

# BURNOUT AND ENTREPRENEURIAL SATISFACTION: THE MEDIATING EFFECT OF PSYCHOLOGICAL CAPITAL IN THE CONTEXT OF SINDH-PAKISTAN

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## ABSTRACT

This study examined the relationship between burnout and satisfaction among entrepreneurs in Sindh, Pakistan, and assessed the mediating role of psychological capital (PsyCap). The study used a cross-sectional survey approach to collect quantitative data from a sample of 315 entrepreneurs in major urban Hubs of Sindh, including Karachi, Hyderabad, and Sukkur. Structural Equation Modeling (SEM) has been used in SmartPLS version 4 to evaluate models and test hypotheses. Results of the study indicate that burnout negatively influences entrepreneurial satisfaction in a significant way. Burnout is also reported to relate negatively and significantly to PsyCap. However, PsyCap plays a buffering role in the relationship. The study highlights that burnout hampers the satisfaction level of entrepreneurs by reducing their motivation and energy in achieving their goals. However, PsyCap is an important resource that, at some level, reduces burnout effects on satisfaction. Thus, the insights of this study underscore the importance of fostering PsyCap resources of entrepreneurs for higher satisfaction by coping with burnout.

**Keywords:** Burnout, entrepreneurial satisfaction, PsyCap, Sindh-Pakistan

## INTRODUCTION

Entrepreneurship contributes to socio-economic prosperity by fostering employment, innovation, and economic growth, which in turn helps to achieve the United Nations' Sustainable Development Goals (Alam, 2019). Entrepreneurs establish new ventures that provide new products and services (Praag & Versloot, 2007). The Pakistani government has prioritized entrepreneurship as a key policy item (A. Alam, 2019). International reports such as the Global

Entrepreneurship Index (GEI, 2019) and Global Entrepreneurship Monitor (GEM, 2022) have persistently emphasized the role of entrepreneurship as a driving force for boosting economic growth and GDP in developing economies.

However, Pakistan has been ranked lower in the entrepreneurial activities due to ecosystem weakness (GEI 2019). According to GEM Pakistan (2012), the country lacks opportunity-

based entrepreneurship, and therefore, Pakistan's economic situation is not as good as that of other developing countries. The low entrepreneurial performance is due to insubstantial infrastructure, psychological vulnerabilities, and a fragile ecosystem. The situation is even worse in resource-constrained environments such as urban Sindh hub centers, including Sukkur, Hyderabad, and Karachi. This provides significance for conducting a study to investigate the psychological factors and their influence on the satisfaction and performance of entrepreneurs in such areas.

Over time, the entrepreneurship research has evolved from focusing merely on economic and managerial perspectives to the psychological function that impacts motivation, work performance, positivity, and resilience (Seligman & Csikszentmihalyi, 2000; Luthans & Youssef-Morgan, 2017). With the advent of Positive Psychology, the research focus has shifted from negative aspects such as fear, stress, and anxiety towards looking at positive aspects and resources such as hope, optimism, resilience, and self-efficacy (Luthans et al., 2007). For entrepreneurs, PsyCap shows the essential psychological resources that support entrepreneurs in achieving goals and managing uncertainty, and bouncing back from adverse situations (Baron et al., 2016). Results of the studies report that, on one hand, PsyCap positively influences the business performance and well-being of entrepreneurs (Hmieleski & Carr, 2007; Baluku et al., 2018), and on the other hand, mitigates the negative effects of stress and burnout.

Entrepreneurs often experience workloads, pressures, and risks leading to burnout, which is characterized by exhaustion, depersonalization, and reduced personal accomplishment (Maslach et al., 2001). Documented studies have shown that burnout lowers the health, satisfaction, and performance of entrepreneurs (Lechat & Torrès, 2016; Fatoki, 2019). However positive mental state and higher well-being of entrepreneurs lead to greater satisfaction and goal achievement of business ventures (Stephan, 2018; Wiklund et al., 2019).

Existing studies have focused less on exploring psychological aspects of entrepreneurship in the

context of Pakistan, and they were limited only to entrepreneurship and mental health (Saraf, 2019), entrepreneurial orientation and performance (Mustafa et al., 2019), and social or women entrepreneurship (Haram et al., 2021; Rasool et al., 2019). However, research-gap is still existing to uncover the role of burnout in satisfaction and PsyCap as a buffering tool in resource-limited economies such as Sindh, Pakistan. Hence, this research explores the relationship of burnout with satisfaction and how PsyCap mediates this relationship. The outcomes of the study will highlight the role of PsyCap in strengthening the satisfaction of entrepreneurs by lowering the burnout effects. The insights contribute to policymakers in framing training interventions for entrepreneurs to achieve satisfaction and better business results.

## LITERATURE REVIEW

The literature review includes a careful evaluation of relevant past empirical studies and frameworks that support the understanding of study variables on burnout, PsyCap, and satisfaction of entrepreneurs.

### Burnout and Entrepreneurs' Satisfaction

Entrepreneurial satisfaction refers to the perceived psychological fulfilment entrepreneurs derive from managing and growing their ventures. It is comprised of affective and cognitive decision making regarding purpose, contentment, success, and self-achievement (Cooper & Artz, 1995; Gorgievski et al., 2011). However, the entrepreneurial environment exhibiting stressors of heavy workloads and financial uncertainties makes entrepreneurs vulnerable to burnout, which causes emotional fatigue and declines motivation and satisfaction. Burnout is conceptualized as comprising "emotional exhaustion, depersonalization, and reduced personal accomplishment" (Leiter, 1988; Pines & Aronson, 1988). In entrepreneurial settings, these symptoms manifest as cynicism toward business activities, emotional withdrawal from operations, and diminished feelings of success or impact (Omrane et al., 2018).

A recent study indicates that increased levels of burnout are significantly linked with decreased life and job satisfaction (Fatoki, 2019). Entrepreneurs operating in volatile economies, such as those in urban Sindh, face continuous resource deficits, inflationary pressures, and competitive uncertainty that compound psychological strain. Persistent stress leads to emotional fatigue, reduced preparedness, and lower perceptions of business success (Lewin & Sager, 2007). In Pakistan's post-pandemic entrepreneurial climate, exposure to sustained financial stress correlates with decreased well-being and lowered satisfaction (Malak & Qassim, 2025).

Burnout erodes satisfaction by impairing self-efficacy, optimism, and positive engagement with one's entrepreneurial role, essential ingredients of purposeful work (Naik, 2012; Salami, 2011). Therefore, entrepreneurs in Karachi, Hyderabad, and Sukkur, where competition and financial risk remain high, may experience burnout's adverse effects more acutely. Based on this rationale, the following hypothesis is posited:

**H1:** *Burnout has a negative link to entrepreneurs' satisfaction*

### **Burnout and Entrepreneurs' Psychological Capital**

Psychological Capital (PsyCap) is composed of resilience, efficacy, hope, and optimism, which help in handling stress and lead to motivation (Luthans & Youssef-Morgan, 2017). In the context of entrepreneurship, these positive psychological resources work as a buffering tool that reduces stress and protects from burnout (Hmieleski & Carr, 2007). Entrepreneurs with greater PsyCap resources perceive problems as new opportunities for growing a business and control stress as well (Baron et al., 2016). Documented literature witnesses that PsyCap has a negative relationship with burnout; individuals enriched with PsyCap can mitigate emotional strain and achieve better psychological well-being (Manzano-García & Ayala, 2017; Malekitabar et al., 2017).

Research in the context of Sindh, Pakistan, also evidenced that burnout negatively influenced PsyCap; higher levels of PsyCap ameliorated the burnout effects on the entrepreneurs (Malak &

Qassim, 2026). The emerging economy regions, like Sindh, including urban regions such as Karachi, Hyderabad, and Sukkur, have dynamic socio-economic problems with low resources and higher risks, causing more burnout to entrepreneurs. Thus, it increases the importance of PsyCap resources (Malak et al., 2026). This is because PsyCap functions as a safeguarding tool from emotional weakening and burnout (Luthans et al., 2007; Yousaf et al., 2015). Hence, studies recommend growing PsyCap for better functioning and avoiding burnout (Malak & Lanjwani, 2026). Based on this, the second hypothesis is proposed:

**H2:** *Burnout has a negative link to the entrepreneurs' PsyCap*

### **Mediating Effect of PsyCap**

The relationships among burnout, PsyCap, and the outcomes of the entrepreneurs can be explained through theoretical frameworks, such as Broaden-and-Build Theory (Fredrickson, 2001) and the Job Demands-Resources (JD-R) model (Demerouti et al., 2001). These models reflect that burnout drains the resources of individuals; however, PsyCap refills positive energy and motivation for handling stress and achieving positive results. Furthermore, positive psychological resources such as hope, optimism, and resilience widen positive cognitive flexibility for growing and building resources, which help to mitigate burnout effects.

Practical study evidence the PsyCap to buffer the worsening effects of burnout on well-being and performance. The research of Manzano-García and Ayala (2017) revealed that PsyCap as a mediator reduced the effects of burnout on psychological well-being and supported coping with adverse and unpredictable situations at the workplace. Likewise, a study demonstrated that PsyCap safeguards from burnout's influence on Psychological well-being, thus leading to increased resilience for coping and better performance in entrepreneurial activities (Malak et al., 2025). Higher PsyCap maintains the positive energy for entrepreneurs and helps them in translating stress as manageable, which increases the sense of accomplishment and satisfaction.

In scarce resource regions such as Sindh, Pakistan, and specifically in Hyderabad, Karachi, and Sukkur, a fragile ecosystem, weak institutional support, and more risks, PsyCap becomes vital for achieving entrepreneurial satisfaction and success. Entrepreneurs who are enriched with PsyCap resources can achieve long-term goals by handling adverse situations effectively, which helps them achieve better psychological functioning, success,

and satisfaction (Paul & Devi, 2018; Juhdi et al., 2015). Accordingly, the mediating function of PsyCap is vital in explaining how burnout translates into lower satisfaction or success. Therefore, supported by theoretical and empirical reasoning, this study proposes:

**H3:** *PsyCap mediates the relationship between Burnout and entrepreneurs' satisfaction*

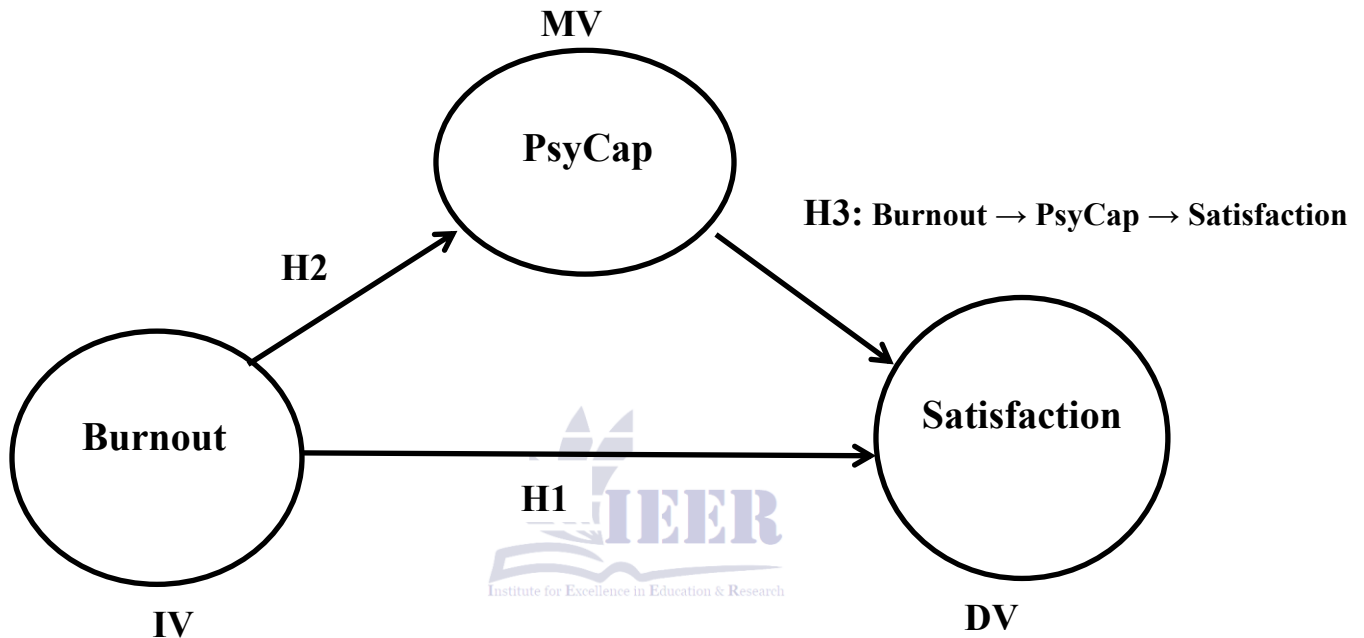


Figure 1. Conceptual Framework of this study

Source: Authors' research work

### RESEARCH DESIGN

The researchers have adopted a cross-sectional survey approach to gather quantitative data on variables such as burnout, satisfaction, and PsyCap from 315 entrepreneurs of Sindh's urban major cities: Sukkur, Hyderabad, and Karachi. The survey questionnaire included 27 items, which were taken from validated scales. PsyCap had 12 items, which were measured using compound psychological capital (CPC-12) given by Lorenz et al. (2016). Burnout was measured using 10 items Burnout Measure Short Version (BMS) scale proposed by Malach-Pines

(2005). Satisfaction was measured through 5 items used in relevant studies of authors (Juhdi et al., 2015; Paul & Devi, 2018). A 7-point Likert agreement scale ranging from 1 ("strongly disagree") to 7 ("strongly agree") was used for rating items of PsyCap and satisfaction. Whereas 10 Burnout items had been rated with 7-point frequency scale, with values ranging from 1 for "never" to 7 for "always", complying validated scale suggestions.

### DATA ANALYSIS AND RESULTS

Table 1 indicates the respondents' characteristics. There were 89.84% male respondents, and 10.16% were female entrepreneurs. The table also

shows the other characteristics of the respondents, such as age, marital status, and education level. The survey participants were engaged in managing and running the different businesses across

various sectors such as services, manufacturing, and retailing. In addition, Table 2 refers to the Mean values of the respondents' responses on the survey scale.

**Table 1. Characteristics of respondents**

Respondents' Features	Frequency	(%)
<b>Gender</b>		
Male	283	89.84
Female	32	10.16
<b>Age Group</b>		
21-30	78	24.76
31-40	158	50.16
41-50	60	19.05
Above 50	19	6.03
<b>Marital Status</b>		
Single	97	30.79
Married	218	69.21
<b>Education Level</b>		
Matric- Intermediate	64	20.32
Graduate- Masters	207	65.71
M.Phil.- PhD	44	13.97

Source: Author's research work, N = 315

**Table 2. Survey responses Mean Values**

Survey Items	Mean	Standard deviation
Hope1	5.352	1.198
Hope2	5.159	1.198
Hope3	5.521	1.128
Opt.1	5.641	1.172
Opt.2	5.41	1.11
Opt.3	5.416	1.206
Res.1	5.346	1.197
Res.2	5.276	1.238
Res.3	5.365	1.191
SE1	5.346	1.189
SE2	5.406	1.144
SE3	5.352	1.135
Sat.1	5.4	1.032
Sat.2	5.308	1.041
Sat.3	5.47	0.967
Sat.4	5.568	0.893
Sat.5	5.584	0.92

BO1	4.092	0.809
BO2	4.083	0.843
BO3	3.994	0.836
BO4	3.917	0.78
BO5	4.029	0.881
BO6	3.905	0.787
BO7	3.959	0.81
BO8	3.822	0.801
BO9	3.889	0.838
BO10	4.003	0.787

Source: Author's research work

### PLS\_SEM Results

The data were analyzed in the “Partial Least Squares Structural Equation Modeling (PLS-SEM)”, in “SmartPLS version 4” (Ringle et al., 2024). Due to PsyCap higher order construct, the “embedded two-stage approach introduced by Ringle et al. (2012) has been applied. In the initial stage, latent variable scores of PsyCap for lower-order constructs have been computed, which were used to make and estimate higher-order constructs in 2<sup>nd</sup> stage.

### Measurement Model Assessment

In the measurement model assessment, Table 3 reports the evaluation of the reflective lower-order constructs for item “reliability”, “construct reliability”, and “convergent validity”. The factor loadings of ten items of burnout, twelve items of PsyCap items (with dimensions of hope, optimism, resilience, and self-efficacy), and five items of satisfaction were above the suggested required value of 0.70 (see Figure 2), meeting the required criteria (Hair et al., 2021; Hulland,

1999). In this way, “Cronbach’s alpha” and “composite reliability” scores were also above the required limit of 0.70, ensuring the reliability of the constructs (see Table 3). The Average Variance Extracted (AVE) has been used to measure convergent validity, which refers to the extent to which indicators of a construct share a high proportion of common variance (Hair et al., 2021; Hair et al., 2019). Table 3 shows that AVE are above the threshold of 0.50, showing that each construct has indicators with above 50% variance. Discriminant validity was checked to know the distinctiveness of the variables in the research model (Chin, 2010; Hair et al., 2021; Hair et al., 2019). Fornell-Larcker criterion results in Table 4 report that diagonal values in *Italic* are the square root of each construct AVE and are greater than correlations of construct values under them, which shows establishment of discriminant validity. Table 5 reveals that “HTMT values” are below the recommended “0.85” and “0.90” as suggested by the authors (Henseler et al., 2015). Hence, discriminant validity has been ascertained.

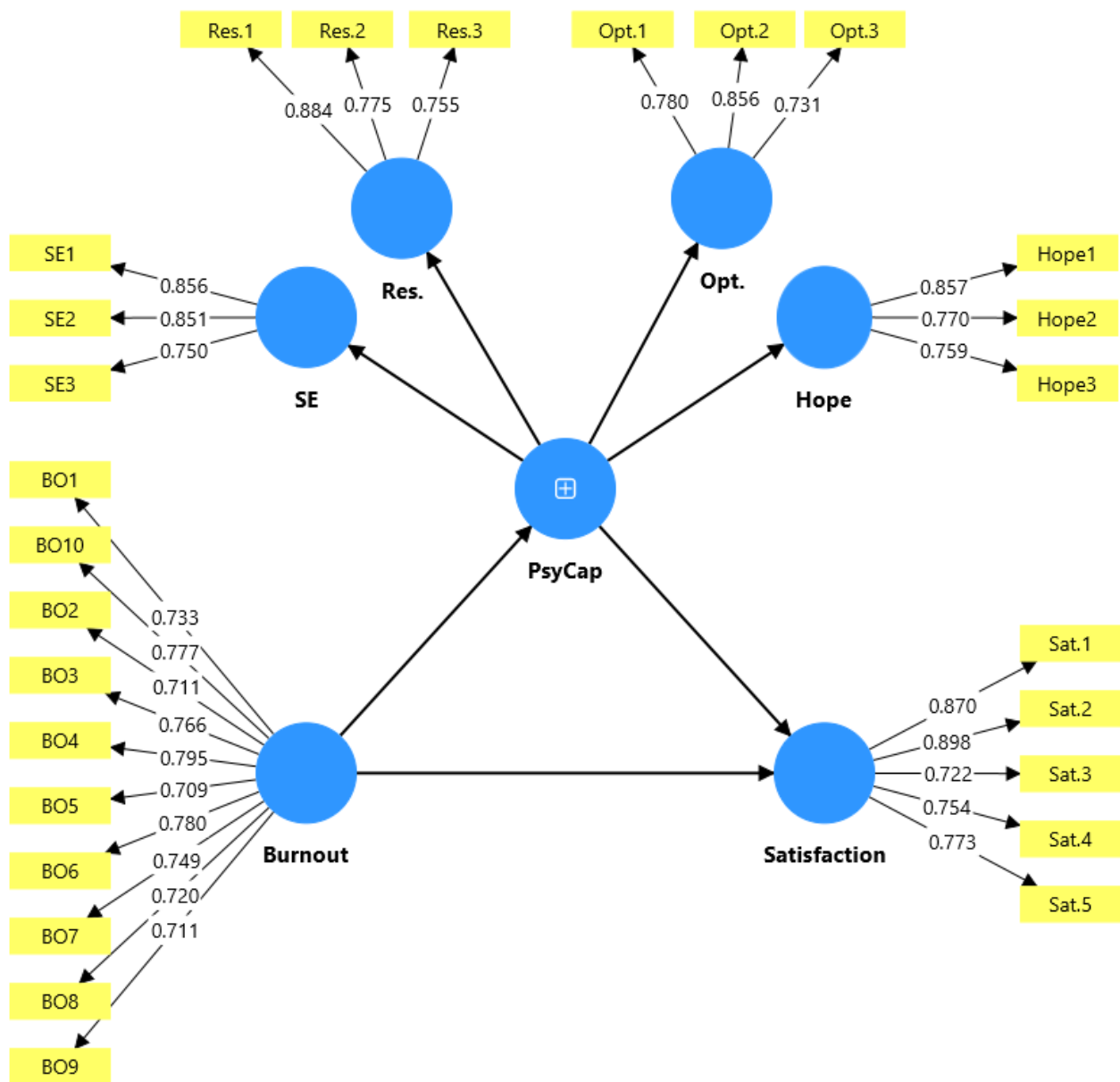


Figure 2. First Stage: Measurement Model Assessment

**Table 3. Loadings, Reliability and Validity**

Items	Loadings	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
BO1	0.733	0.912	0.917	0.926	0.556
BO2	0.711				
BO3	0.766				
BO4	0.795				
BO5	0.709				
BO6	0.780				
BO7	0.749				
BO8	0.720				
BO9	0.711				
BO10	0.777				
Hope1	0.857	0.718	0.760	0.838	0.634
Hope2	0.770				
Hope3	0.759				
Opt.1	0.780	0.705	0.743	0.833	0.625
Opt.2	0.856				
Opt.3	0.731				
Res.1	0.884	0.731	0.762	0.848	0.651
Res.2	0.775				
Res.3	0.755				
SE1	0.856	0.758	0.777	0.860	0.673
SE2	0.851				
SE3	0.750				
Sat.1	0.870	0.870	0.920	0.902	0.650
Sat.2	0.898				
Sat.3	0.722				
Sat.4	0.754				
Sat.5	0.773				

Source: Author's research work

**Table 4. Fornell-Larcker criterion**

Constructs/Variables	Burnout	Hope	Opt.	Res.	SE	Satisfaction
Burnout	0.746					
Hope	-0.199	0.796				
Opt.	-0.119	0.635	0.791			
Res.	-0.098	0.756	0.625	0.807		
SE	-0.118	0.748	0.689	0.818	0.820	
Satisfaction	-0.193	0.371	0.212	0.211	0.293	0.806

Source: Author's research work

Table 5. Heterotrait-monotrait ratio (HTMT) – Matrix

Constructs/Variables	Burnout	Hope	Opt.	Res.	SE	Satisfaction
Burnout						
Hope	0.246					
Opt.	0.147	0.862				
Res.	0.129	0.853	0.832			
SE	0.146	0.841	0.882	0.872		
Satisfaction	0.197	0.437	0.238	0.233	0.333	

Source: Author’s research work

The second stage of the embedded two-stage approach involves evaluating the “reflective measurement model” for higher order construct PsyCap created from the values of latent variable scores of lower order construct (Chin, 2010). Table 6 (also see figure 3) shows that indicators of PsyCap, such as “hope, optimism, resilience, and self-efficacy”, have indicator reliability above the required limit of 0.70 (Hair et al., 2021; Hulland, 1999). The table also indicates that “Cronbach’s alpha” and “composite reliability” values are

higher than 0.70, confirming internal consistency reliability. Furthermore, convergent validity is also okay as AVE is greater than 0.50 (see Table 6). Discriminant validity was also established as Fornell–Larcker criterion (see table 7) shows diagonal italic values of squared roots of “AVE” are above corresponding inter-construct correlations beneath them. “HTMT values” in Table 8 also satisfy discriminant validity as values are above the threshold of 0.85 and 0.90 (Hair et al., 2021; Henseler et al., 2015).

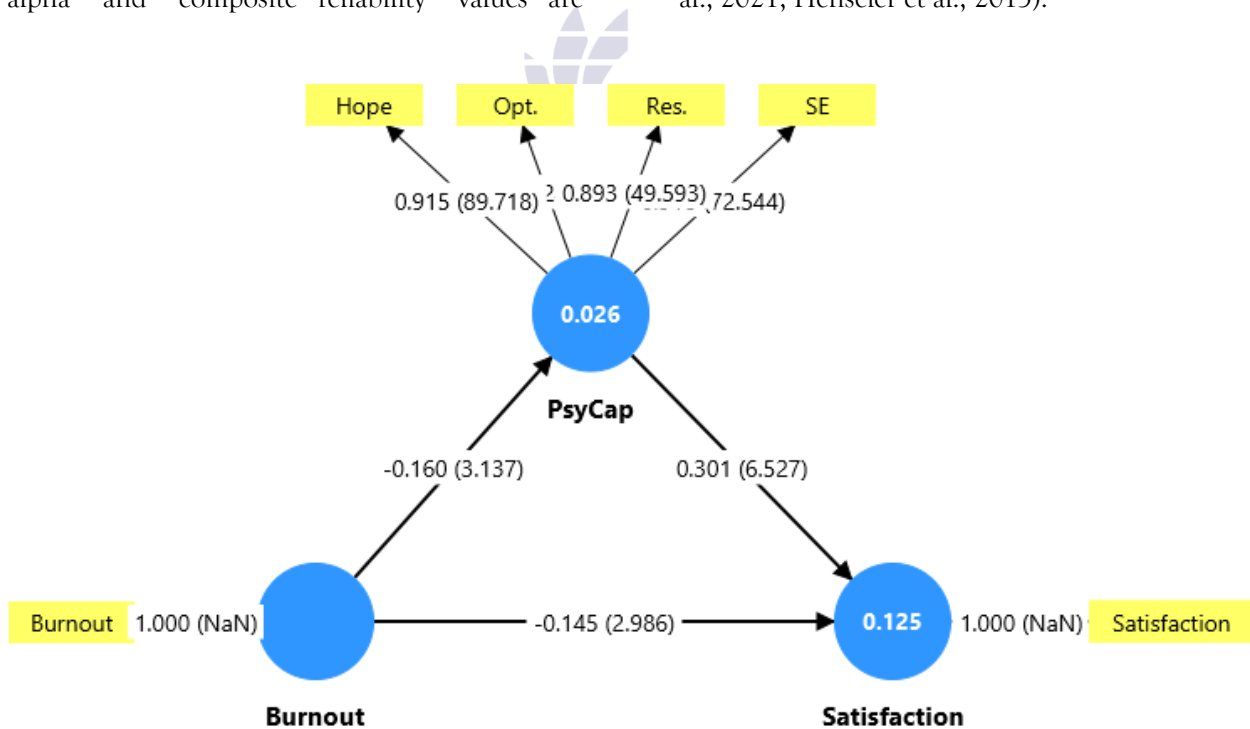


Figure 3. Second Stage: Measurement Model Evaluation

**Table 6. Loadings, Reliability and Validity**

Items/Variables	Loadings	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Burnout	1.000				
Hope	0.915	0.909	0.970	0.935	0.783
Opt.	0.809				
Res.	0.893				
SE	0.918				
Satisfaction	1.000				

Source: Author's research work

**Table 7. Discriminant Validity: Fornell-Larcker criterion**

Constructs	Burnout	PsyCap	Satisfaction
Burnout	1.000		
PsyCap	-0.160	0.885	
Satisfaction	-0.193	0.324	1.000

Source: Author's research work

**Table 8. Discriminant Validity: Heterotrait-monotrait ratio (HTMT) - Matrix**

Constructs	Burnout	PsyCap	Satisfaction
Burnout			
PsyCap	0.158		
Satisfaction	0.193	0.322	

Source: Author's research work

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### Structural Path Model Assessment and Hypotheses Testing Results

The inner path model, referred to as the structural path model, is assessed to check the path coefficients significance, collinearity issues, and assess the model's explanatory and predictive ability through  $R^2$ ,  $Q^2$  (predict), and effect size ( $f^2$ ), following the authors recommendations (Hair et al., 2021). To get results, the paths were assessed through a bootstrapping technique in PLS-SEM. Table 9 reports (also see Figure 4) that burnout has a negative and significant association with entrepreneurs' satisfaction (Burnout  $\rightarrow$  Satisfaction,  $\beta = -0.145$ ,  $t = 2.986$ ,  $p < 0.05$ ). The

results also demonstrate that burnout has a negative and significant effect on PsyCap (Burnout  $\rightarrow$  PsyCap,  $\beta = -0.160$ ,  $t = 3.137$ ,  $p < 0.05$ ). However, PsyCap is observed to have a positive effect on satisfaction of entrepreneurs (PsyCap  $\rightarrow$  Satisfaction,  $\beta = 0.301$ ,  $t = 6.527$ ,  $p < 0.05$ ). In addition, VIF values below 3 show no collinearity issues.

The coefficient of determination ( $R^2$ ) shows that the model has good explanatory strength, as reported in Table 10. The model also has good predictive accuracy, as  $Q^2$  predict scores are above zero in the table. The effect sizes ( $f^2$ ) are also reported in Table 10.

**Table 9. Path coefficients (Mean, STDEV, T Values & P Values)**

Paths	$\beta$	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values	VIF
Burnout → Satisfaction	-0.145	0.049	2.986	0.003	1.026
Burnout → PsyCap	-0.160	0.051	3.137	0.002	1.000
PsyCap → Satisfaction	0.301	0.046	6.527	0.000	1.026

Source: Author's research work

**Table 10. R<sup>2</sup>, Q<sup>2</sup> predict & f<sup>2</sup>**

LV	R-square	Q <sup>2</sup> predict
PsyCap	0.026	0.018
Satisfaction	0.125	0.029

Paths	f-square
Burnout → Satisfaction	0.024
Burnout → PsyCap	0.026
PsyCap → Satisfaction	0.101

Source: Author's research work

#### Evaluating Burnout as a mediator

Authors examined the mediating role of PsyCap through indirect effect via bootstrapping in PLS-SEM. Results in Table 11 reveal that the total effect of burnout on satisfaction ( $\beta = -0.193$ ) is greater than direct effect ( $\beta = -0.145$ ). This suggests the existence of partial mediation of PsyCap on

the relationship between burnout and satisfaction.

The indirect effect of burnout to satisfaction through PsyCap (Burnout → PsyCap → Satisfaction) is statistically significant ( $\beta = -0.048$ ,  $t = 2.827$ ,  $p < 0.05$ ), validating the mediating role of PsyCap in the model.

**Table 11. Indirect Effect (Mediation Analysis)**

Effect Type	Paths	$\beta$	SD	T-Values	P-Values
Total Effect	Burnout → Satisfaction	-0.193	0.051	3.811	0.000
Direct Effect	Burnout → Satisfaction	-0.145	0.049	2.986	0.003
Indirect Effect	Burnout → PsyCap → Satisfaction	-0.048	0.017	2.827	0.005

Source: This study

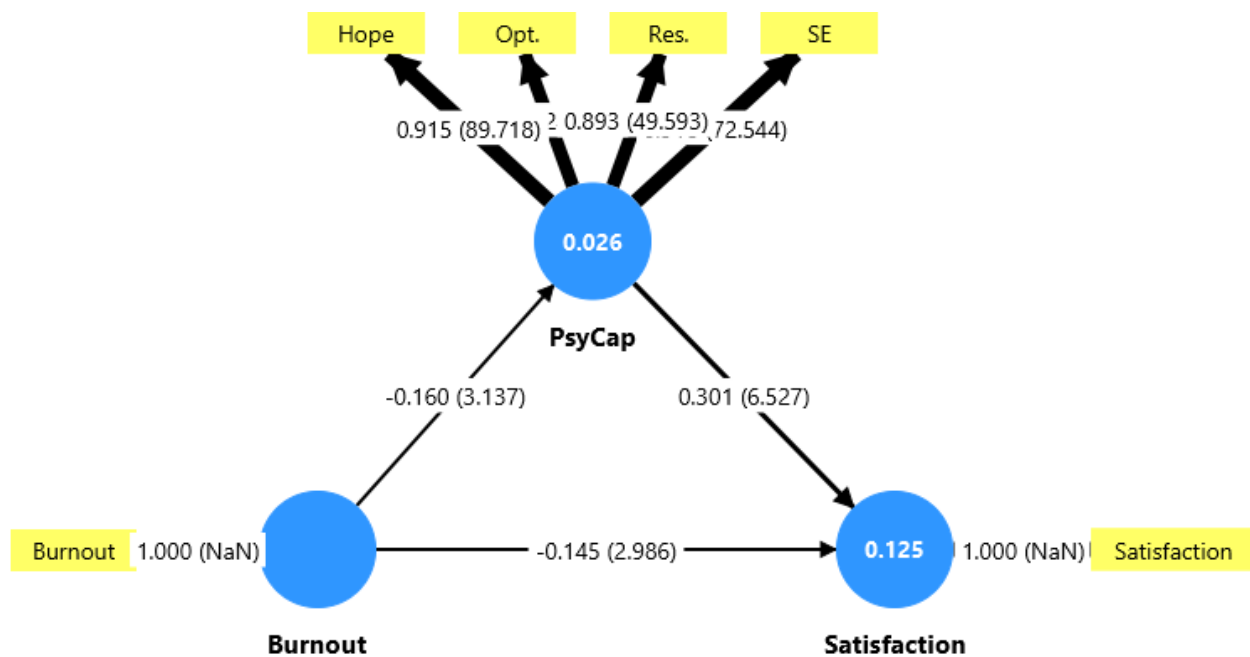


Figure 4. Final Path Model: Structural Model Assessment

## DISCUSSION OF THE RESULTS

The current study investigated the correlation of burnout with the satisfaction of entrepreneurs and the role of PsyCap on the link between burnout and satisfaction in the resource-constrained region of Sindh, Pakistan, including major urban business cities such as Karachi, Sukkur and Hyderabad. The results offer evidence for all three proposed hypotheses and align with established theoretical frameworks such as the Job Demands-Resources (JD-R) model.

The findings confirm that burnout negatively affects entrepreneurs' satisfaction, thereby supporting H1 of the study. This result aligns with previous research, which highlights that continuous exposure to stressors, workload, uncertainty, deadlines, and financial challenges diminishes entrepreneurs' psychological satisfaction, which in turn motivates their venture performance and success (Fatoki, 2019; Gorgievski et al., 2011). Entrepreneurs in Urban Sindh face resource constraints that lead to burnout (Malak et al., 2025), impacting their well-being (Malak & Qassim, 2025) and business success (Malak et al., 2022). Prolonged burnout

undermines entrepreneurial performance and internal satisfaction. The negative effect of burnout reduces contentment, achievement, and a sense of purpose; this is consistent with the authors' arguments that entrepreneurial burnout causes significant psychological costs (Lewin & Sager, 2007).

The present study further shows that burnout is negatively related to PsyCap, which strongly supports H2. PsyCap resources, defined as “hope, self-efficacy, resilience, and optimism” (Luthans & Youssef-Morgan, 2017), are essential assets. When entrepreneurs experience high burnout levels, their psychological resources become depleted, reducing their ability to handle challenges effectively. This aligns with earlier studies (Manzano-García & Ayala, 2017; Malekitabar et al., 2017), which find that burnout decreases individuals' optimism and resilience, making them more vulnerable to stress. In fast-changing markets like Karachi, Hyderabad, and Sukkur, where adaptability and persistence are crucial, lower PsyCap can speed up the cycle of burnout. The findings suggest that burnout not only directly impacts outcomes but also weakens the internal

psychological resources that entrepreneurs depend on for ongoing performance. Conversely, the results reveal a strong positive impact of PsyCap on entrepreneurs' satisfaction, showing that greater PsyCap resources boost satisfaction levels. This underscores the importance of PsyCap and supports the idea that PsyCap functions as a key emotional and motivational resource that fosters an optimistic work attitude (Baron et al., 2016; Luthans et al., 2007). In the uncertain, resource-scarce environment of urban Sindh, psychological capabilities are crucial for maintaining business success and achieving satisfaction. Entrepreneurs with higher PsyCap are more likely to view challenges as manageable and maintain a forward-looking outlook, which helps sustain satisfaction despite environmental challenges.

The mediation analysis results confirm that PsyCap significantly mediates the relationship between burnout and entrepreneurs' satisfaction, supporting H3 of the study. The negative indirect effect shows that burnout reduces PsyCap, which in turn lowers satisfaction. This result aligns with the JD-R Model, explaining that burnout depletes resources; however, PsyCap, as a vital resource, buffers the effects of burnout. Previous studies (Manzano-García & Ayala, 2017; Juhdi et al., 2015) also support this, demonstrating that PsyCap protects against stress and promotes better well-being. Entrepreneurs in Sukkur, Hyderabad, and Karachi face significant challenges, making the importance of PsyCap even greater. This highlights that cultivating PsyCap among entrepreneurs is essential for satisfaction and business success.

### **Implications of the Study**

Current research contributes valuable implications in terms of theory and practice. Theoretically, this study advances the Job Demands-Resources model by developing our understanding through empirically investigating Psychological Capital (PsyCap) functioning as a personal resource in the relationship between burnout and entrepreneurial satisfaction in the context of a developing economy such as Sindh, Pakistan. Practically, this study offers key outcomes for developing key resource of PsyCap

through effective training interventions, which supports entrepreneurs in maintaining satisfaction by coping with stress. Different stakeholders, such as government, incubator centers, and small and medium enterprises, can integrate PsyCap resources development for mitigating burnout and achieve better satisfaction in entrepreneurship actions.

### **Limitations**

The findings of this research are restricted to the urban entrepreneurs' centers of Sindh, Pakistan, such as Karachi, Sukkur, and Hyderabad. The cross-sectional survey also limits the methodological approach of the study. The study outcomes are also restricted to the entrepreneurs in the unique socio-economic environment of Sindh, Pakistan.

### **Future research directions**

Future studies can use longitudinal research designs, and they can be expanded to the rural entrepreneurs and even to other regions. Research can also use other variables, such as financial literacy, social support, and networking, in relation to PsyCap in the context of entrepreneurs. The upcoming research can be done in the context of different industries such as e-commerce, technology, and AI-based startups.

### **CONCLUSION**

These study findings suggest that burnout undermines the satisfaction of entrepreneurs by diminishing PsyCap resources. However, it is also observed in the study that PsyCap enhances not only satisfaction but also reduces burnout levels. Therefore, growing PsyCap in resource-constrained environments such as Sindh, Pakistan, is mandatory for entrepreneurs to achieve greater satisfaction and continue achieving business progress and well-being. By strengthening PsyCap resources, entrepreneurs are psychologically strong to remain positive and face challenges with ease.

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