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# High-Functioning Anxiety and Entrepreneurship: Is There A Link?

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**ABSTRACT:** Entrepreneurship is a challenging career where the work environment is filled with uncertainty, unpredictability, and stress that pushes the entrepreneur to navigate through decision-making, and productivity by managing risks and ambiguity. In a work environment like this, the development of anxiety seems natural as anxiety helps in faster processing of threat thereby allowing the individual to be motivated, and increase effort in order to stay persistent towards goals and become successful. Since entrepreneurs work in an ambiguous and risky environment, does the development of anxiety foster better productivity? Does anxiety allow entrepreneurs to be more functioning? Does anxiety allow them to motivate themselves and their teams and thus steer better work performance? The current paper aims to understand if there exists any positive association between anxiety and entrepreneurship through a review of the existing literature and suggests implications for future findings.

**KEYWORDS:** Anxiety, Entrepreneurship, Entrepreneurial behaviour, high-functioning anxiety.

## I. INTRODUCTION

With the growing interest of researchers on the subject of entrepreneurship, a large body of evidence has been documented by scholars that focus on the skills, qualities, personality traits, creativity, emotional intelligence, as well as success, and growth of entrepreneurs (Baron & Markman, 2000; Chen et al., 2015; Hwee Nga & Shamuganathan, 2010; Leutner et al., 2014; Ngah & Salleh, 2015; Rhee & White, 2007; Stuetzer et al., 2013; Wilson & Stokes, 2005). However, the research area linking mental health, and personal wellbeing of entrepreneurs seems to be an area that is in its nascent stage of germination. The existing trends around the study of entrepreneurship make evident that one of the building blocks of entrepreneurs relies on the psychological perspective (Wiklund et al., 2016). Entrepreneurship is one of the most challenging careers where individuals work to change their envision of the future into reality through a variety of complex human functions that include higher-order psychological functioning like motivation, intelligence, agility, innovation, endurance, etc (Louie, 2016). The entrepreneur is known to fulfil a number of functions through managing-coordination, innovation, and risk-taking functions that draw on their ability to seek new opportunities and dealing with uncertainty, and ambiguity (Kets De Vries, 1996). Hence, the context of entrepreneurship is coloured by peaks and valleys that manifest as periods of stress, uncertainty, high pressure, and periods of stability and predictability (Schindehutte et al., 2006). As a result of such a challenging environment, entrepreneurs become vulnerable to a variety of mental health conditions which has prompted behavioural scientists to look into the mental health and wellbeing of entrepreneurs (Bagchi, 2020; Bruneau, 2018; Freeman et al., 2019; Kets De Vries, 1996; Stephan, 2018).

Another trend that has emerged recently in the studies of mental health and entrepreneurship shows the linking between the two subjects wherein the positive associations between the two become visible (Wiklund et al., 2018). For instance, Fisher et al. (2013) developed a model of entrepreneurial obsession as they found that entrepreneurs may have venture-related obsessions which were reported to be similar to that of the clinical obsessions. They suggested that obsessions experienced by entrepreneurs may have a relationship with passion and thus contribute positively and productively towards desirable entrepreneurial outcomes. Additionally, Wiklund et al. (2017) developed and tested a model to understand the positive influence of Attention Deficit Hyperactivity disorder on entrepreneurship through the multifaceted trait of impulsivity and reported that hyperactivity was found to be positively associated with entrepreneurship. Another study reported an inductive model highlighting the role of impulsivity as a major driver of entrepreneurial action (Wiklund et al., 2016). Furthermore, recent studies have reported the positive association between a variety of psychological disorders like dyslexia (Logan, 2009) and mood disorders (Bogan et al., 2013).

One of the most common mental health issues faced by the population at large is the issue of anxiety. In 2017, among 197.3 million people in India who had mental disorders, 44.9 million reported to be having anxiety disorders (Sagar et



al., 2020). The APA dictionary of psychology defines anxiety as a future-oriented complex emotional long-lasting response characterized by apprehension and somatic manifestations of tension wherein an individual anticipates danger, catastrophe, and misfortune. A number of sources indicate towards the development of anxiety among entrepreneurs due to their context of work (Bruder, 2013; Cacciotti & Hayton, 2015; Nofal et al., 2019; Rahim, 1996; Singh, 1970). Since entrepreneurs work in an ambiguous and risky environment, does the development of anxiety foster better productivity? The current paper aims to understand if there exists any positive association between anxiety and entrepreneurship through a review of the existing literature and suggests implications for future findings.

## II. UNDERSTANDING FUNCTIONAL ANXIETY

Before attempting to understand how anxiety might be influencing the high-functioning performance of entrepreneurs, the theoretical underpinnings in the light of existing evidence that assist in the understanding of functional anxiety shall be briefly discussed in the present section.

Neubert (1990) writes that we can channelize our anxiety into a positive force. Similarly, researchers inform that anxiety is an adaptive process that helps people in facing social, psychological, and physical threats as it allows enhanced processing of threatening information through more attentional disposition towards threatening stimuli in the environment, thereby allowing individuals to engage in risk-avoidant decision making and enhancing their levels of persistence (Cloninger et al., 2012; MacLeod & Mathews, 1988; Maner, 2009; Maner et al., 2007; White et al., 2010).

Maner & Kenrick (2010) remark that various forms of anxiety can be highly functional as anxiety vigilantly prepares the person to avoid harm. Similarly, Raghunathan & Pham (1999) provide their evidence in support of the fact that all negative affective states are not equal. In their study, they found the motivational influence of anxiety by reporting that anxiety primes an implicit goal of uncertainty reduction thus enabling the individual to be biased in favour of low-risk/low-reward situations. The role of anxiety in decision-making has also been explored by Wray & Stone (2005).

Furthermore, the appraisal theories of emotion (Frijda, 1993; Scherer, 1999; Smith & Lazarus, 1993) suggest that the appraisal of a situation may lead to emotions that are manifested through the activation of bodily responses which motivate behaviour. When the resulting emotion is anxiety then it helps in work performance through enhanced effort and persistence (Parrott, 2002). Strack et al. (2017) write that negative emotions like anxiety and fear help in focusing attention on perceived risks thereby triggering effort for the avoidance of undesired outcomes leading to the fulfilment of the goal.

Similar arguments are put forward by the mood-as-input model (Clore et al., 1994) mentioning that negative affect signals towards dangers thus calling for attention and improvement which can stimulate increased efforts (Martin & Stoner, 1996) and persistence and produce a better quality of performance (Cervone et al., 1994).

The more recent framework of instrumental emotion regulation proposes that negative activating emotions signal people to work harder at tasks, and are found to be motivating thus furthering enhancement of performance (Cervone et al., 1994; Martin et al., 1993; Tamir & Ford, 2009). Instrumental emotion regulation occurs when individuals choose to experience certain emotions as they are instrumental in receiving benefits irrespective of those emotions being unpleasant (Tamir et al., 2008). For instance, individuals with high neuroticism were found to improve their actual performance with their preference of increasing their level of worry when performing tasks that demanded more cognitive capacities (Tamir, 2005). In the context of entrepreneurship, it is important to mention the theory of emotional intelligence which states that the clear perception of emotions allows better regulation, utilization, and management of that emotion (Mayer & Salovey, 1993; Salovey & Mayer, 1990). Since anxiety is a complex emotion, perceiving the same allows one to prepare for the upcoming challenge proactively (Strack et al., 2017).

Building on the theoretical understanding as per the instrumental emotion regulation and clarity of feelings framework, Strack et al. (2017) reported that people use their anxiety as a source of motivation, a term called “anxiety motivation” and this anxiety motivation was found to share a relationship with persistence and job satisfaction in their study.



### III. DOES ANXIETY MAKE ENTREPRENEURS HIGH-FUNCTIONING?

Standing on the shoulders of the theoretical understandings mentioned in the previous section, in this section, we will try delineating the positive association between anxiety and entrepreneurship with the help of a few studies and articles.

Helge (2001) has suggested ways of transforming anger and anxiety at the workplace into peak performance levels. Similarly, Campbell (2017) maintains that anxiety can be one of the greatest sources of power for entrepreneurs as it makes them vigilant towards risk, increases their intuition, and allows them to be observant, imaginative, and energetic to reach their goals. On a similar note, Aarons-Mele (2020) mentions that in the context of the pandemic as well, for entrepreneurs, anxiety is their powerful enemy and hence they must partner with their anxieties in order to drive productivity. She further explains that as anxiety is channelled more thoughtfully, it can motivate entrepreneurs into making their teams more resourceful, creative, and productive fostering the birthing of new bonds, and breaking of relationship barriers in the workplace. Likewise, Butler (2017) writes that “entrepreneurs are better at living with it and managing the anxiety that might be disabling to others.”

Cross & Travaglione (1993) in their study with five high profile entrepreneurs of Australia reported that each entrepreneur experienced and exhibited anxiety and was found to be utilizing their anxiety as a source of relentlessness and determination. In addition to this, all the entrepreneurs were found to use emotional reactions to situations of criticism, ambiguity, and stress towards their advantage and optimum functioning by harnessing these emotional reactions to achieve greater results and to be persistent in their efforts.

With the intention of understanding the foundational role of anxiety in entrepreneurial behaviour, through a qualitative methodology following an in-depth interview technique, Thompson et al. (2020) theorized entrepreneurial anxiety to be endogenous for the cyclical conception of goal striving implying that various sources of anxiety were found to be meaningful and of importance with the consideration of goals, values, and standards to which they pertain.

Nevertheless, it is noteworthy to mention here that anxiety has been largely documented as crippling and paralysing for people in the workplace as well as in the context of entrepreneurship (Bong & Kim, 2019; Cheng & McCarthy, 2018; Erickson et al., 2009; Jones et al., 2016; Linden & Muschalla, 2007; Mughal et al., 1996; Muschalla, 2008; Muschalla & Linden, 2009; Nash-Wright, 2011; Postma & Regterschot, 2019; Waghorn et al., 2005). However, on the basis of interpretation of existing theories and with the help of research evidence, this paper has become successful in suggesting a positive link between high-functioning anxiety and entrepreneurial behaviour and performance.

### IV. IMPLCATIONS FOR FUTURE RESEARCH

The present paper has indicated the large gap in the research literature on the topic of linking entrepreneurial behaviour and anxiety. Hence, we are assuming that this paper may only be a leading step in encouraging researchers to gather more empirical data in order to understand the functional role of anxiety in the work performance of entrepreneurs. We also suggest that it will be worthwhile for behavioural scientists to approach this problem from a neuropsychological perspective and help in the contribution of knowledge from a newer perspective. At the same time, we do acknowledge that anxiety is a debilitating condition for many people and in our attempt to harness anxiety for productive work, we are in no way negating the crippling influences of anxious thoughts and anxiety disorders in people's life.

### V. CONCLUSION

The denial of the impairment of functioning due to anxiety would be inhumane at the least, and unjustified. However, there is also some agreement among the researchers as the theories and evidence mentioned above make clear that anxiety may have a positive association with entrepreneurship making them highly functional. To conclude, it will not be wrong to say that this paper is only a small attempt in understanding if anxiety makes entrepreneurs perform better in the challenging environment of their workplace which is marked by uncertainty, ambiguity, and stress. Additionally, through this paper, the necessity of more empirical evidence has also been realized. “Could there be a link between high-functioning anxiety and entrepreneurship?” remains a question that demands the attention of entrepreneur scholars.

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