely difficult step on the road to building a better you, a better business, and a better economy.

*For Love Or Money?* is a series of studies looking at the secret life of business owners and is based on comprehensive research amongst UK owners and their management teams. This part of the study looks at how business owners balance their private and work lives when often there is little distinction.

The study reveals how mental health, personal finances and working lives combine and how business owners struggle to separate their business from their personal lives.



The research shows how this lack of separation can negatively impact their mental health, family relationships and even the growth of the business they are working so hard to build.

We interviewed 500 UK business owners in companies with between £1 million and £50 million turnover, between 10 and 249 employees and that are at least two years old, across all UK regions and major industries.

Want to know more about the secret life of a business owner? Read our previous research on wealth, risk, stress, motivation, planning and management among business owners via our website [www.hwca.com/for-love-or-money](http://www.hwca.com/for-love-or-money).

Or if you'd like to benchmark your wealth and financial pressures against other business owners visit [www.hwca.com/for-love-or-money/benchmark-yourself](http://www.hwca.com/for-love-or-money/benchmark-yourself) and compare yourself to your peers.



# We know that most business owners appreciate the benefits of running their own business, including freedom and not having to answer to anyone.

When we asked business owners about the most rewarding aspect of running a business, “being in control” was the most popular answer (24%), followed by “freedom” (19%) and “building something significant” (18%).

But despite the many positive aspects of running a business, it can also be undeniably tough. For many, the income from the business is essential to support the needs of their family and many owners wrestle with the need for income to sustain their lifestyle and re-investing in their business.

*Our study also reveals what most business owners already know: keeping working hours contained is difficult, and it can feel like there's no time to switch off.*

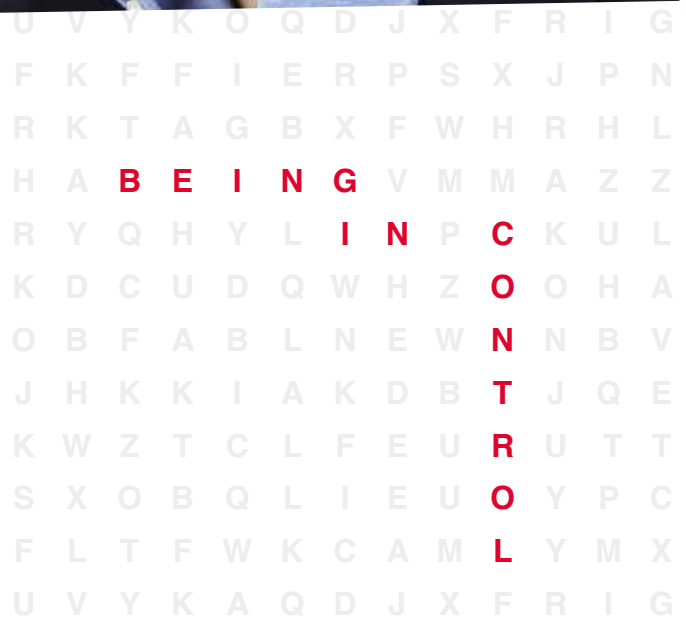
Weekends and holidays often begin to lose their meaning, and when company concerns bleed into every corner of life, many owners find themselves on a fast-track to burnout. Devoting enough time and attention to family life while doing what is best for the business can often feel close to impossible.

Faced with these conflicting pressures, almost three quarters of business owners (73%) are struggling with their mental health. However, only 14% say that their mental health is a major concern. It seems that most business owners are treading a fine line, managing to deal with the pressures but also feeling their impact. Running a business can be isolating, and it’s often far harder to discuss the personal challenges involved than it is to discuss the business challenges.

Fortunately, there are ways to alleviate this pressure and ensure it doesn’t become a more serious issue. To head off a potential mental health crisis, business owners need to create an environment that allows them to take breaks and build in time to get away from their business. In a world of hyper connectivity, finding ways to properly switch off is as critical as it is challenging.

Running a business is rewarding, but it’s demanding too. It’s important that business owners feel they can admit to the challenges as well as the successes, and seek the help, support and advice that they need before pressure tips over into unhealthy stress and more serious mental health issues.

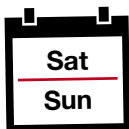
**Michael Davidson,**  
Regional Managing Partner, Haines Watts



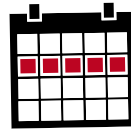
J E S B P P P M X A P C F W Y P M  
 A S T H E E B E I N G Z Y Q H Y L  
 E Z H I M P A C T K A C U D Q W H  
 E H N I E J O N C L I F E B Z C V  
 E I N G I N N C L E K R Y Q H Y L

Owners are under immense self-imposed pressure to achieve their ambitions. In the process, their private time and personal relationships are often put under strain. Long hours are the norm, with only one in 20 saying they're able to work a 40 hour week or less. A significant minority of SME owners ever get the chance to unplug, with 10% saying they've never fully removed themselves from their business for more than a day.

Boundaries can be difficult to maintain, although we also see evidence of business owners trying hard to keep some time for themselves. Although over two thirds (69%) report working at the weekend, only a small minority (2%) always work at weekends, and most business owners (60%) say that they manage to fit strategic work like growth planning and continuity planning into the working week rather than using evenings or weekends.



**69% of business owners work at weekends**



**73% of business owners have never taken more than a week off**

Similarly, although 67% have had to work while on holiday, only 2% of business owners say that they 'always' work on holiday, and 11% say that this happens often. For most business owners, work only 'sometimes' interrupts holidays, presumably on the occasions when it just can't be avoided. However, many business owners are struggling to find the time for a proper break at all - close to three quarters (73%) have never taken more than a week off.



"It would be easy to tell business owners that they need to make time for a 'fully switched off holiday' but in reality, that is impossible for many owners. Perhaps more feasible advice is to adjust your perception of a holiday and plan your time effectively.

The first step is to see a holiday as an important business initiative that needs prioritising. The second is to accept

that we all live in a connected world. It would be better for business owners to take that much needed holiday and manage their work time during it, rather than cancelling it completely. This may come down to planning to only check in for an hour each morning or evening and dedicate the rest of the time to properly switching off."

**Michael Davidson,**  
 Regional Managing Partner, Haines Watts

# The impact on finances

Businesses don't just put pressure on time, they put pressure on finances too. The study reveals how difficult it can be to balance the financial needs of a family with the financial management of a business.

Almost a third (30%) of business owners have put off significant investment in their business because of the need to draw a personal income, and 44% have financial commitments that would make it difficult to reduce their income from the business. Over a quarter of owners (27%) commit more than half of their income to fixed expenses, giving them very little room to manoeuvre.



**30% have put off investment in their business because of the need to draw a personal income**

This lack of flexibility can put owners in a real dilemma, unable to invest and make decisions to grow their company in the long-term due to personal financial pressures. Many find themselves between a rock and a hard place, choosing between downgrading their lifestyle and letting a business opportunity pass them by.

For the majority of SME owners, this pressure is particularly pertinent because the business bears sole responsibility for supporting the family, with three-quarters of business owners saying that their spouse works in the business or has no alternative income of their own. This can change the dynamic, making it feel as if prioritising personal finances in the short term could lead to the business suffering in the long term, and the family along with it - a lose-lose scenario.



**75% say that their spouse works in the business or has no alternative income of their own**

It's no surprise that these tensions are causing a strain. Two-thirds (66%) say that pressure to maintain their income to support their family is a significant or very significant source of personal stress. It's interesting to note that this family pressure is a more significant driver of stress than the pressure to grow the business, which is cited as a significant source of stress by 57%. Business owners may benefit from having more honest conversations with their immediate family, who may be more willing than they think to make short-term lifestyle compromises, especially if they understand the potential long-term gains.



**67% say that their family is dependent on the income from the business**

W I M O R T X U L M A J H  
U M D W C S U C C E S S X  
I Z P P R B V C D Y S F L  
N M U S R Z S Y J B N U V  
C F C W F E U R E R X Y K  
O K X L V W S C N F R N K  
M V E S Y F S S M E W H A  
E S W T T E J U U N K R Y  
Q T E R V Q O A S R Y K D  
O P I A O Q P F I T E O B  
W I M I R T H E L M A J H  
U M T N E H I D W Z U K X

“Should I compromise my family’s lifestyle in order to pursue long-term business growth? It’s a question that many business owners are wrestling with, and it’s a cause of immense internal conflict.

For many, personal success and business success are deeply intertwined, and it can be impossible to feel successful in one, if you feel like you’re failing in the other. It’s imperative that business owners’ long-term plans for the business include forecasting for future business investment. With this forward-looking structure in place, owners can then make informed decisions about their personal finances.”

**Karen McLellan,**  
Managing Director, Haines Watts Hereford



T T O B F A B L N A W E  
M A J H T H E A K C S L  
I M P A C T Q L F E A U  
E N U K X Z O N T L T W A  
D Y S F L T M E N T A L E  
J B N H E A L T H V J X F  
D D T N R X Y K F C M H R H E A  
I C E C F R N K R A G B X F W H  
F E J M E W H E C D O Z C V M P

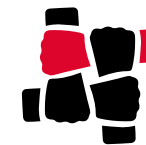
Although they're undoubtedly under pressure, most business owners are both inspired and inspiring. Almost all owners (94%) feel motivated by their business. Reasons for running a company tend to be connected to the lifestyle it enables and the impact it can have, with many motivated by a love of being their own boss (60%), building something of significance (56%), and really wanting to achieve great things for their business (53%).



**94% feel motivated by their business**

But these benefits can come at a high price. Emotional and financial pressures are weighing heavily on SME leaders, with three-quarters (73%) saying that running a business has a negative effect on their mental health. Most seem to be coping, however, with only 14% feeling that their mental health is a major concern. This may help to explain why only a small proportion (4%) seek the help of a mental health professional.

Instead, most under-pressure business owners turn to someone close to them for support - 60% say that it's their partner or family who helps them cope with the strain of running a business. However, although many business owners look to their families for support, it's quite common for them to feel that nobody can fully relate to their struggles. Almost half (47%) say that no one understands how much pressure they're under, and a third (33%) feel that they don't have anybody they can really talk to about the personal challenges of running a business.



**60% turn to their partner or family for support**

Business owners need to be careful to ensure that day to day pressure doesn't turn into more severe stress related health issues or to mental health problems in the future.



**73% say that running a business has a negative effect on their mental health**

Keeping the experience positive means paying close attention to the stresses and strains involved and talking to someone early to work out what needs to change when things become too much.



# Conclusion

Business owners across the country are enjoying the many benefits of running their own companies, while sometimes struggling to balance the competing demands of work and family life. With business concerns eating into weekends and owners feeling torn between drawing enough income for their families and investing in the business, it's no wonder that many are feeling under strain.

It's important to recognise, however, that despite these strains, most business owners feel motivated and rewarded by their work and appreciate the benefits that business ownership can bring compared to employment.

It's clear that almost all business owners are actively choosing the entrepreneurial path rather than treading it reluctantly, accepting that this means taking the rough with the smooth.

Support is available in many forms including family and external advisors - the important thing is to seek it. External advisors can often better understand the pressures and offer practical advice and help to take the pressure off, while supporting the business's interests.

Although it's far easier said than done, building in time away from the business is also essential. If it comes to the crunch, taking a break but still checking work emails periodically may be better than cancelling a holiday altogether.

SME businesses form the heart of the UK economy, and it's not sustainable for thriving businesses to come at the expense of their owners' wellbeing. An environment that cultivates discussion around stress and mental health, that encourages open, honest conversation about the highs and the lows of running a business will benefit all business owners. It's a conversation that needs to start with business owners and their advisors, but expand far beyond them, into society and the wider support networks they rely on. Thankfully, business owners, as leaders, carry a lot of power, and hold the potential for change in their own hands.

Haines Watts offers wide-reaching experience, advice and practical solutions for business owners, but we also offer a chance to have a truly honest conversation, the one you may have been putting off for a little too long.

If anything you've read here speaks to your own experience, if any of those challenges resonate with those you face, and you want to find some answers

Speak to us now.

F L T F W D C A M E Y M X B  
U V Y K O Q D J X F R I G Z  
Y K F F I E R P S X J B N H  
N K T A G B X F W H R A L U  
H A B E I N A V M M A L Z Y  
R H O L I D A Y P C K A U I  
Z Q T E R V Q O A S R Y K D C U I Q W H Z O O N A R  
Q O C O N V E R S A T I O N F L B L N E W N N C V U  
H W I M I R T H E L M A J H O K I A K D B T J E E M  
F U M T N E H I D W Z U K H Z T Q L F E U R Y Q T O  
F U M D W H I D D E N U K X Z T Q L F E U O Y P C N



T E S W T T E J U O N K R  
Z Q T E R V Q O A S R Y K D C U I Q W H Z O O N A R  
Q O C O N V E R S A T I O N F L B L N E W N N C V U  
H W I M I R T H E L M A J H O K I A K D B T J E E M  
F U M T N E H I D W Z U K H Z T Q L F E U R Y Q T O  
F U M D W H I D D E N U K X Z T Q L F E U O Y P C N

THE  
HIDDEN  
PRICE  
OF  
BUSINESS  
OWNERSHIP



## About Haines Watts

Haines Watts is a Top 15 firm of chartered accountants with over 80 years of experience in advising business owners. It offers a broad range of accountancy and business advisory services with more than 60 offices across the UK and more than 35,000 business owner clients.

[www.hwca.com](http://www.hwca.com)

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We believe in translating our technical knowledge into sound commercial advice, so you understand the information and the impact it will have on you and your business.



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This report is based on a survey of 500 UK business owners undertaken in 2017 and is designed for the general information of readers.