

The loneliness of the long-distance runner

Starting a company is a lot like running a marathon. You can go through preparations with a trainer and get all the tips from the people who have done it before, but when it comes down to it, it's just you and the long road ahead. It's up to you to decide when to start sprinting so that you don't end up depleting your energy and jeopardising your chances of crossing the finish line.

And no matter how bad the weather is and how tired your legs might be from your long run the day before, it's up to you to keep moving and pushing yourself to new heights. This rigorous pattern is not dissimilar to the life of an entrepreneur – both in terms of the physical and, increasingly, mental strain.

From a business perspective, recent data has shown that 72 per cent of entrepreneurs are directly or indirectly impacted by mental health issues, compared to just 48 per cent for non-entrepreneurs. And the mental toll that a stressful and often lonely journey exacts only intensifies as the business grows. That's why it's important for entrepreneurs to look at the different options and support available to them before they begin their journey.

Venture capitalist (VC) vs venture builder

Investors have shown increasing concern for the mental health of founders in recent years as attitudes in the ecosystem have shifted with society more broadly. This has been driven by studies and high-profile cases of entrepreneurs struggling with their own mental health issues, such as Tom Blomfield at Monzo, Tesla's Elon Musk, and Reddit co-founder Aaron Swartz. As such, investors have begun offering their founders support by adding health services to their value-add, providing everything from therapy to peer-to-peer networks and office hours. However, there is a difference between what traditional investors and alternative models such as venture builders can offer, and how they can structure that support.

One of the most important times that entrepreneurs may need to seek out support – but be less inclined to do so – is during the early days of starting a company. It is a period full of uncertainty, fear, and pressure – external influences all known to impact mental health. It is at this time when they might have just left their previous job and have serious financial concerns. At the same time, they have yet to receive any confirmation that their idea is understood by the market and that there is a genuine need for it. With uncertainty and risk of failure high, proactive support at this point is of utmost importance.

Many traditional VCs enter the founder's life several years after they have started their journey. During the pitch process, investors have probably only heard about the business side of the entrepreneur's life. This means many investors and founders start their relationship with very little knowledge of the stresses and strains the founder is facing. Although this understanding will come in time, it could take months to truly understand the support they need. Until then, investors can only provide generic services that probably have limited impact. This can allow problems to go unnoticed and build to breaking point.

Venture builders have a distinct advantage in this area. They work with a smaller portfolio than traditional VCs, allowing them to keep a closer eye on founders and spot issues before they develop into full-blown problems. For instance, many companies will share office space with the venture builder – at least initially – giving greater insight than you could possibly get as a traditional investor. Likewise, because they have been on the journey from the start – helping develop the idea for the company, providing initial funding for staff, and developing a robust business strategy – they have a better understanding of how the individual entrepreneur operates. This will naturally enable them to understand when they might need support in a professional or

even personal capacity, and step in at the appropriate point.

This flexibility and personalised support is very hard to achieve at scale. Mental health *startups are working on solving the problem*, but admit that a “one size fits all” approach does not work. This means that the platforms VCs offer to founders as benefits might in fact not make much of a difference. This disconnect between VCs thinking they have offered what is needed and what founders actually need can be seen across the “value add” space, with *65 percent of founders recently rating their investors* as not adding value beyond the financial injection. On the other hand, the benefit of venture builders’ flexibility, and being embedded within the business from the start, can help build support programmes around the individual entrepreneur that works with them.

There is more for us all to do

Despite the advantages that venture builders bring in terms of helping entrepreneurs manage their mental health, there is still more that we can all be doing. Investors – both traditional and new – need to start making a conscious and proactive effort to reach out to founders and talk openly about these issues.

They need to make it clear that if a founder is struggling, they can turn to the board and ask for help and guidance, and will not be penalised for doing so. By creating a support network for entrepreneurs, investors can encourage a significant change to “business as usual”, and help reduce the number that suffer from stress and anxiety.

This will not only be beneficial to the entrepreneurs, but ultimately alter the culture of entrepreneurship for the better, allowing for an environment where it is okay to ask for help if it is needed and not be seen as a bad founder. The road to entrepreneurial success may be long and winding, but it doesn’t always have to be so lonely.

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