

Harnessing ADHD for business success

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The symptoms of ADHD foster important traits associated with entrepreneurship. That conclusion was reached in a study conducted by an international team of economists, who found that entrepreneurs with ADHD embrace new experiences and demonstrate passion and persistence. Their intuitive decision making in situations involving uncertainty was seen by the researchers as a reason for reassessing existing economic models.

Poor concentration, hyperactivity, a lack of self-regulation - at first glance, the symptoms of ADHD would seem to lower performance. On the other hand, successful entrepreneurs are frequently reported to have ADHD. "We noticed sometime that some symptoms of ADHD resemble behaviors commonly associated with entrepreneurship - in a positive sense," says Prof. Holger Patzelt of the Entrepreneurship Research Institute at the Technical University of Munich (TUM).

In cooperation with Johan Wiklund, professor at the Syracuse University, and Dimo Dimov, professor at the University of Bath, Patzelt asked 14 self-employed people with ADHD about their diagnoses, their careers and their personal background. The study shows that important symptoms of ADHD had a decisive impact on the subjects' decision to go into business and on their entrepreneurial approach:

Impulsiveness:

People with ADHD are quick to lose their patience. Several of the participants in the study cited boredom in their previous jobs as a reason

for setting up their own company, where they could follow up on their own ideas whenever they wanted. One woman reported that she had introduced 250 new products within just a few years. In situations that would be highly stressful for others, such as difficult meetings with important customers, many of those surveyed felt at ease and stimulated. "Their [impulsiveness](#), resulting from ADHD, gives them the advantage of being able to act under unforeseen circumstances without falling into anxiety and paralysis," says Patzelt.

Most of those surveyed act without thinking, even when making far-reaching decisions. One of the entrepreneurs described buying a friend's company over lunch. He only learned of the friend's plan to retire during the meal. Other participants reported that they make investments with no strategy and commit large sums of money to projects with highly uncertain outcomes. Some entrepreneurs believe that this kind of quick decision making is the only way to be productive, and are willing to live with setbacks as a result. Some have difficulty coping with structured activities.

"A marked willingness to try out new things and take risks is an important entrepreneurial trait," says Patzelt. However, the respondents' impulsive actions led to success only when they focused on activities essential to the development of their businesses. One disadvantage of their impulsiveness was mentioned by all of them: problems with routine tasks such as bookkeeping.

Hyperfocus:

When people with ADHD have a strong interest in a task, they display an unusual level of concentration known as hyperfocus. One entrepreneur reported that he often becomes completely absorbed in crafting customer solutions. Another constantly keeps up with the new technologies in his industry to the point that he is now much in demand

as an expert. "With their passion and persistence, and the expertise they acquire as a result, entrepreneurs can gain a substantial competitive advantage," says Patzelt.

High activity level:

Many of the entrepreneurs in the study work day and night without taking time off. That is due to their hyperfocus, but also to the physical restlessness associated with ADHD. The entrepreneurs use this to fuel their workload. As their energy levels are not constant throughout the day, an advantage in running their own businesses is that they can set their own hours.

"Logic of people with ADHD symptoms is better attuned to entrepreneurial action"

Summing up the results, Patzelt says, "ADHD was a key factor in their decision to go into business for themselves and decisively impacted important entrepreneurial traits: risk taking, passion, persistence and time commitment. Impulsiveness has a special role to play. For People with ADHD it is okay to make intuitive decisions even if the results are bad."

Although one third of those surveyed failed in their business ventures or had little success, Patzelt sees the results of the study as vital for prompting a reassessment of prevailing assumptions in entrepreneurship research: "The way we evaluate entrepreneurial decisions is largely based on rationality and good outcomes. In view of the multitude of uncertainties, however, can such decisions always be rational? People with ADHD show us a different logic that is perhaps better suited to entrepreneurship."

More information: Johan Wiklund et al, Entrepreneurship and

psychological disorders: How ADHD can be productively harnessed, *Journal of Business Venturing Insights* (2016). [DOI: 10.1016/j.jbvi.2016.07.001](https://doi.org/10.1016/j.jbvi.2016.07.001)

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