Family CEO Burnout: How to Prevent, Recognize and Deal With It

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Between COVID, supply chain issues, armed invasions, unstable markets, and the great resignation with millions of workers leaving the workforce (Parker & Menasce Horowitz, 2022) – or, more recently, 'quiet quitting' (Ellis & Yang, 2022) – this may be the most challenging time for business leaders since the 1970's.

The stress level for leaders has been rising steadily in recent years – and the effects are measurable: The Global Leadership study (Neal et al., 2021) revealed that nearly 60% of leaders feel used up at the end of the workday (known to be a strong indicator of burnout). Amongst high-potential employees aspiring to a leadership position, this number is even higher, clocking in at 86%. A recent study among 5,000 employees (1,500 in managerial roles) in five Western countries found that 63% of the managers surveyed do not want to remain in management, and only 9% of non-managers aspire to the role (Beauchene & Cunningham, 2020). Leaders are bearing the brunt of the rising complexity of various demands, and it wears them down. This is likely even more pronounced for family CEOs, who face pressures not only from the organization and the various stakeholders connected to it, but also from the larger family. What makes it particularly hard for family CEOs is that they often find themselves unable to open up about feeling overwhelmed to those closest to them, simply because these family members may also have an ownership stake in the business they are leading or they don't want to be the cause of family instability.

In this short article, we outline the characteristics of leadership role burnout and provide recommendations for family CEOs to recognize, mitigate, and hopefully prevent this destructive development.

Leadership-Role Burnout: What It Is and How to Spot It

(Occupational) burnout is a psychological syndrome resulting from chronic workplace stress that has not been successfully managed (WHO, 2019). Prior research has identified a range of factors that contribute to burnout, such as a lack of positive connection with others in the workplace, no community support, work overload, role conflict, rile ambiguity, a combination of high demands and/or urgency and low rewards, and a mismatch in values (Maslach, Schaufeli, & Leiter, 2001; Schwab & Iwanicki, 1982).

Burnout has been shown to lead to a prolonged physical and mental response, which primarily manifests as energy depletion, physical and emotional exhaustion, reduced efficacy, and increasingly negative feelings towards the role. Other symptoms associated with burnout are cynicism, negativity, and irritability; mood swings; low internal enthusiasm and motivation, sleep disturbance, and loss of perspective (Maslach & Leiter, 2006).

While (general) job burnout has received its fair share of attention in both research and practice, role-specific burnout has not. Given the mounting evidence that business leaders are increasingly suffering from exhaustion (Neal et al., 2021), and paired with the fact that many other CEOs feel lonely in their role and even more perceive that this loneliness hinders their performance (Saporito, 2021), it may be time to take a closer look at leadership-role burnout. Senior leadership has a tremendous impact on organizational culture and performance, and a lack of commitment and motivation to adequately perform the role could significantly

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damage the organization.

What might leadership-role burnout look like in a family CEO?

1. **Deviation from the "individual norm":** Are they feeling different than usual? This first and most important indicator can be seen in a variety of ways, such as lower-than-usual energy level, a defensive or combative attitude, a lack of interest, or being overly emotional. Pay attention to any persistent (think a few weeks) changes in attitude or behavior that is outside of "normal" for this particular person.
2. **Withdrawal:** Lack of sharing and communication as to what is going on in the family business, and the challenges they deal with as the leader, which further exacerbates the feeling of isolation and may stoke concern and mistrust in the family shareholder group (vicious cycle). This may also present as withdrawal from family activities such as family gatherings to avoid conversation about the business.
3. **Negative communication:** Pejorative comments about and to others inside (*e.g.,* "do I have to do everything alone?,"or "they are just incapable") and outside of the family business (*e.g.,* "You have no idea what it's like working here"), and expressing feelings of hopelessness, ineffectiveness, and inadequacy (*e.g.,* "I've tried everything, nothing works,"or "This is getting worse and worse").
4. **Difficulty self-regulating:** Difficulty controlling emotions and keeping them from "leaking" into the workplace; disproportionate negative (or a lack of) reactions to situations (*i.e.,* "freaking out" about minor things indicates a state of heightened anxiety).
5. **Checking out:** Increased mental distance and lack of passion, difficulty thinking about and committing to the long-term (*e.g.* "Who knows what's going to happen next year," "There's nothing I can do about this").
6. **Physical exhaustion and feeling low:** Feeling lethargic and heavy, which may coincide with tiredness, lack of enthusiasm and satisfaction, low spirit, also changes in the sleep pattern.

As stated above, there must be a deviation from the "individual norm," or what the person feels and acts like under normal circumstances. For someone who has always been cynical and is now – still – cynical, this symptom has less prognostic value for leadership burnout than for someone who has always been very positive. Secondly, these symptoms may occur occasionally, and it is the magnitude and the accumulation of the symptoms over a prolonged duration that may indicate the presence of leadership-role burnout.

Dealing With Leadership Role Burnout in Your Family Business

Hope is not only a bad advisor, but also a bad strategy. Thinking and hoping that things will get better delays doing something about it, which may lead to chronic burnout. "If you see something, say something" applies with leadership-role burnout as well. So, what can be done to prevent or deal with family CEO burnout?

Destigmatize imperfection: Families struggle with being vulnerable; weaknesses are condemned and exploited, making for a toxic and destructive family culture. When failure is unacceptable, it is very difficult to admit personal struggles. A "zero-mistake" family culture can be neutralized by identifying the root causes of the fear of failure and engaging in relational work which will lead to deeper connections and a more unified family.

Seek connection: It is almost impossible for family and business leaders to talk freely about the stresses of the role – it might give people the impression that the family CEO is weak, incompetent, or altogether the wrong person for the job! The lack of support and connection, however, makes the situation worse. If family members feel the family CEO is withdrawing from communication or interaction, they should reach out and create a space for them to share their experience. Make sure to withhold judgement, and most importantly, keep the confidence. But remember, someone who has withdrawn has a tendency to be bitter -- so allow that, at least for a little while, as you reestablish an open channel.

Get perspective: Research shows that individuals prone to leadership-role burnout tend to be perfectionists who believe they do not need others' help in getting things done. The saying "it is lonely at the top" exemplifies the missing space to exchange thoughts freely and reflect on them. When recognizing early warning signs -- such as realizing that one's behaviors, emotions and thinking patterns have shifted -- it is

essential to find someone to gain perspective. This could be a personal coach, or access to peer groups such as YPI or Vistage. Normalizing one's experience can be a powerful way to de-stigmatize a frightening situation.

Set your boundaries: Family members can be incredibly needy. After all, it's their family business as well, right? They call on the weekends, during dinner, etc., requesting information about how things are going in the company. The family CEO feels compelled to tell them because after all, they are not only owners, but also cousins, aunts, parents or nieces. Family CEOs benefit from setting and enforcing very strict boundaries with their family members, and by gently and lovingly but *firmly* reminding them when – and when not – to communicate about the business, and when it is strictly family time.

Prioritize health: Many family CEOs we work with have internalized incredibly strong work ethics – to the point where they sacrifice their health the sake of their businesses and families, only to grow resentful of both. Abundant research shows that proper sleep and exercise benefits both the body and the brain, encouraging new neural growth and protecting brain cells from stress. Making time for physical exercise and sufficient rest is not indifference, but a necessity.

And for family members: Do not look away. When you notice someone is withdrawing or in a bad place, reach out to them. It can be helpful to seek professional support, not only for the person with the symptoms, but also for the one wanting to help. Also, support others with positive feedback: As the human brain is vastly a "social brain" (Muthukrishna et al., 2018), nothing may be as supportive as positive feedback. As Truett Cathy was fond of saying, "How do you know if a person needs encouragement? If they are breathing!" Don't harp on weaknesses; instead emphasize what is working well and ask what you can contribute so that the troubled person is able to achieve the goals. This can help prevent or stop a downward spiral.

Summary Thoughts

The potential consequences of overlooking or ignoring leadership-role burnout are threating to every organization, but in particular to family businesses, as the pressures are two-fold, and it affects both business and family life. Feeling burnt out in the job will hinder job performance, while also leading to tension in the family.

The family CEO might feel resentful towards family members not working in the business, who make demands on the business that are not sustainable or reasonable in the eyes of the family CEO. The resulting family conflict further exacerbates the burnout condition. Over time, leadership-role burnout will damage employee, customer, and supplier relationships, and it might negatively affect the next generation of family owners.

A supportive family culture that does not stigmatize imperfection is a fertile ground for productive, healthy family leadership. This requires consistent investments in family relations, good communication and conflict management – all factors that are not often directly associated, and therefore likely overlooked in the context of family CEO leadership role burnout.

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