

REPORT №13 • OCTOBER 2025

The Untold Toll Series: Part 2

Navigating stress, wellbeing and burnout in startup teams

In collaboration with:



Introduction

“In a world obsessed with performance, this report turns the lens on the emotional reality inside startups, where unspoken stress, unclear goals and silent leadership shape the employee experience”



Yael Benjamin
(Founder Startup Snapshot)

State of Affairs

At Startup Snapshot, we’ve spent the past few years researching the emotional state of startup founders, diving into the pressure, the isolation, and the mental toll of building a company from the ground up.

Our last report, *The Untold Toll*, sparked a critical conversation around founder wellbeing and what it really takes to lead through chaos.

But as we dug deeper, one pattern became clear: founder stress doesn’t exist in a vacuum. It radiates. It affects teams, shapes culture, and quietly influences how safe, supported, and emotionally resilient employees feel.

Visibility Through Data

This new report expands the lens. We explore how founder behavior, whether it’s visible stress, silence around company challenges, or lack of transparency, impacts employee wellbeing in profound ways.

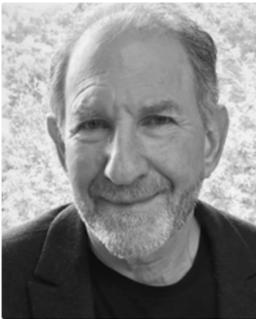
The data shows that the startup grind is not just a founder’s burden, it’s carried, often silently, across the entire organization.

Report Nº13

This is report number 13 in our series, and one of our most personal. It’s my hope that by bringing visibility to the emotional dynamics inside startups, we can push the conversation forward—and build healthier, more honest, and more human startup cultures.

Backed by leading psychologists, researchers and investors dedicated to supporting healthier founders and companies

“Startup Snapshot’s research makes it clear: a founder’s mental state doesn’t exist in a vacuum. Emotionally intelligent leadership shapes the performance of the entire firm.”



**Michael
A. Freeman, MD**

(Psychiatrist and psychologist for founders)

“Capital fuels growth, but it’s people who sustain it. Startup Snapshot’s research confirms: if we want resilient companies, we must invest in the resilience of the people building them.”



**Brad
Feld**

(Co-Founder Techstars and Foundry VC)

“Well-being research in entrepreneurship still centers on founders. Startup Snapshot shifts the lens to employees, showing that without understanding this distinct group, explanations of how startups operate are incomplete.”



**Dr. Yuval
Engel, PhD**

(Associate Professor University of Amsterdam)

Brought to you by: The team behind the research

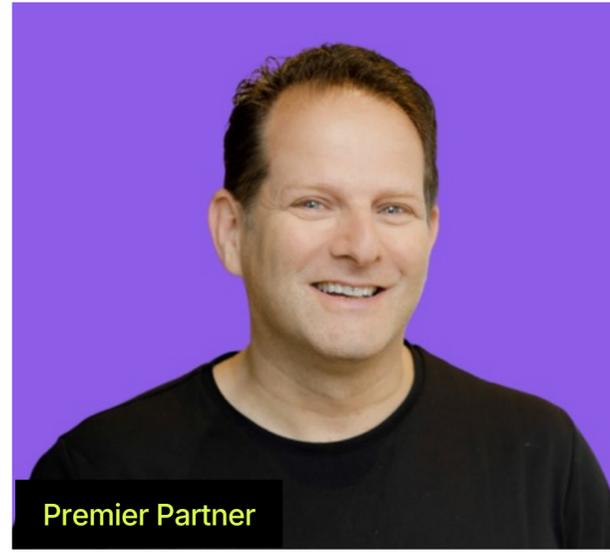


Yael Benjamin

Founder and CEO at Startup Snapshot

Yael is a strategic advisor to startups and VCs. She founded Startup Snapshot to increase transparency in the innovation ecosystem.

Startup Snapshot



Tzahi Weisfeld

Cofounder & Chairman Ignite DeepTech

Tzahi is a global accelerator builder who launched startup programs for Microsoft and Intel. He now leads Ignite DeepTech, supporting early stage deep tech startups.



Annika Sten Pärson

Founding Partner & Executive Chair at The Inner Foundation

Annika a social entrepreneur and investor. She is the Founding Partner at The Inner Foundation, a non-profit foundation investing in solutions that strengthen inner health.



Moshe Levin

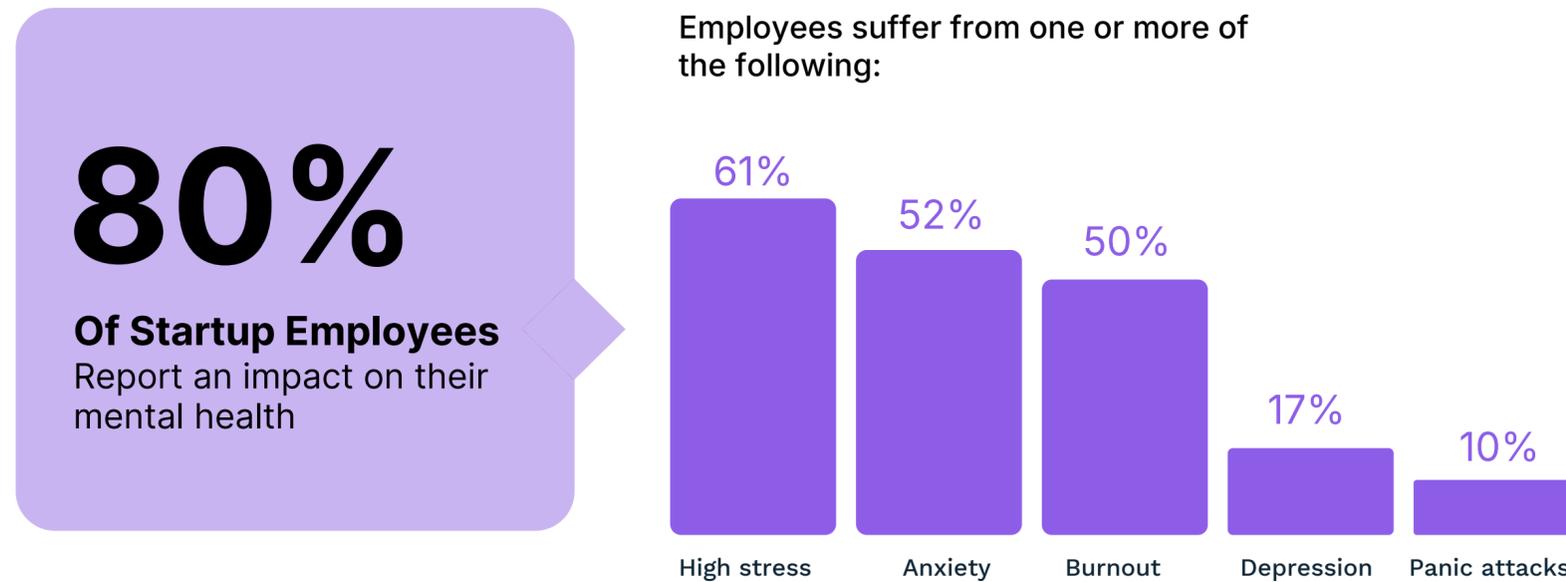
Chairman of the Board at Consiglieri

Moshe has spent 45+ years shaping the tech industry as an entrepreneur, CEO and VC. He now serves as the Chairman of Consiglieri, an advisory firm for leading tech companies.



Key Insights

THE STARTUP GRIND TAKES A MAJOR TOLL ON EMPLOYEE MENTAL HEALTH



80%

Of Startup Employees
Report an impact on their mental health

THIS WASN'T WHAT THEY SIGNED UP FOR

90%

Of employees didn't expect startup life to impact their mental health

EMPLOYEES HIDE THEIR STRESS FROM LEADERSHIP, FEARFUL THEY WILL LOOK WEAK



ONLY

15%

Of Startup Employees

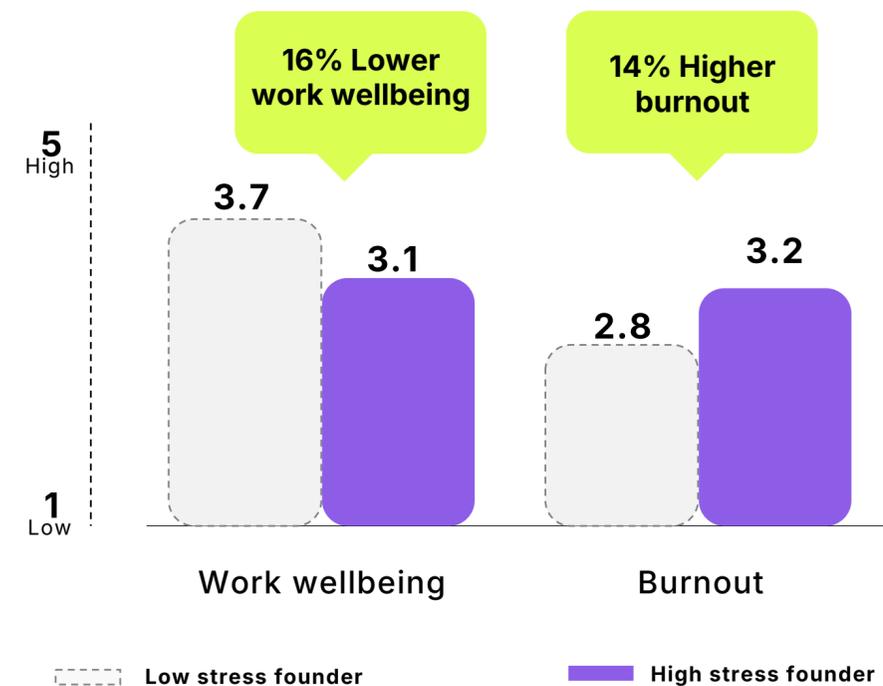
Are open with their direct manager about their stress or wellbeing challenges

Key Insights

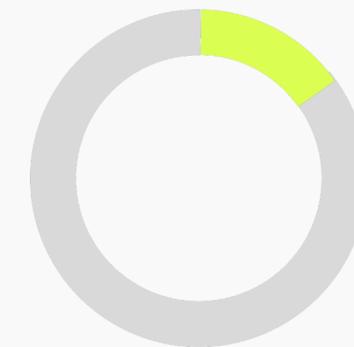
THE FOUNDER'S STRESS IS CONTAGIOUS, SHAPING HOW EMPLOYEES FEEL, WORK AND COPE

57%
Of Employees
Observe their founder expressing stress of anxiety at least a few times a month

EMPLOYEES WORKING UNDER HIGH STRESS FOUNDERS REPORT...



EMPLOYEES ARE IN THE DARK: LACK OF INFORMATION IS RANKED AS TOP EMPLOYEE STRESSOR, YET FOUNDERS DON'T SHARE



ONLY
18%
Of Startup Employees
Report their founders are completely transparent about the startup's challenges

- 01 Hidden Toll of Startup Building
- 02 Founder Stress Contagion
- 03 Finding Safe Spaces
- 04 The Culture of Care

01.

Hidden Toll of Startup Building



Startups promise purpose. But at what cost?

Startup culture has long been celebrated as the holy grail of modern work—fast moving, purpose-driven, and full of possibility.

For many employees, that promise delivers. They report high levels of happiness, a strong sense of purpose, and deep job satisfaction.

But beneath the surface of this energized environment lies a contradiction: elevated stress, anxiety, and burnout.

Our data reveals that while startup employees are fulfilled, they're also more emotionally taxed than their peers and even more so than many founders themselves.

This is the paradox at the heart of startup work. The highs are higher, but so are the lows.

Deep connection to the mission often comes at the price of personal wellbeing.

In this section, we unpack this dual reality: how startup employees can feel both driven and depleted, energized yet overwhelmed. It's a culture of meaning, but one that may quietly fuel burnout beneath the buzz.

Behind the fast pace and purpose-driven culture lies a surprising truth: the emotional toll is higher than anyone signed up for.

The startup reality: Employees describe a culture of purpose, meaning and stress

THE FOUR DIMENSIONS OF WORK WELLBEING (MEAN SCORES)

HAPPINESS



SATISFACTION



PURPOSE



STRESS-FREE

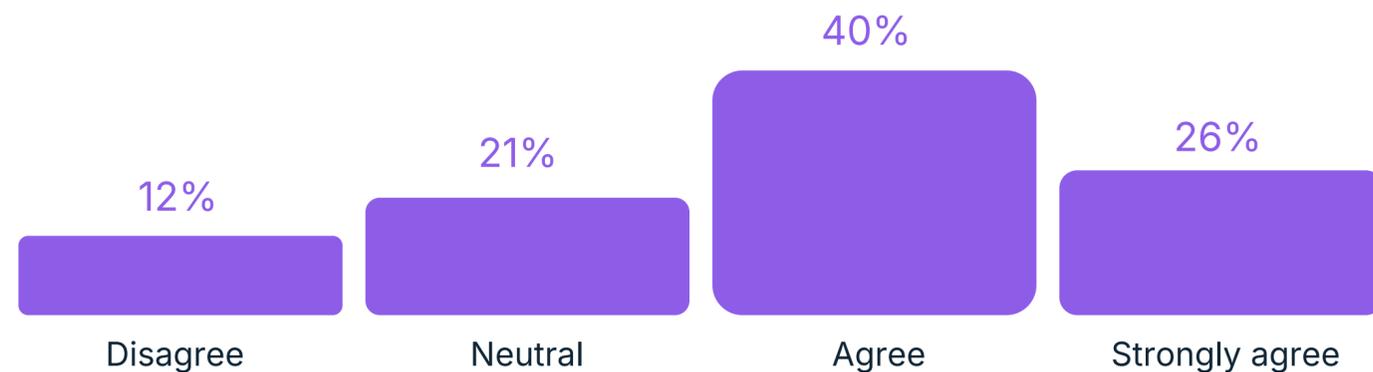


Source: Fleming, W., Ward, G., & Neve, J.-E. D. (2024). Assessing data quality in a Big convenience sample of work wellbeing. University of Oxford Wellbeing Research Centre. doi.org/10.5287/ora-j5pb5qgem

A culture of high purpose fuels deep loyalty: Employees strongly identify with their startups

Startup employees often see their company as an extension of themselves. This deep identification fuels motivation, loyalty and a powerful sense of shared purpose. It can create strong emotional bonds that keep teams committed through challenges. Yet it also means the pressures and struggles of the company can feel intensely personal, blurring the line between work and self.

TO WHAT EXTENT DO YOU AGREE WITH THE FOLLOWING SENTENCE "I IDENTIFY WITH MY STARTUP"?



Like founders, employees see the startup as part of their identity. They celebrate its wins as their own, take criticism personally, and instinctively say “we” instead of “they”.

“The stress of working in a startup is high, but the sense of belonging and shared purpose creates an identity that often makes the sacrifice feel worthwhile.”



MOSHE LEVIN
(Serial Entrepreneur and Investor)

Behind the loyalty of employees lies a more sobering truth: anxiety and burnout are widespread

● THE EMOTIONAL TOLL

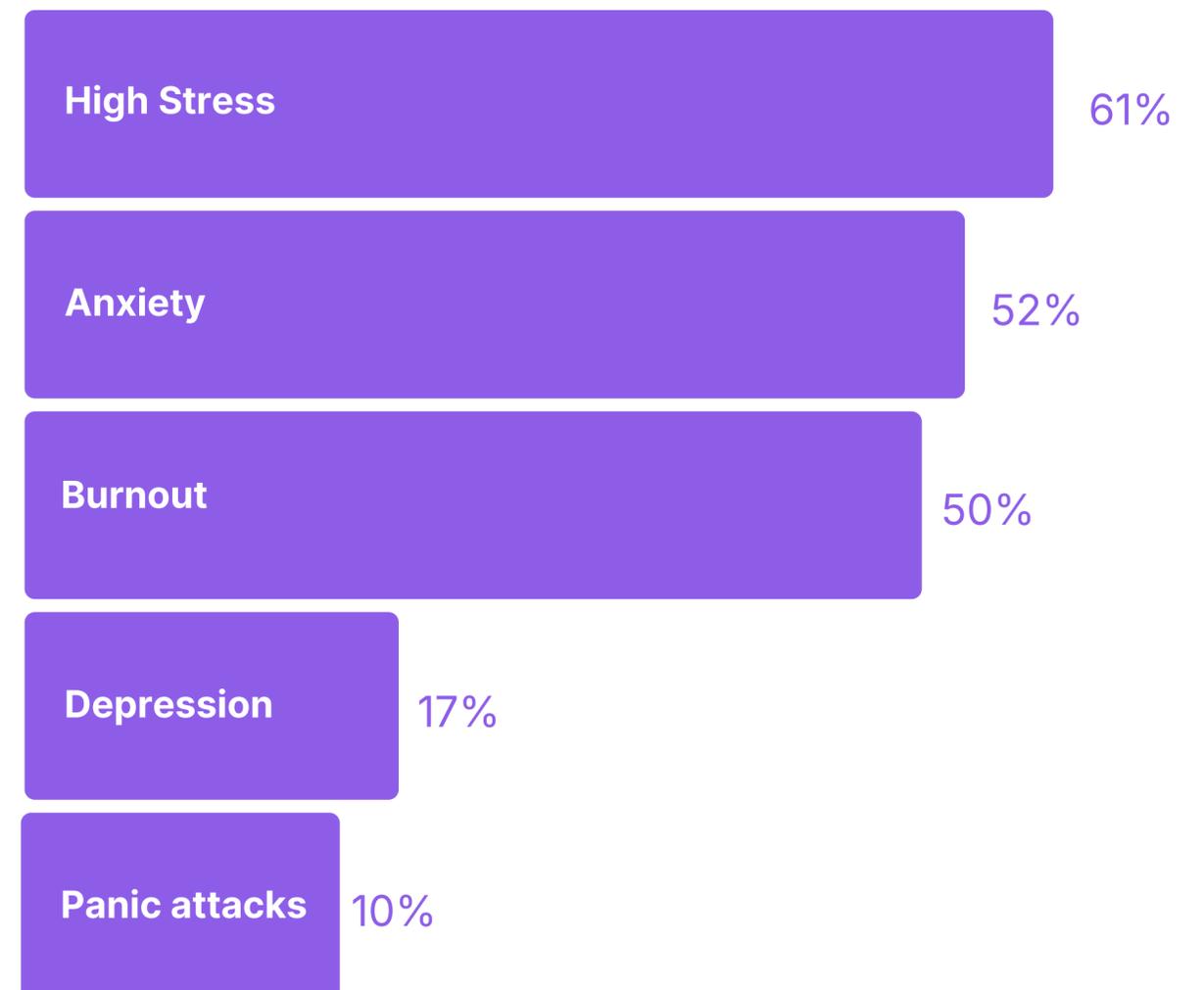
Startups are fueled by ambition, urgency, and purpose, but that drive often comes at a personal cost. The emotional toll of building something from nothing is real, and it's not just founders who feel it. For many employees, the fast pace and constant pressure chip away at their wellbeing over time.



“When everyone feels personally responsible for the company’s survival, stress becomes a shared currency—and without strong communication, that pressure quietly erodes focus, trust, and mental health”

DR. MATTHEW JONES
(Founder, Cofounder Clarity)

SINCE JOINING THIS STARTUP, HAVE YOU EXPERIENCED ANY OF THE FOLLOWING?



Employees report a greater emotional toll than founders: Are they suffering more or just being more honest?

● EVERYONE FEELS THE STRAIN

Employees report higher rates of stress, anxiety, and burnout than startup founders themselves. It raises a critical question: are employees truly suffering more, or are they simply more willing to acknowledge the toll? Either way, the data reveals that the emotional cost of startup life runs deep across the team, not just at the top.

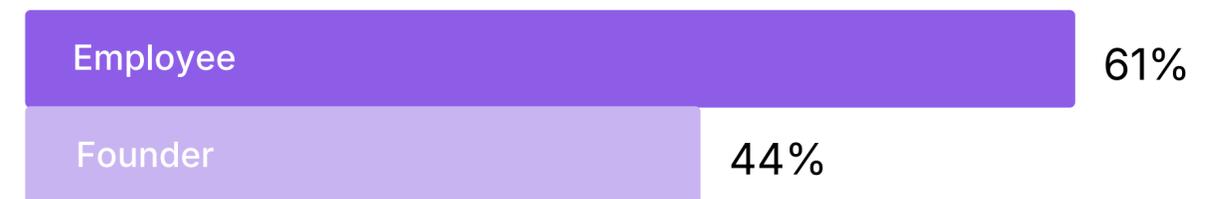


“High control and autonomy can offset high stress. Founders report crushing demands, but because they steer the ship, the emotional toll is often less severe than what the employees experience.

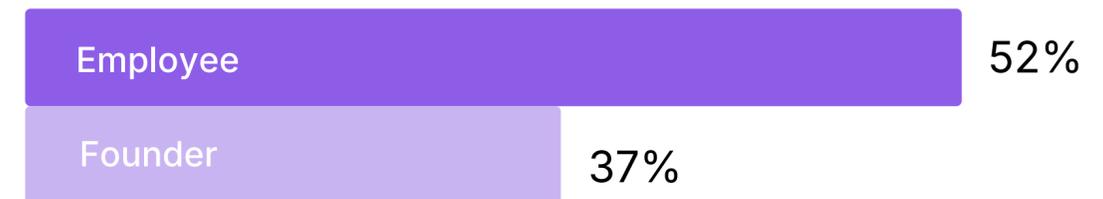
MICHAEL A. FREEMAN, M.D.
 (Psychiatrist & Psychologist for Founders)

SINCE JOINING THIS STARTUP, HAVE YOU EXPERIENCED ANY OF THE FOLLOWING?

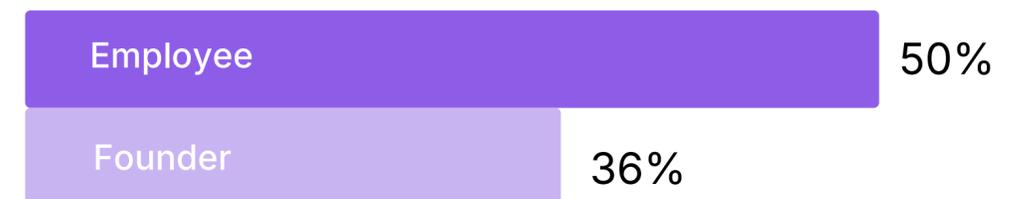
High Stress



Anxiety



Burnout



* Source: Founder data from Startup Snapshot Report “The Untold Toll” 2023 (Differences may be attributed to the fact that these are different samples)

The demands of startup life drain employees on all fronts

 **Mentally drained**

78%

Of Employees

Felt mentally drained because of their work a few times a month or more

 **Physically exhausted**

67%

Of Employees

Came home feeling physically exhausted a few times a month or more

 **Socially disconnected**

62%

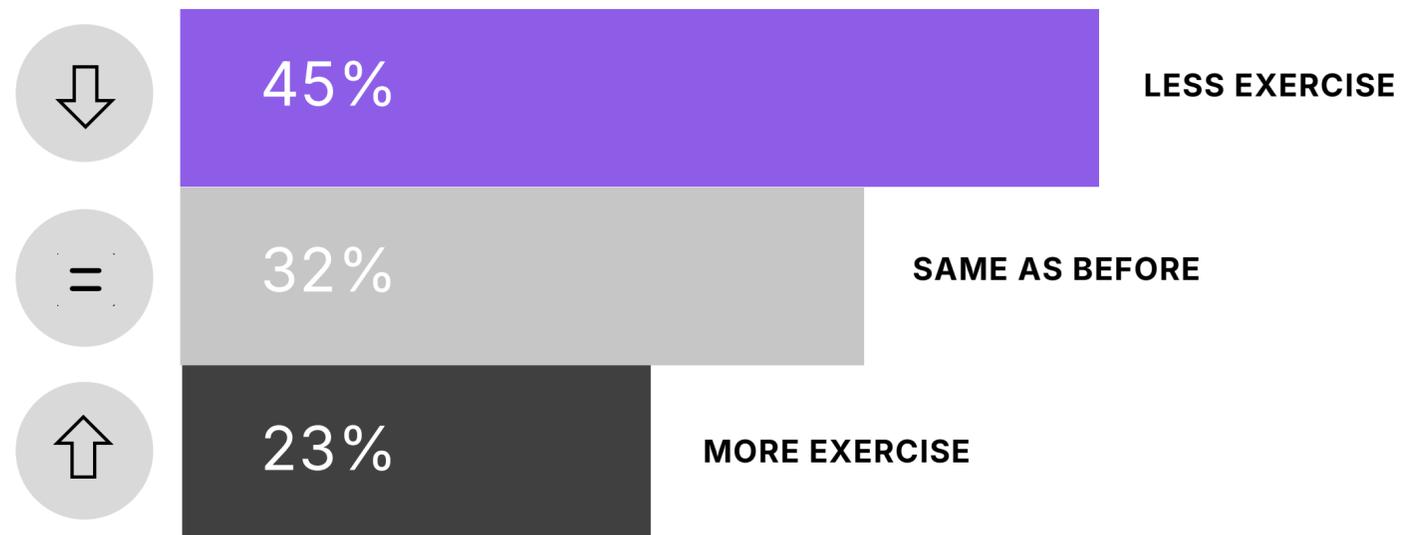
Of Employees

Say they are too exhausted after work to spend time with friends, at least a few times a month

Wellbeing takes a hit, starting with exercise

Exercise is one of the most effective ways to manage stress, but startup life often gets in the way. 45% of employees say they exercise less than they did before joining a startup, and only a third have maintained their routine. As hours get longer and pressure builds, physical wellbeing is one of the first things to slip.

THE MAJORITY OF EMPLOYEES EXERCISE LESS TODAY THAN BEFORE THEY JOINED THEIR CURRENT STARTUP



“Startup employees are the modern workforce’s hybrid athletes. You need to lead, manage, operate, pursue a mission, and keep your wellbeing up so that you can be your best when it matters most. If you want to do that consistently, movement is non-negotiable.”

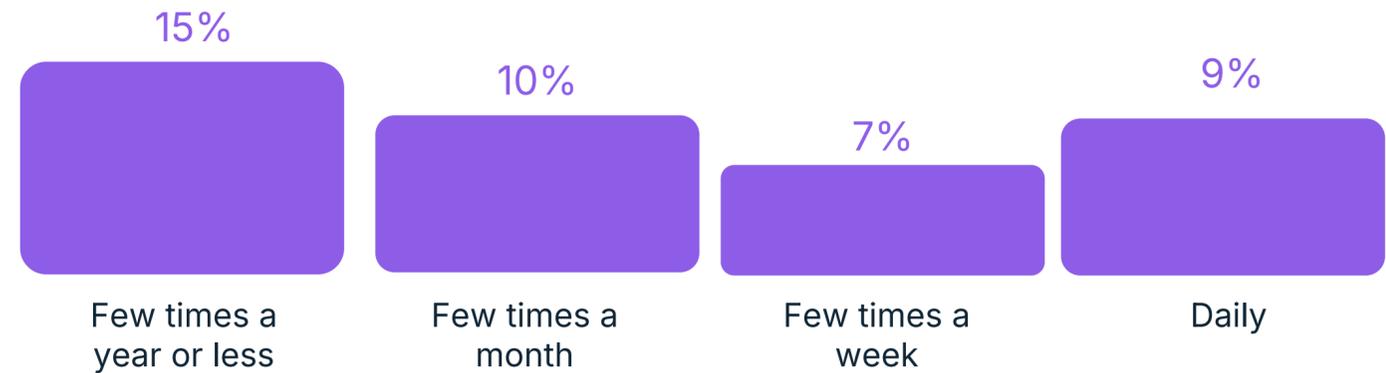


ALEX AUERBACH, Ph.D.
(Performance Psychologist)

When healthy coping strategies fall away, a quarter of employees turn to substances

When healthy coping strategies fall away, many employees look elsewhere to manage the pressure. A quarter of startup employees say they use substances to help them sleep, focus, relax, or manage stress — at least a few times per month, if not more. Whether it's to stay sharp or wind down, it's a clear sign that the demands of startup life are pushing employees to their limits.

SINCE JOINING THIS STARTUP, HOW OFTEN HAVE YOU USED SUBSTANCES TO HELP YOU SLEEP, FOCUS, RELAX OR MANAGE STRESS?



25%

Of Employees
Use substances at least a few times per month



“Startups live in a paradox: burning cash while chasing world-changing visions. That tension creates a stress unlike any other, one that pushes employees toward substances at higher rates than almost any workplace.”

NIMROD VROMEN
(CEO ARK EMPOWERMENT)

This wasn't what they signed up for

● EMPLOYEE STRESS

Most employees didn't see it coming. Only 10% anticipated that joining a startup would take a toll on their mental health, but in hindsight, 80% say it did. The emotional strain of startup life often reveals itself slowly: long hours, constant change, unclear boundaries. For many, the reality hasn't matched the promise, and they're left carrying a weight they never expected.

EXPECTATIONS VERSUS REALITY

10%

Expected a negative impact on their mental health

vs.

80%

Reported their work actually impacted their emotional health

“The shiny lights of startup life are compelling — who wouldn't want to be part of that story? But behind the glow, employees pay a price they never anticipated. They enter with energy and belief, and too often leave drained, disillusioned, or unwell. If we're serious about building sustainable companies, we need to rewrite that narrative.”



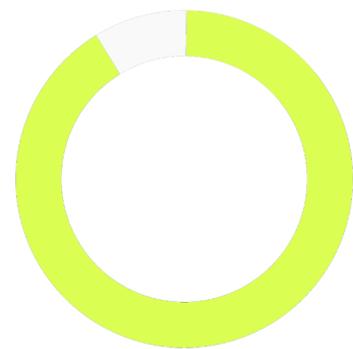
NEKTARIOS LIOLIOS

(Partner at Foundology and Host of the NAKED Podcast)

And yet... the majority would do it again

● PURPOSE OVER PRESSURE

Despite the emotional toll, most employees remain committed to the startup journey. While many report high stress, anxiety, and even burnout, the majority say they would join another startup if this one fails or exits. For them, the purpose and energy still outweigh the pressure.



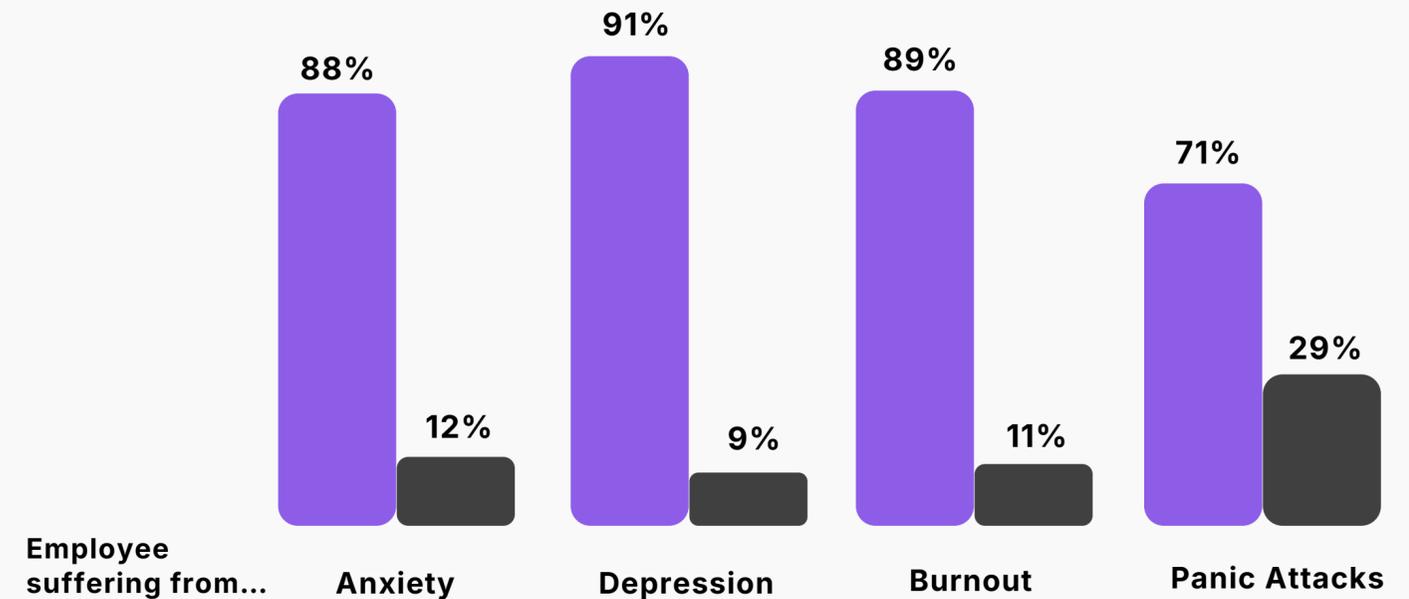
91%

Of Startup Employees
Would definitely or
potentially join
another startup

DESPITE THE IMPACT ON THEIR MENTAL HEALTH, MOST EMPLOYEES WOULD JOIN ANOTHER STARTUP IF THEIR CURRENT ONE FAILS OR EXITS

If this startup fails or exits,
will you join another one?

■ Yes/maybe
■ No



02.

Founder Stress Contagion



When pressure at the top spills down

At the heart of every startup is its founder. Employees often choose to join not because of the salary or the stability, but because of the person leading the way. The founder's vision excites them, their energy motivates them, and their passion makes the impossible feel within reach.

But that influence is a double-edged sword. The same presence that inspires can also weigh heavily. Founders carry immense pressure, including responsibility to investors, customers and employees, and while they may not speak openly about their struggles, those around them can feel it.

Over time, this quiet transmission of stress becomes part of the culture. Teams begin to mirror the founder's state of mind: when the founder is hopeful, the company feels unstoppable; when the founder is anxious, the weight of uncertainty spreads across the

organization.

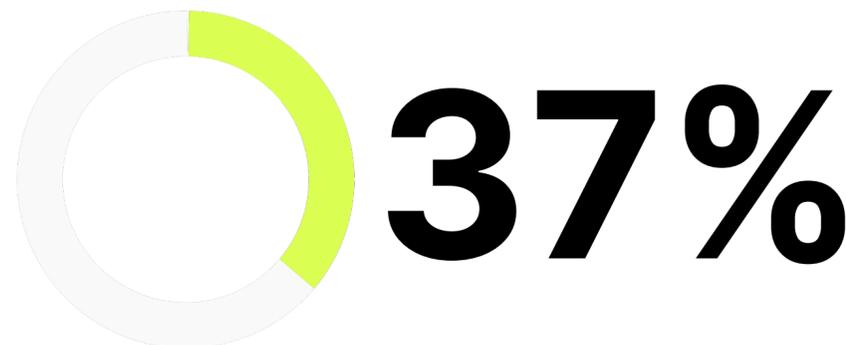
This ripple effect is powerful. A founder's ability to regulate their own emotions doesn't just shape their personal wellbeing, it sets the emotional temperature for the entire team. And when stress is not managed, the toll is not theirs alone. It becomes a shared burden, carried silently by employees who may not have the same support or coping mechanisms.

The same founders who attract talent with their energy and vision may be unintentionally spreading stress, and shaping a culture that keeps everyone silent.

The founder is like the sun: Their energy inspires and nourishes key talent

● INSPIRATION AT THE TOP

When employees join a startup, it's not just the mission or the product that pulls them in, it's also the people leading it. Over one-third of startup employees say that the inspiring personality of the founder was a key reason they chose to join. In the high-risk, high-reward world of startups, founder charisma and vision aren't just cultural, they're critical to recruitment.



Of Employees
Joined their current
startup because of the
inspiring founders

“Attracting good talent in a startup is often about the founder’s charisma and energy. But keeping that talent depends on how the founder and the culture handle conflict — in ways that support both the business and the people. In my experience, that’s where most founders stumble.”



STEPHEN STYNES

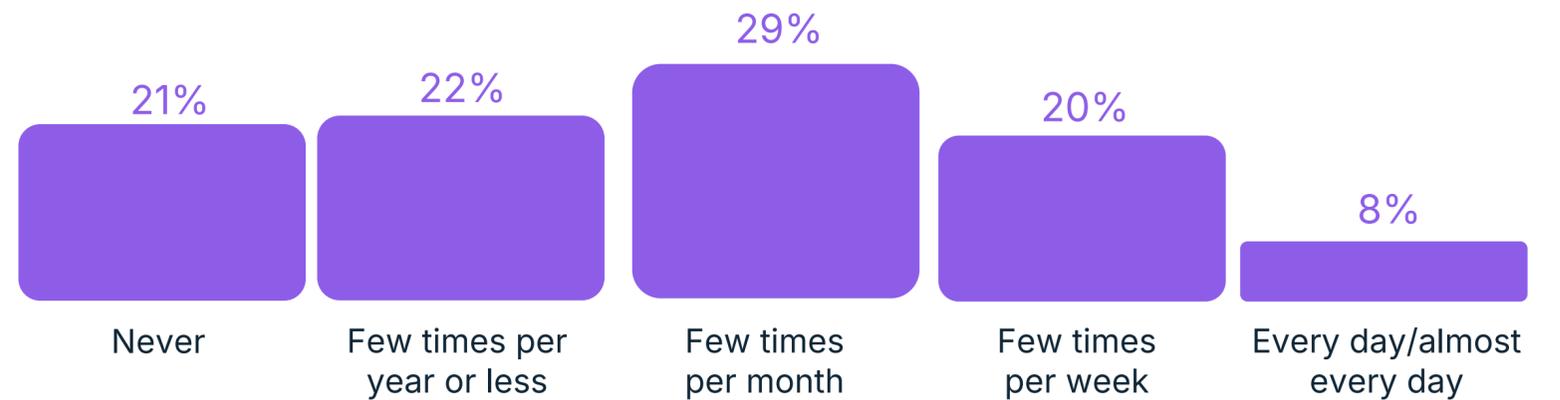
(Scale Up Coach,
IESE School of Founders)

The team absorbs the founder's light, along with their stress

● IT'S CONTAGIOUS

Employees often join startups drawn by the founder's charisma, vision, and drive. But that same emotional connection means they're also highly sensitive to the founder's stress. When the leader is overwhelmed, the team feels it, whether it's spoken aloud or not. In small, fast-moving companies, the founder's emotional state doesn't just affect them, it shapes the culture.

HOW OFTEN DO YOU OBSERVE THE FOUNDER(S) EXPRESSING STRESS, ANXIETY OR EMOTIONAL PRESSURE?



“Many founders step into leadership without ever being taught how to manage relationships. They focus on the idea, avoid conflict, and overlook feedback—but their stress and behavior ripple through the team, shaping the company culture.”

DR. KATRIN HINZDORF
 (Organizational and Clinical Psychologist)

Even without words, the temperature rises and the pressure doesn't stay hidden

Founders are a key reason employees join startups, but that inspiration comes with a shadow. While only 10% of founders say they openly discuss their emotional challenges with their team, 57% of employees report witnessing signs of founder stress, anxiety or emotional strain on a monthly basis. It may not be verbalized, but it shows in facial expressions, tone, and energy. This unspoken tension creates indirect pressure that quietly spreads through the culture, affecting how safe and stable the team feels.

FOUNDERS ARE NOT OPEN ABOUT THEIR STRESS, BUT THEIR EMPLOYEES CAN FEEL IT

ONLY

10%

Of Founders*

Report that they discuss their stress with their employees

BUT...

57%

Of Employees

Observe their founder expressing stress or anxiety at least a few times a month



“Founders should know this: your team is highly attuned to you. They feel your stress, whether you speak it or not. Sharing sentiments responsibly, rather than suppressing them, can generate stability and accountability throughout the startup

YARIV GANOR

(Startup Psychologist)

* Source: Founder data from Startup Snapshot Report “The Untold Toll” 2023

Get too close and you'll get burned: The closer you are to the founder, the more you feel the heat

● STRESS BY PROXIMITY

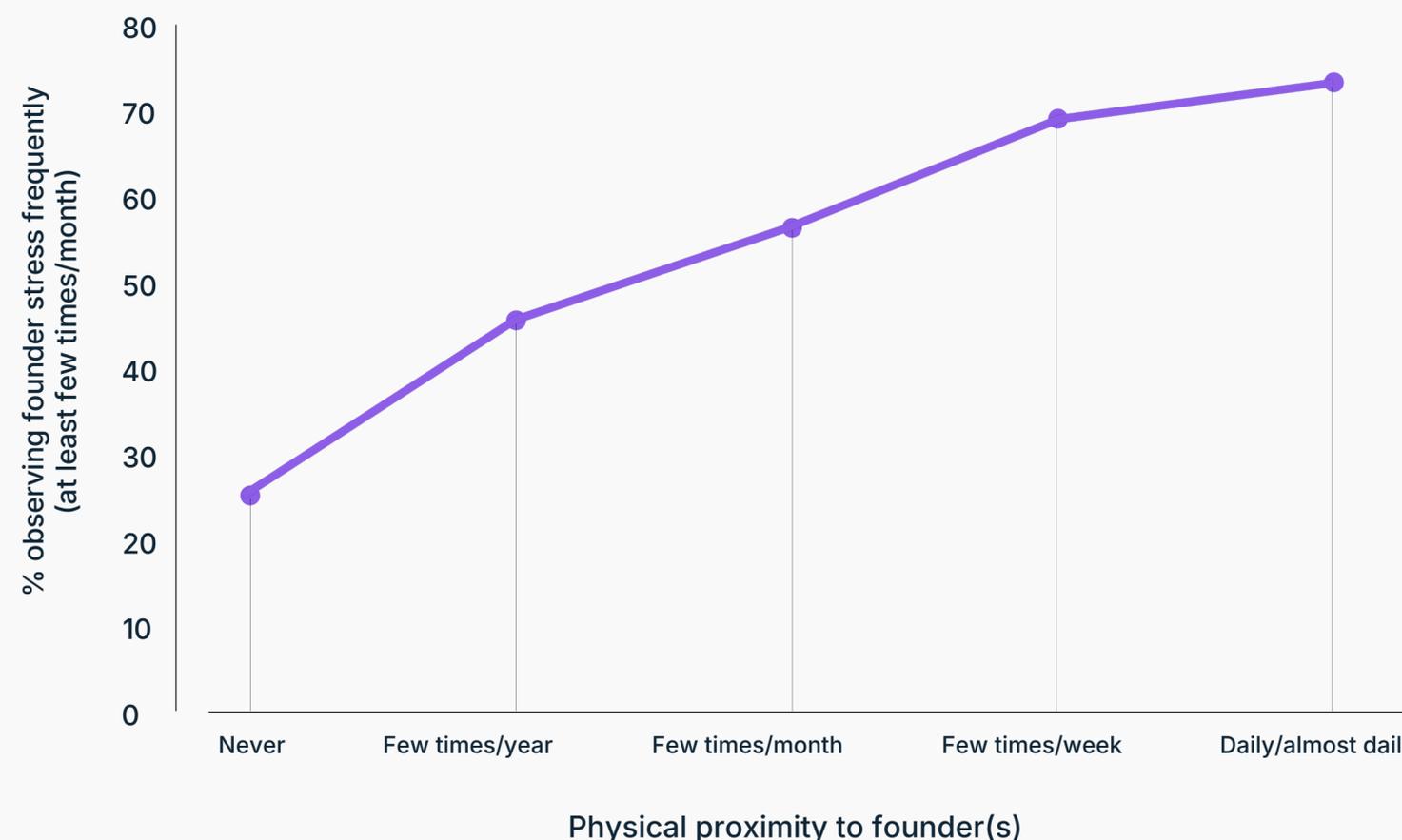
In a startup, the founder radiates both energy and intensity, similar to the sun. Employees need that light to grow: purpose, vision, drive. But get too close, and the heat becomes overwhelming.

Our data shows a clear pattern: the closer an employee is to the founder, the more likely they are to absorb unspoken signals of stress, anxiety, or emotional strain.

This isn't about formal conversations, it's about unspoken signals. Body language, tone of voice, tension in meetings. In small teams, these cues are amplified. Those working near the founder or regularly involved in leadership discussions are more likely to feel this emotional undercurrent.

The result is what we call the "proximity effect", and it impacts more than observation. It affects emotional safety, team dynamics, and overall wellbeing.

EMPLOYEES WORKING IN THE SAME PHYSICAL SPACE AS THE FOUNDER WITNESS GREATER EMOTIONAL DYSREGULATION



The founder's stress is contagious, shaping how employees feel, work and cope

● THE STRESS EFFECT

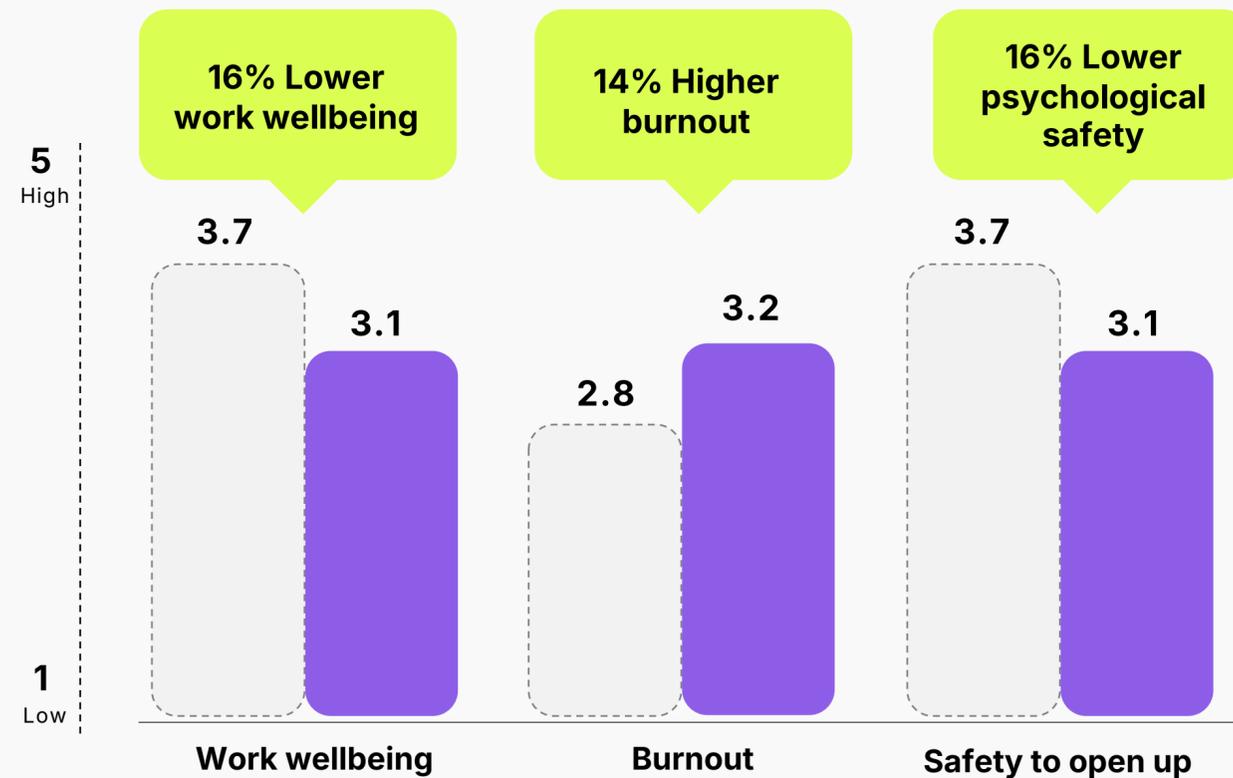
When founders are highly stressed, it doesn't just impact their own performance or decision-making. It reverberates through the team, shaping how employees feel, work, and cope.

The data found a strong correlation between founder stress levels and employee outcomes: the more stressed the founder, the more likely their employees are to report emotional strain. In teams led by high-stress founders, employees experience significantly lower wellbeing, weaker psychological safety, and higher levels of burnout.

This data underscores an important truth: founder stress is not a personal issue, it's an organizational one. Left unacknowledged, it quietly erodes the health of the team.

*Note: Founder stress observation categories are based on a split of the 5-point frequency scale (1 = Never, 5 = Every day). More frequent observations include ratings 4-5 (a few times per week to daily) and less frequent observations include ratings 1-2 (never to a few times per year). Medium frequency observations (rating 3: a few times per month) are not shown in the graph.

EMPLOYEES WORKING UNDER HIGHLY STRESSED FOUNDERS REPORT...



(Mean work wellbeing, burnout and safety opening up at work, on 1-5 scale)

Low stress founder
High stress founder

Stress contagion: From Investors to Founders to Teams

Annika Sten Pärson



ANNIKA STEN PÄRSON, FOUNDING PARTNER & EXECUTIVE CHAIR AT THE INNER FOUNDATION, SHARES WHY STRESS CONTAGION REQUIRES A SYSTEMIC VIEW AND WHY WELLBEING IS A BUSINESS IMPERATIVE.

● THE RIPPLE EFFECT

Stress contagion is often described as running from founders to their teams. Our reflection is that it plays out more broadly — in the web of relationships connecting investors, founders, and teams. What we see is that strain rarely stays personal. Left unaddressed, it ripples outward, shaping decisions, collaboration, and trust. Over time, these undercurrents can shift culture, alter relationships, and influence the trajectory of the company itself.

● WELLBEING AS A BUSINESS IMPERATIVE

Our thesis is that wellbeing cannot sit on the margins of the business model. Within the dynamic between investors, founders, and teams, the conditions set around timelines, expectations, and communication carry real weight. What we notice is that when openness and trust are missing, strain tends to deepen; when space is made for honest dialogue, healthier dynamics emerge across the system. Wellbeing is inseparable from performance, neglecting it undermines both people and the business they are building.

“Wellbeing is a business imperative. Ignoring it fuels hidden risks for people and performance alike — risks no product, pitch, or valuation can outrun.”

03.

Finding Safe Spaces



Where can employees really open up?

Startups pride themselves on fast-paced innovation, strong teams, and open culture. However, when it comes to emotional safety, the picture is more complex. While employees might thrive professionally, many struggle to share when they're not okay.

Our data shows that emotional support often starts outside the office, with employees first turning to friends, family or therapists before ever considering someone at work.

These choices aren't random, they reflect a deeper reality. Many employees still don't feel secure enough to be vulnerable within the startup environment. Fear of being judged, of seeming weak, or of disrupting the high-performance culture keeps them silent.

When employees do talk about their challenges at work, it's rarely with HR or

leadership. It's with peers, those who share the same late nights, the pressure, and the uncertainty. These organic, lateral support systems may be under the radar, but they're quietly holding teams together.

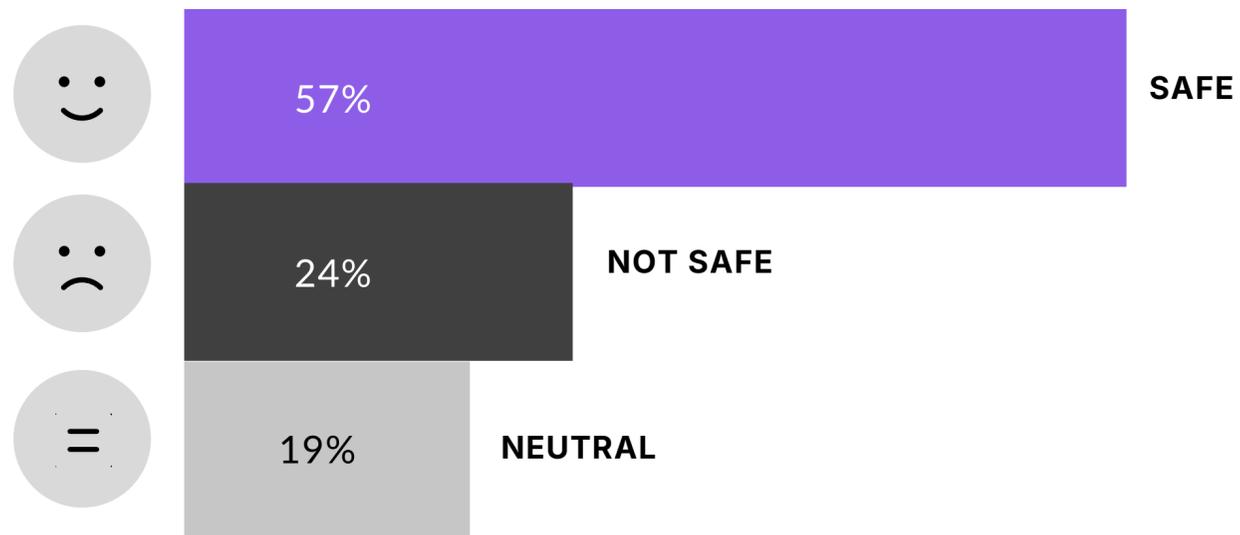
This section explores where employees go for support, what makes them feel safe to open up, and the structures startups need to build if they want to go beyond perks and truly support mental wellbeing.

What if the biggest barrier to wellbeing at work isn't workload, but the fear of opening up?

In theory, employees feel safe discussing mental wellbeing at work

In theory, a majority of employees feel safe discussing mental wellbeing at work — 57% say they’re comfortable doing so, while 24% disagree. But feeling safe and actually opening up are two different things. Speaking up about mental health is a deeper signal of psychological safety, one that reflects real trust, connection, and confidence in the workplace.

HOW SAFE DO YOU FEEL TALKING ABOUT MENTAL WELL-BEING OR STRESS-RELATED CHALLENGES YOU EXPERIENCE AT WORK?



“A startup’s culture reflects the founder’s own psychology. How leaders show up—their actions, tolerances, and signals—gets mirrored across the team. Employee emotions aren’t just feelings; they’re vital insights into what’s happening beneath the surface. Without space to explore these unspoken dynamics, stress and opportunity remain hidden, limiting growth and performance.”



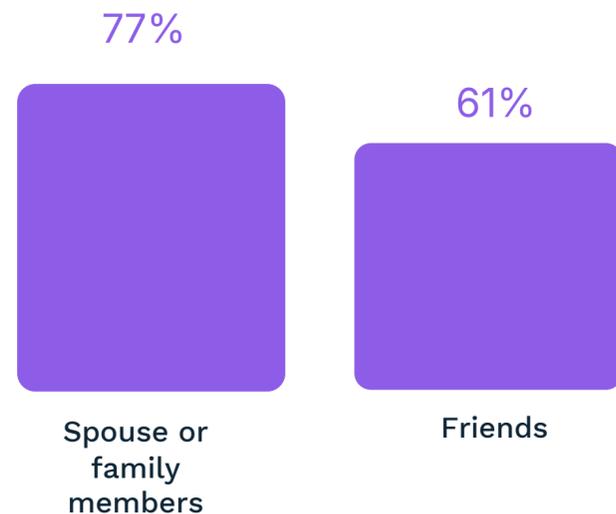
MARINA O’CONNOR
(CEO Unspoken and Psychotherapist)

But in practice, they turn to friends and family first

● SUPPORT STARTS AT HOME

Employees, like founders, rarely communicate openly about stress at work. Instead, 77% turn first to their spouse or family, even though loved ones often lack the context to help with startup-specific challenges. This gap leaves employees without real workplace support.

WHO DO YOU TURN TO WHEN STRESSED OR FACING WELLBEING CHALLENGES?



Similar to startup founders, the first place employees turn to for support is their friends and family, even though they don't have the expertise to help with startup-specific challenges



"When employees can't talk about stress at work their families often pay the price of the emotional burden. Constant stress talk at home creates conflict, distance and resentment in personal relationships and can lead to withdrawal, burnout and an emotional impact on the children."

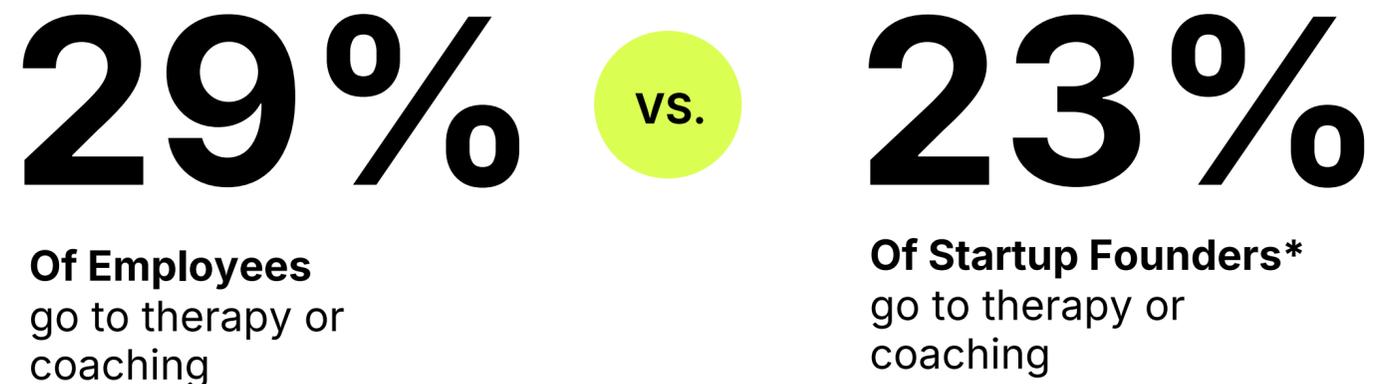
KAY FOSS
(Founder, Founder Families)

Startup employees embrace therapy as an outlet for stress, while founders lag behind

● THE THERAPY GAP

After turning first to family and friends for support, 29% of startup employees take the next step by seeking help from therapists or coaches to discuss their stress and wellbeing challenges. This shows some willingness to engage with professional mental health resources. These numbers highlight that while personal networks are the initial go-to, many employees recognize the value of confidential, expert guidance as well.

THE THERAPY DIVIDE IS EVIDENT



*Source: Founder data from Startup Snapshot Report "The Untold Toll" 2023

“High-performing startups treat mental health parity as a competitive edge. When leaders handling the deepest psychological challenges receive the appropriate professional care, they create authentic leadership models that scale naturally. Professional support isn't wellness theater—it's a competitive strategy that accelerates when it meets leaders where they actually are.”

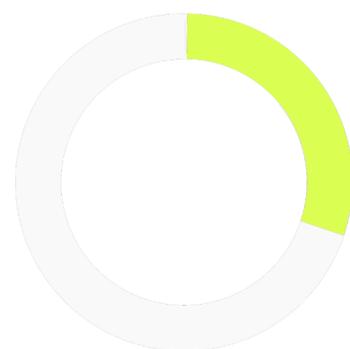


DAMIAN SALAS
(Co-Founder at GREW)

When employees do open up at work, coworkers are the most trusted confidants

● COWORKERS CARE

When employees face stress and wellbeing challenges at work, only about 30% choose to open up to their coworkers. The data shows that many are still hesitant to share personal struggles openly in the office, reflecting lingering barriers around vulnerability. Yet when they do reach out, it's their peers, those who share similar day-to-day experiences and understand the unique pressures of the role, who become the most natural and trusted source of support. This informal peer connection plays a crucial role in fostering emotional resilience within teams.

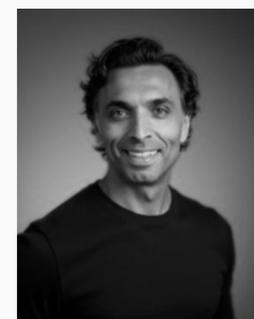


30%

Of Employees

Open up to a co-worker when stressed or facing wellbeing challenges

“In startups, coworkers can be a real place for understanding and support that hold and uplift teams together, yet they’re often unknown and under-utilized. Imagine a culture where co-worker accountability extends to both performance and well-being. That kind of team can move mountains.”



RAVI RAI

(Mental Fitness Coach)

Leadership is the least trusted source of support: Only 1 in 5 employees talks to leadership about their stress

● A BREAKDOWN IN THE SUPPORT CHAIN

Only 15% of employees feel comfortable turning to their direct manager when struggling, and just 4% go to HR. The data reveals a deep gap: employees aren't turning to formal channels in the organization. Instead, the weight of emotional well-being often falls on coworkers, people who may care deeply, but aren't trained or equipped to carry that load. The result is a culture where support exists, but remains decentralized, inconsistent, and often invisible.

MANAGERS AND HR TEAMS ARE RARELY SEEN AS SAFE TO TURN TO

(Who do you turn to when stressed or facing wellbeing challenges?)

4%

●
HUMAN RESOURCES

15%

●
DIRECT MANAGER

“Startup employees often hide their stress from leadership, driven by the same power dynamics that keep founders guarded with investors. Stress is treated as just part of the journey, so employees stay silent—worried they’ll look weak or difficult. That silence, fueled by fear of judgment, doesn’t erase the problem; it only deepens the burnout baked into startup life.”



LISA MIKKELSEN
(Human Capital
Flourish Ventures)

04.

The Culture of Care



Wellbeing at work: Built or bought?

In the startup world, company culture is often reduced to surface-level perks: flexible hours, team retreats, meditation apps. But real culture, the kind that fuels retention, resilience, and meaning, runs much deeper. It starts not with what you give, but with how you lead.

From day one, every decision a founder makes shapes the company's emotional architecture. Transparency, tone, and how leaders handle pressure—all of these become silent signals that teach teams what's acceptable, safe, and expected. Culture isn't formed through a deck, it's absorbed through daily behaviors.

The data highlights that the most meaningful culture markers had little to do with policies and everything to do with people. When founders are emotionally open, when goals

are clear, when communication flows with honesty and consistency, employees are more likely to feel seen, safe, and invested in the mission.

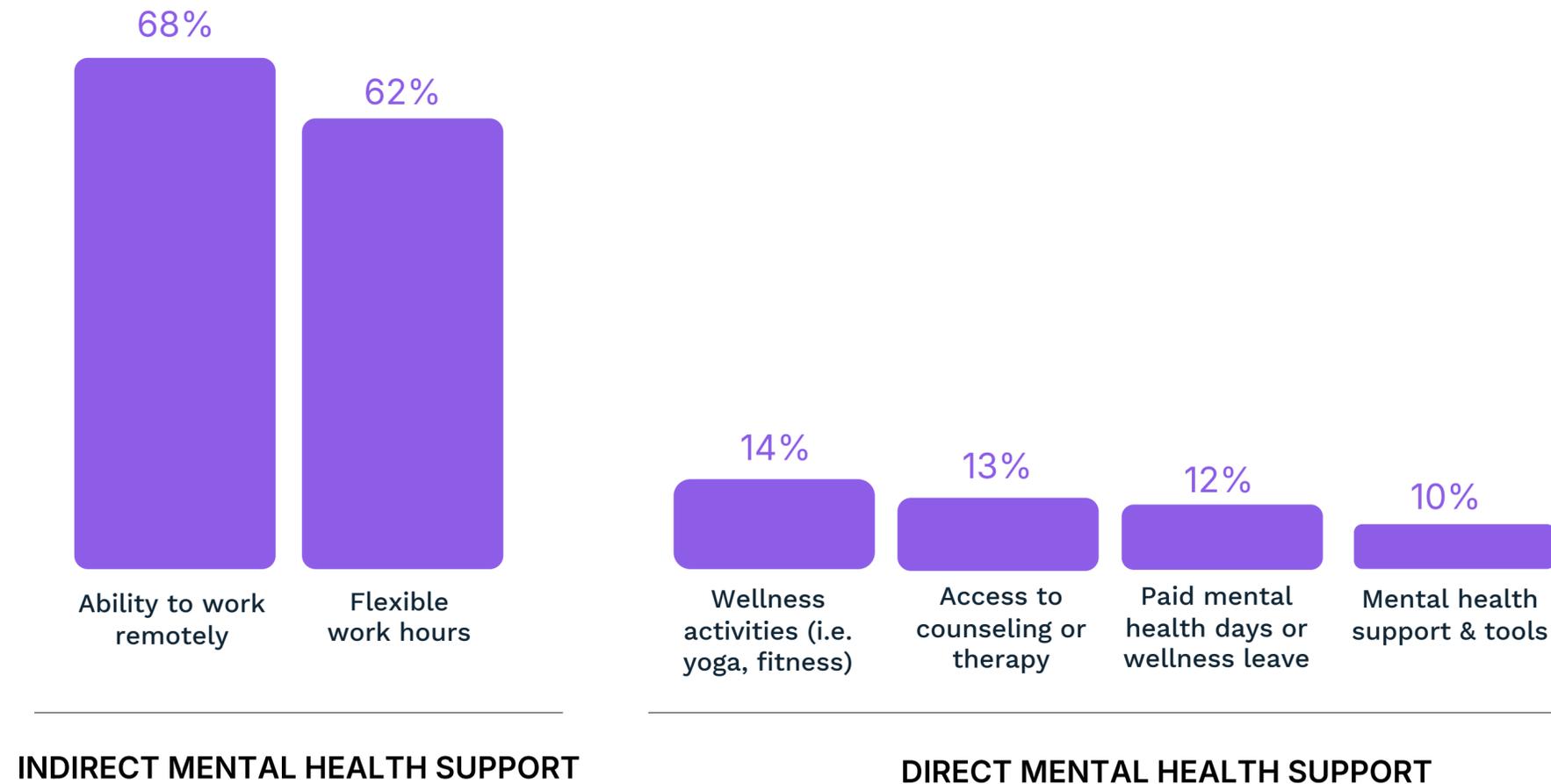
This section dives into what actually builds a strong culture in startups. Not just the perks, but environments where wellbeing, trust, and connection are embedded into how work gets done.

Startup culture isn't built through perks—it's coded into how leaders behave, communicate, and show up every day.

While most startups offer indirect support like remote work, direct mental health benefits remain rare

WHICH RESOURCES DOES YOUR COMPANY CURRENTLY OFFER TO SUPPORT EMPLOYEE MENTAL HEALTH AND WELLBEING?

(% of Startup Employees That Chose Each Resource)



“Benefits like remote work or flexible hours sound good on paper, but they often blur boundaries and increase stress. As a founder of a high growth startup, we gave employees direct access to a psychologist, and the impact was immediate. That kind of support truly makes a difference.”



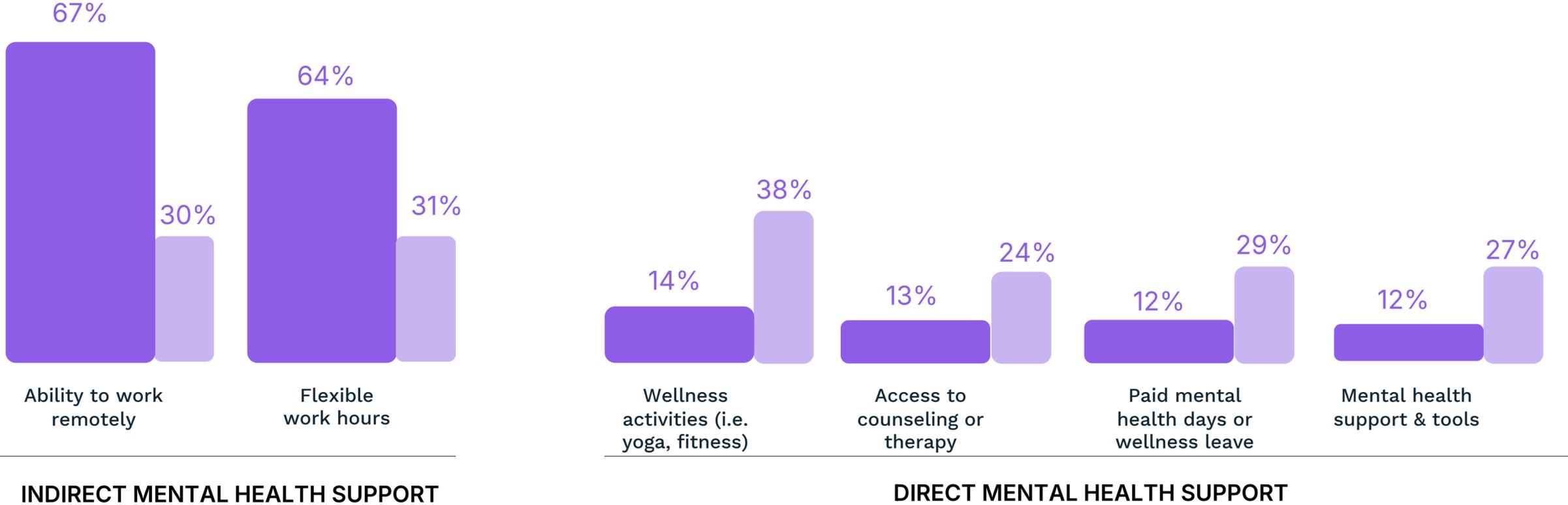
XAVER LEHMANN
(Entrepreneur and executive coach)

The benefits gap: Employees want more direct mental health support

WHAT TYPE OF WELLBEING OR MENTAL HEALTH SUPPORT WOULD YOU LIKE YOUR COMPANY TO PROVIDE THAT IT CURRENTLY DOES NOT?

(% of Startup Employees That Chose Each Resource)

- Resources offered today
- Resources employees want their company to offer



More benefits don't mean better wellbeing

● BEYOND THE PERKS

We often assume that more benefits automatically mean happier, healthier employees.

However, the data tells a different story. When we looked at wellbeing and burnout levels across companies offering few, some, or many benefits, we found no clear relationship.

Employees in companies with extensive perk packages reported similar wellbeing scores, and similar burnout risks, as those in companies with minimal offerings.

The takeaway? While benefits can be appreciated, they are not a substitute for deeper cultural and leadership factors that truly shape employee mental health.

Startups looking to improve wellbeing should look beyond the perks and focus on how leaders lead, teams connect, and workloads are managed.

Perks don't prevent burnout! The size of a company's benefit package doesn't improve burnout rates or employee wellbeing



“Offering more well-being perks without addressing workload, culture, and psychological safety is like offering band-aids for a headache - it shows you care, but it won't solve the underlying problem.”

DR. YUVAL ENGEL

(Associate Professor University of Amsterdam)

What really moves the needle? The cultural fabric of a startup



1. Leadership transparency

Employees are deeply affected by a lack of clarity from founders. When leaders are honest about company challenges, it reduces stress, builds alignment, and creates emotional safety.



2. Safety to open up

When employees feel they can share mental health challenges without judgment or repercussions, they're more likely to seek help, support each other, and stay engaged during tough times.



3. Organizational identification

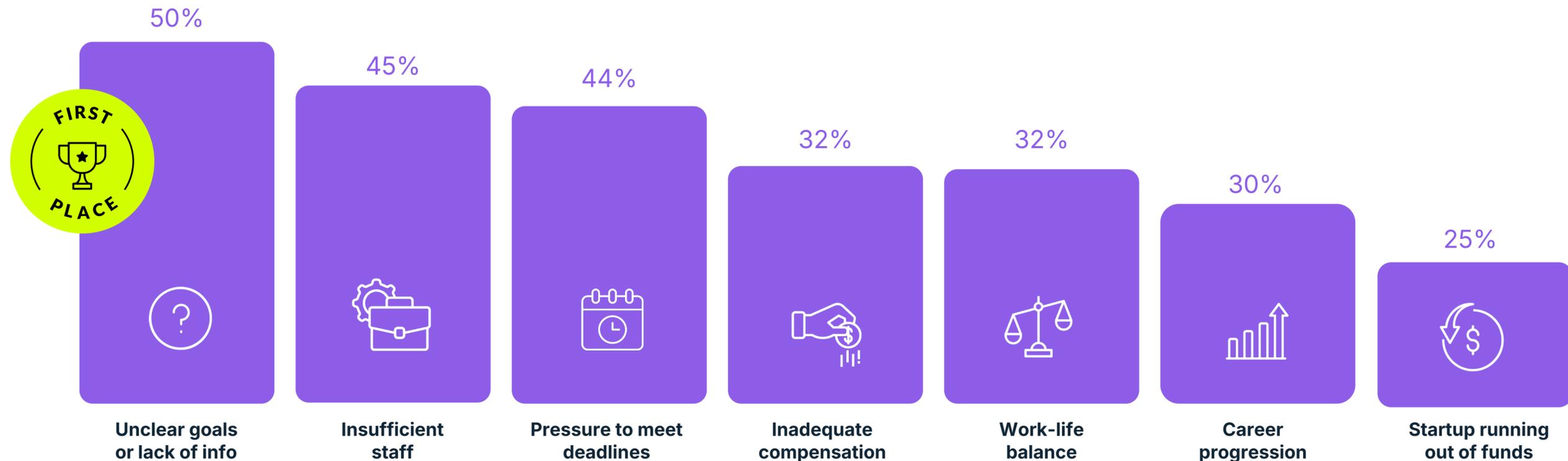
Employees who feel a strong connection to the company's mission and values report higher levels of wellbeing. This sense of belonging turns work into a source of meaning, not just stress.

The data indicates that transparency, trust, and belonging are the three threads associated with employee wellbeing

Transparency matters most: Employees rank lack of information as their top source of stress

SINCE JOINING THE STARTUP, WHAT ARE YOUR MAIN SOURCES OF STRESS?

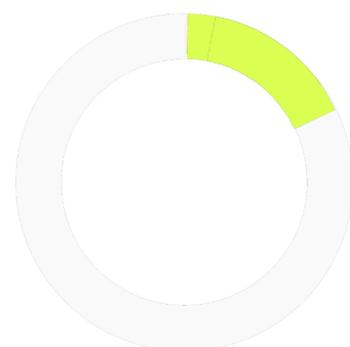
(% of Startup Employees That Chose Each Stressor)



Employees crave transparency but most founders don't offer it

● THE CLARITY GAP

Employees don't expect everything to be figured out, but they do crave clarity. In the high-speed, high-stakes world of startups, not knowing where things stand can be more stressful than hearing hard truths. Yet only 18% of employees say their founders are fully transparent about the challenges the company is facing. When communication is missing, even the most motivated teams can feel anxious, misaligned, and left in the dark.



ONLY
18%

Of Employees
Report their founders
are completely
transparent about the
startup's challenges

“Many founders withhold information not out of a desire to be non-transparent but because they fear burdening their employees, slowing the pace or facing issues they can't quickly resolve.”



HURIA OGBAMICHAEL
(Leadership and team coach)

When founders are transparent, employees thrive

● THE POWER OF TRANSPARENCY

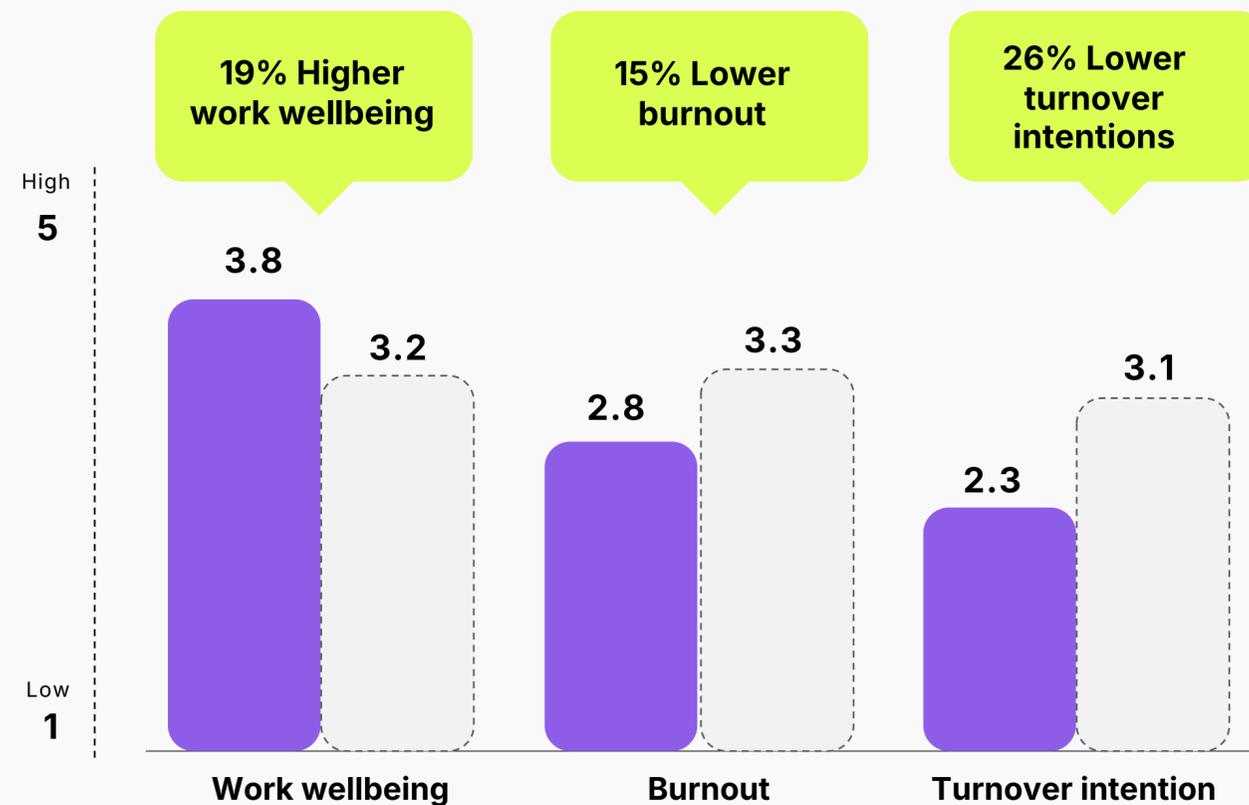
Transparency from founders has a profound impact on the team. When employees understand what's happening in the company, why decisions are made, and what challenges lie ahead, they feel more secure, valued, and included in the journey.

Our data shows a direct link: employees whose founders are more transparent report higher overall wellbeing, lower levels of burnout, and a reduced intention to leave. Transparency isn't just a "nice-to-have"—it's a critical driver of employee experience.

Creating a culture of openness sets the foundation for trust, engagement, and resilience. By sharing information and being honest about challenges, founders help employees thrive, strengthening both the team and the startup itself.

Note: Transparency categories were defined using a split of the 5-point scale (1=Not transparent at all, 5=Completely transparent). High transparency founders includes ratings 4-5 (very to completely transparent); Low transparency includes ratings 1-2 (not at all to minimally transparent); Medium frequency observations (rating 3: somewhat transparent) are not shown in the graph.

EMPLOYEES WORKING UNDER HIGHLY TRANSPARENT FOUNDERS REPORT...



(Mean work wellbeing, burnout and turnover intentions, on 1-5 scale)

■ High-transparency founder
 □ Low-transparency founder

Why do founders hold back when employees crave openness?

Tzahi Weisfeld



ECOSYSTEM BUILDER TZAHI WEISFELD DRAWS ON YEARS OF SUPPORTING FOUNDERS TO UNCOVER THE FINE BALANCE BETWEEN TOO LITTLE AND TOO MUCH TRANSPARENCY

● WHY FOUNDERS STRUGGLE WITH TRANSPARENCY

In many cases, founders don't want to admit they don't have all the answers. Facing that reality is hard enough for themselves — sharing it with employees feels even scarier. And when the uncertainty is so high, many believe employees simply can't handle that level of risk. After all, employees always have alternatives and they can leave. Founders can't. That dynamic creates a natural barrier to openness.

● THE RISKS OF OVER TRANSPARENCY

There are areas where too much transparency backfires. For example, when some employees get more information than others, it can lead to resentment and dissatisfaction. We've even seen cases where revealing salary details caused frustration, not trust. Transparency can also overwhelm employees who lack the experience to process uncertainty — leading to endless opinions, which creates more complexity for the founder.

“Transparency is powerful - but if not managed carefully, it can create more noise, fear and frustration than clarity”

05.

Methodology

Respondents

NUMBER OF RESPONDENTS

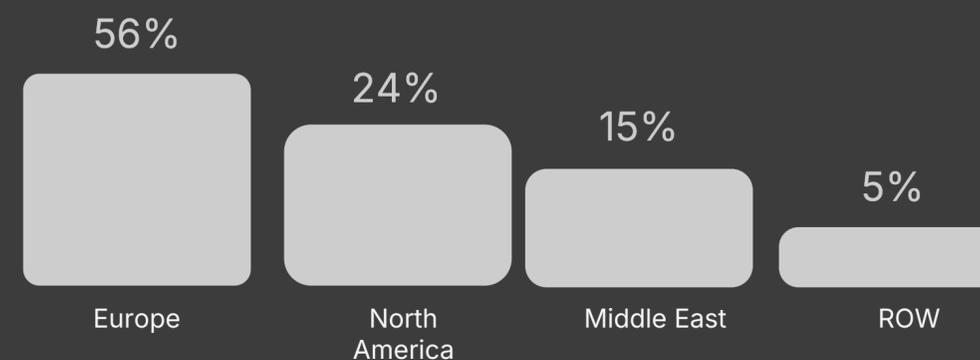
270

STARTUP EMPLOYEES

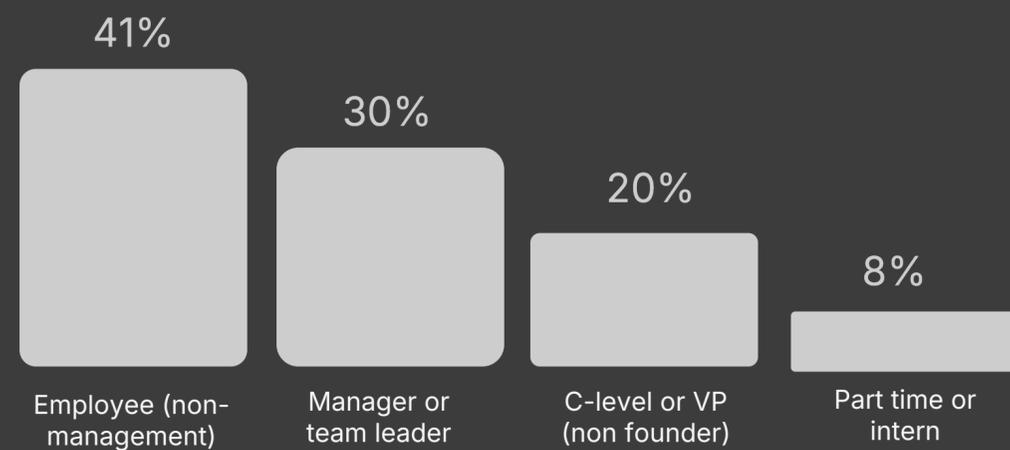
50+

IN-DEPTH INTERVIEWS
WITH EXPERTS

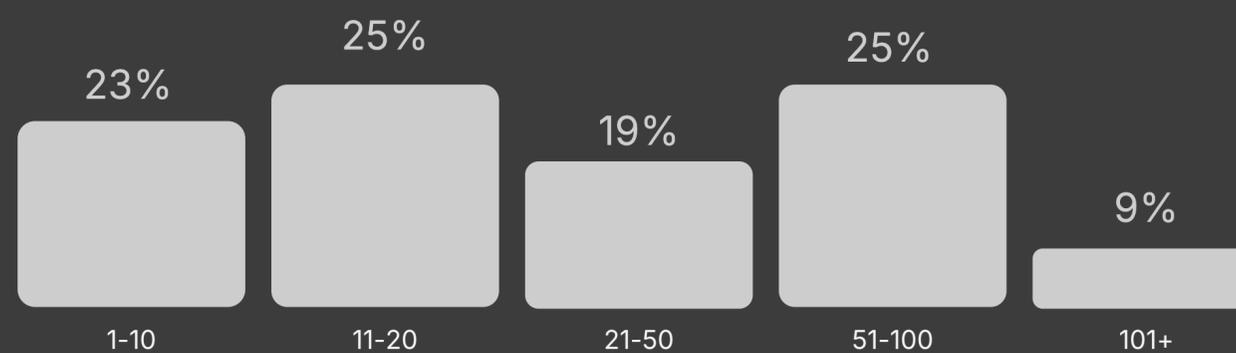
PRIMARY LOCATION OF STARTUP



RESPONDENT ROLE IN THE STARTUP



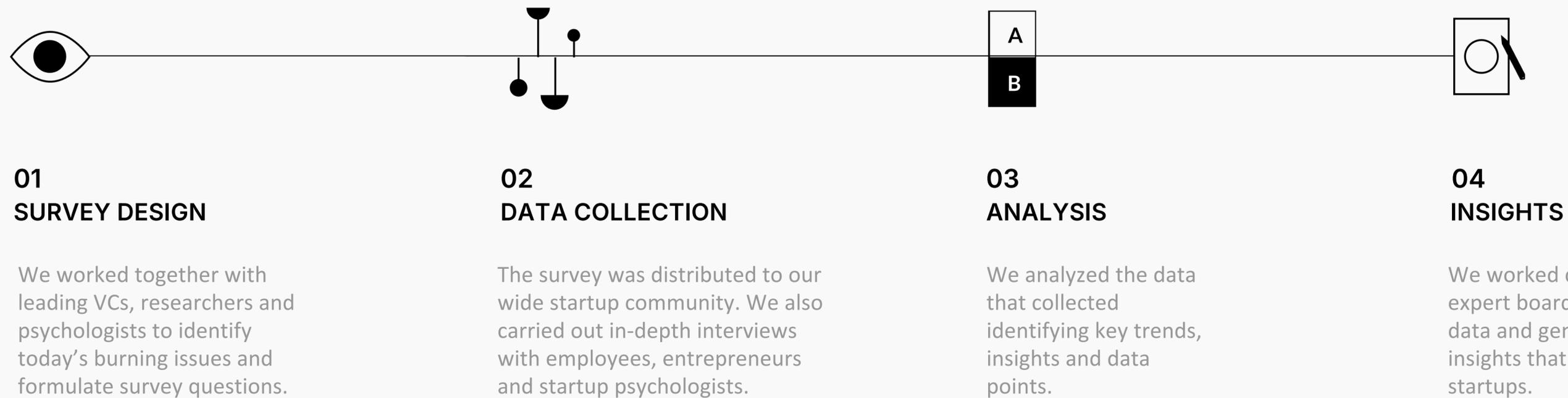
COMPANY SIZE



Note: Percentages may not sum to 100% due to rounding

The Startup Snapshot Methodology

Startup Snapshot is on a mission to collect, analyze and share data about the start-up community and the visionaries who drive it. For this research, we gathered data via a digital survey from our community of startup employees around the globe. With this underlying data as our collective foundation, we had leading experts interpret the findings, bringing their own insights, perspectives, and provocative frameworks to our research.



01
SURVEY DESIGN

We worked together with leading VCs, researchers and psychologists to identify today’s burning issues and formulate survey questions.

02
DATA COLLECTION

The survey was distributed to our wide startup community. We also carried out in-depth interviews with employees, entrepreneurs and startup psychologists.

03
ANALYSIS

We analyzed the data that collected identifying key trends, insights and data points.

04
INSIGHTS

We worked closely with our expert board to analyze the data and generate valuable insights that will help startups.

Thank you to global ecosystem partners

A special thank you to our global ecosystem partners—organizations committed to supporting wellbeing and mental health in startups. These organizations supported the survey and ensured we reached a diverse range of startup employees worldwide.



Methodological Notes: Data Collection and Analysis Approach

Sample & Data Quality This cross-sectional study surveyed startup employees globally from May to August 2025. From 309 initial respondents, we excluded 24 founders and 15 non-startup employees, yielding a maximum of 270 startup employees. Sample sizes vary by measure due to survey dropout. We employed an inclusive retention approach (valid consent + did not demonstrably fail attention check), maximizing sample size while maintaining quality. Early dropout may reflect stress rather than poor data quality.

Ethics & Transparency Survey emphasized voluntary participation and anonymity; no identifying information collected. No incentives offered.

Sampling & Limitations Convenience sampling through the Startup Snapshot network, ecosystem partners and professional networks. Geographic concentration: Europe 56%, North America 24%, Middle East 15%, Rest of World 5%. Sample likely over-represents English-speaking, well-connected startups in Western regions. Self-selection may include both highly stressed individuals seeking to share experiences and resilient employees who remained at companies (survivorship bias).

Measures

- Work wellbeing** (4 items, $\alpha=0.80$): Satisfaction, purpose, happiness, stress-free (reverse-coded). Adapted from Fleming et al. (2024). 5-point Likert scale.
- Burnout** (3 items, $\alpha=0.83$): Mental drain, physical exhaustion, social disconnection. Adapted from Genedy et al. (2024). 5-point frequency scale.
- Mental health conditions**: Select-all-that-apply (anxiety, depression, exhaustion/burnout, panic attacks, high stress). High prevalence (80%) likely reflects both demanding startup environments and sample selection.
- Founder behaviors**: Stress observation frequency, transparency about challenges, physical proximity (all 5-point scales).
- Additional measures**: Turnover intentions, compensation satisfaction, psychological safety, organizational identification, lifestyle changes (exercise, substance use, sleep), support sources, wellbeing benefits, stress sources, reasons for joining (mix of scaled items and select-all). Demographics included gender, age ranges, role, company size, funding stage, location.

Data Processing & Categorization For scaled variables, we employed midpoint splits to maximize statistical power while maintaining meaningful distinctions. Founder transparency was categorized as higher (ratings 4-5) versus lower (ratings 1-2) transparency. Medium transparency (rating 3) was calculated separately and not presented in the graphs. Founder stress observation frequency was split between more frequent (weekly to daily) versus less frequent (yearly to never) observation. Medium frequency observations (monthly) are not shown in the graph. For startup joining intentions, we combined "Yes," "Maybe," and "Yes with time off" responses as positive career intentions, reflecting realistic decision-making processes. Geographic data underwent extensive cleaning to standardize country names.

Missing Data Sample sizes vary across analyses due to differential survey completion and missing data patterns. Mental health questions show high completion rates, while later survey sections have more missingness. We handle missing data through listwise deletion within specific analyses rather than imputation, given the exploratory nature of the study.

Qualitative context: 50+ interviews with employees, founders, psychologists, and ecosystem leaders informed interpretation.

Comparative data: Founder statistics from Startup Snapshot's "The Untold Toll" (April 2023, N=404). Interpret comparisons cautiously due to different populations and collection periods.

Key limitations: Cross-sectional design prevents causal inference; self-report bias; convenience sample limits generalizability; founder stress measured by employee observation; no objective measures; missing data varies by section; 80% mental health impact may reflect both prevalence and sample selection.

References

- Fleming, W., Ward, G., & De Neve, J-E. (2024). *Assessing data quality in a Big convenience sample of work wellbeing*. University of Oxford Wellbeing Research Centre. <https://doi.org/10.5287/ora-j5pb5qgem>
- Genedy, M., Hellerstedt, K., Naldi, L., & Wiklund, J. (2024). Growing pains in scale-ups: How scaling affects new venture employee burnout and job satisfaction. *Journal of Business Venturing*, 39(2), 106367.
- Startup Snapshot. (2023, April). *The untold toll: The impact of stress on the well-being of startup founders and CEOs* (7th ed.).

Thank you

If you want to take part in our future efforts to increase ecosystem transparency, contact us at hello@startupsnapshot.com