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Psychological Capital as a Driver of Entrepreneurial Satisfaction: Assessing the Mediating Effect of Burnout

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Abstract

Although ample research has explored the role of Psychological Capital (PsyCap) in positive outcomes and well-being, little research has been conducted in the context of entrepreneurs with limited resources, applying the perspective of Conservation of Resources (COR) Theory. Addressing the research gap, this study aims to investigate the relationship between PsyCap and satisfaction, and how burnout serves as a mediator among entrepreneurs in Sindh, Pakistan. A quantitative cross-sectional survey gathered data from 315 entrepreneurs in major urban areas of Sindh. The data were run through Structural Equation Modeling (SEM) in SmartPLS 4 for model validation and testing hypotheses. The findings demonstrate that PsyCap has a positive and significant relationship with entrepreneurial satisfaction. However, PsyCap diminishes burnout significantly. Burnout decreases the satisfaction of entrepreneurs by depleting important resources due to persistent stress. It is observed that burnout mediates partially; however, higher PsyCap resources restore entrepreneurs' energy and motivation, and these positive resources are used in the present and future to safeguard from adverse burnout effects and enhance entrepreneurial satisfaction and well-being. Thus, this study highlights the importance of fostering positive psychological resources, such as hope, optimism, resilience, and efficacy, for handling stress and achieving greater entrepreneurial satisfaction.

Keywords: Psychological Capital, Entrepreneurial Satisfaction, Burnout

Introduction

Global institutions' reports present that entrepreneurship is fundamental to socio-economic development, specifically in developing economies, as it provides new jobs, innovation, and supports the economy (Alam, 2019; GEI, 2019; GEM, 2022). Entrepreneurs establish new business firms and supply innovative products and services to meet social needs (Praag & Versloot, 2007). The entrepreneurial activities in Pakistan have remained low due to a lack of institutional support and higher risks involved (GEM Pakistan, 2012; GEI, 2019), and so the government has kept growing entrepreneurship as a key policy item (A. Alam, 2019). In resource-limited regions Such as Sindh, Pakistan, specifically major urban business hubs, Karachi, Hyderabad, and Sukkur, entrepreneurs are more vulnerable due to a fragile ecosystem, weak infrastructure, lack of financial support, higher risks, and lack of entrepreneurs' coping mechanisms. To address these stressors and achieve success and satisfaction, entrepreneurs require greater psychological resources (PsyCap), such as hope, optimism, resilience, and self-efficacy.

Prolonged exposure to stress leads to burnout, which is characterized by emotional fatigue, physical tiredness, and reduced achievement (Maslach et al., 2001). In such a situation, PsyCap emerges as a key mental resource comprising hope, resilience, efficacy, and optimism, which supports coping with challenges and getting better outcomes (Seligman & Csikszentmihalyi, 2000; Luthans & Youssef-Morgan, 2017). For entrepreneurs, PsyCap helps in handling uncertain and risky situations and bouncing back from adverse conditions (Baron et al., 2016). A study witnessed that PsyCap contributes to mitigating the burnout of entrepreneurs (Malak & Qassim, 2025). Evidence shows that PsyCap has a positive impact on well-being, satisfaction, and better performance (Hmieleski & Carr, 2007; Baluku et al., 2018), and also safeguard from burnout effects (Malak et al., 2026a). Entrepreneurial satisfaction represents entrepreneurs' success relative to their expectations of efforts to achieve goals (Cooper & Artz, 1995; Davidsson, 2005).

In view of the Conservation of Resources (COR) Theory (Hobfoll, 1988), people take efforts to acquire and reserve key psychological resources, such as PsyCap, that help to protect from depletion of resources and use those resources in recovering from adverse times. In the context of entrepreneurs of Sindh, including Hyderabad, Karachi, and Sukkur, due to restricted resources, higher risks, huge workloads, and more financial limitations, they experience persistent stress, which leads to burnout. Burnout impacts negatively, depleting entrepreneurs' psychological resources, which consequently deteriorates health, performance, and satisfaction of entrepreneurs (Lechat & Torrès, 2016; Fatoki, 2019). However, the authors' work shows that higher PsyCap helps in coping with the adverse effects of burnout and assists in achieving better health, well-being, and satisfaction (Stephan, 2018; Wiklund et al., 2019). Although some documented studies, such as Mustafa et al. (2019), Rasool et al. (2019), and Haram et al. (2021), focus on entrepreneurship with a focus on entrepreneurship orientation, performance, and women entrepreneurs, however research gap still exist on investigation the role of PsyCap in entrepreneurial satisfaction and how it reduces burnout effects by applying COR theory, specifically in a resource-limited environment of Sindh, Pakistan. To fill this research-gap, authors have conducted this study with the purpose of knowing the role of PsyCap as a driver of entrepreneurial satisfaction, and assessing the mediating effect of burnout in the COR framework view among urban entrepreneurs of Karachi, Hyderabad, and Sukkur (Sindh, Pakistan). This research is significant as it provides a practical and theoretical understanding of variables PsyCap, satisfaction, and burnout in the resource-constrained environment of Sindh, Pakistan. Further, it applies the COR theory in the entrepreneurial context with insights on how PsyCap influences satisfaction among entrepreneurs.

Literature Review

PsyCap and Entrepreneurs' Satisfaction

Entrepreneurial satisfaction refers to the concept of psychological contentment that people get by effectively operating and growing their business ventures; this includes assessing success from a cognitive and affective perspective (Cooper & Artz, 1995; Gorgievski et al., 2011). Psychological Capital (PsyCap) comprises efficacy, resilience, hope, and optimism, which are key resources that positively impact work behavior (Luthans et al., 2007; Luthans & Youssef-Morgan, 2017). Underpinned in Conservation of Resources Theory, individuals struggle to obtain and preserve important resources, and those who maintain a greater reserve are likely to work and perform better. In the entrepreneurial landscape, PsyCap contribute that enhances satisfaction in the entrepreneurs. Prior studies evidence that PsyCap accelerates the satisfaction and well-being of entrepreneurs (Hmieleski & Carr, 2007; Baluku et al., 2018). PsyCap buffers burnout, which leads to improved entrepreneurial satisfaction (Malak et al., 2026b). Hence, it is hypothesized that;

H1: Psychological Capital (PsyCap) is positively related to entrepreneurs' satisfaction

PsyCap and Burnout

Entrepreneurs are prone to face various stressors, such as financial uncertainty, heavy workloads, and higher risks, which create burnout: a state of mental tiredness, emotional fatigue, and a decrease in personal success (Maslach et al., 2001). In the context of COR theory, burnout emerges due to loss of resources; however, PsyCap, as a key psychological asset, works as a shield against the loss of such resources by coping with stress and burnout. Entrepreneurs with ample PsyCap are optimistic, confident, and possess greater resilience and confidence in handling stress and achieving better performance (Baron et al., 2016). Past research has shown that PsyCap reduces burnout (Malak et al., 2022; Manzano-García & Ayala, 2017; Malekitabar et al., 2017). Another study of Malak & Qassim (2026) reported that PsyCap works as a buffering tool that prevents burnout effects. Based on this, it is assumed that;

H2: Psychological Capital (PsyCap) is negatively related to burnout.

Mediating Role of Burnout

Burnout influences work behavior, mental health, and well-being. In the entrepreneurial settings, burnout causes emotional exhaustion, work quitting, and a decline in performance to achieve goals (Omrane et al., 2018). Grounded in the COR framework, burnout denotes a diminishing of psychological resources that deteriorate functioning and satisfaction. Higher burnout is observed to reduce satisfaction due to weakening motivation, energy, and positive mental functioning (Fatoki, 2019). In the socio-economically vulnerable urban cities of Sindh, such as Sukkur, Hyderabad, Karachi, entrepreneurs due to persistent stressors experience more burnout, which lead them lower satisfaction and performance (Lewin & Sager, 2007; Malak & Qassim, 2025). Burnout's role as a mediator in the relationship between PsyCap and satisfaction among entrepreneurs can be better understood through COR theory. PsyCap helps individuals to better handle stress and avoid burnout to stay away from resource loss. On the other hand, the higher PsyCap mitigates burnout, which further improves satisfaction. Research witnessed that burnout mediated the link between psychological resources and work-related outcomes (Manzano-García & Ayala, 2017). In the scarce resources entrepreneurial environments such as Sindh, investigating burnout's mediation in association with PsyCap and satisfaction is greatly important. Hence, it is postulated that;

H3: Burnout mediates the relationship between Psychological Capital (PsyCap) and entrepreneurs' satisfaction.

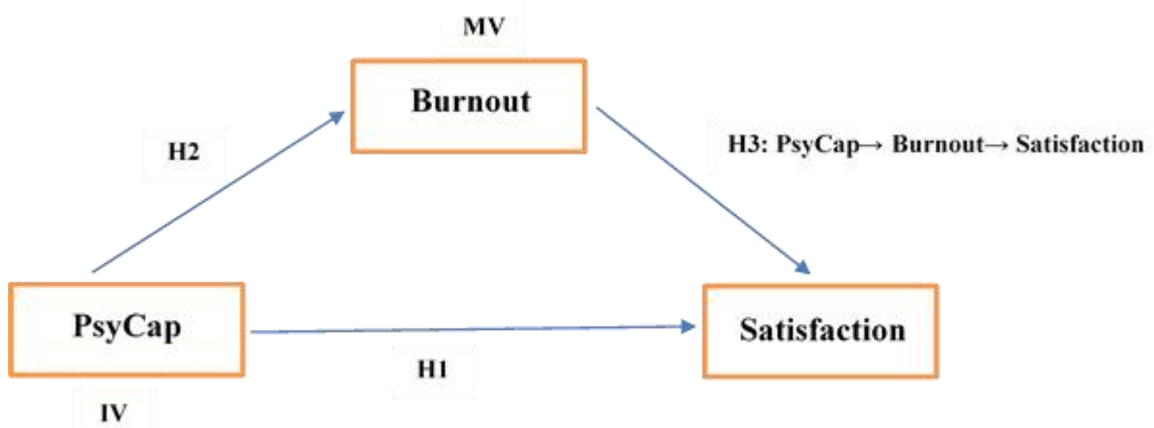

Figure 1. Conceptual Framework Illustrating the Relationships among PsyCap, Burnout, and Entrepreneurial Satisfaction.

Research Design

By applying a dataset of 315 respondents from a previous study (Malak et al., 2026b), the authors designed this quantitative survey research for entrepreneurs of Hyderabad,

Characteristic	Category	n	%
Gender	Male	283	(89.84)
	Female	32	(10.16)
Age Group (years)	21–30	78	(24.76)
	31–40	158	(50.16)
	41–50	60	(19.05)
	Above 50	19	(6.03)
Marital Status	Single	97	(30.79)
	Married	218	(69.21)
Education Level	Matric–Intermediate	64	(20.32)
	Graduate–Masters	207	(65.71)
	M.Phil.–PhD	44	(13.97)

Sukkur, and Karachi to investigate the relationship of PsyCap with entrepreneurial satisfaction and burnout's mediating effect in the context of COR theory. The data were collected through a survey questionnaire consisting of 27 items of validated scales of PsyCap (Lorenz et al., 2016), Burnout (Malach-Pines, 2005), and Entrepreneurial satisfaction taken from previous studies (Juhdi et al., 2015; Paul & Devi, 2018). Responses for PsyCap and entrepreneurial satisfaction were recorded using a 7-point Likert agreement scale, ranging from 1 ("strongly disagree") to 7 ("strongly agree"). In contrast, burnout was measured using a 7-point frequency scale, ranging from 1 ("never") to 7 ("always"), in accordance with the original scale specifications.

Data Transparency Statement

The sample dataset in this study has been used from a previous study by the authors (Malak et al., 2026b). However, the current study investigates different directions of variables from the perspective of a distinct theory.

Data Analysis and Results

Table 1 represents 89.84% male and 10.16% were female entrepreneurs engaged in different businesses of retailing, services, and manufacturing. The table also shows the respondents' age, education level, and marital status. Table 2 of the data analysis indicates the survey scale items Mean and standard deviation values.

Table 1: Respondent Profile (N= 315)

Note. *N* = 315; *n* = frequency. Percentages are reported in parentheses. Authors' own calculations based on survey data.

Table 2: *Descriptive Statistics of Survey Scale Items*

Construct	Item	Mean	SD
Psychological Capital (PsyCap)			
Hope	Hope1	5.352	1.198
	Hope2	5.159	1.198
	Hope3	5.521	1.128

Construct	Item	Mean	SD
Optimism	Opt.1	5.641	1.172
	Opt.2	5.410	1.110
	Opt.3	5.416	1.206
Resilience	Res.1	5.346	1.197
	Res.2	5.276	1.238
	Res.3	5.365	1.191
Self-Efficacy	SE1	5.346	1.189
	SE2	5.406	1.144
	SE3	5.352	1.135
Entrepreneurial Satisfaction			
	Sat.1	5.400	1.032
	Sat.2	5.308	1.041
	Sat.3	5.470	0.967
	Sat.4	5.568	0.893
	Sat.5	5.584	0.920
Burnout	BO1	4.092	0.809
	BO2	4.083	0.843
	BO3	3.994	0.836
	BO4	3.917	0.780
	BO5	4.029	0.881
	BO6	3.905	0.787
	BO7	3.959	0.810
	BO8	3.822	0.801
	BO9	3.889	0.838
	BO10	4.003	0.787

Note. N = 315. Mean scores are based on a 7-point Likert scale. SD = standard deviation. Authors' own calculations based on survey data (also used in a prior study by the authors, Malak et al., 2026b).

PLS_SEM Results

The dataset has been analyzed through "Partial Least Squares Structural Equation Modeling (PLS-SEM)" via SmartPLS version 4 (Ringle et al., 2024). The "embedded two-stage approach" suggested by authors (Ringle et al., 2012) has been employed to assess the PsyCap higher-order construct. In the initial step, the latent variable scores of PsyCap for the lower-order constructs are calculated, and these values are used for estimating the higher-order constructs in stage two.

Measurement Model Assessment

Table 3 reports the outer model evaluation of the reflective lower-order constructs in terms of "item reliability", "construct reliability", and "convergent validity". The factor loadings of the ten burnout items, twelve PsyCap items (covering the dimensions of hope, optimism, resilience, and self-efficacy), and five satisfaction items were above the recommended threshold value of 0.70 (see Figure 2), thereby meeting the required criteria (Hair et al., 2021; Hulland, 1999). Similarly, the "Cronbach's alpha" and "composite reliability" values were also above the required limit of 0.70, ensuring the reliability of the constructs (see Table 3). The "Average Variance Extracted (AVE)" was used to assess convergent validity, which refers to the extent to which the indicators of a construct share a high proportion of common variance (Hair et al., 2021; Hair et al., 2019). Table 3 shows that the AVE values are above the threshold of 0.50, indicating that each construct explains more than 50% of the variance of its indicators.

Discriminant validity was assessed to examine the distinctiveness of the constructs in the model (Chin, 2010; Hair et al., 2021; Hair et al., 2019). The Fornell–Larcker criterion results presented in Table 4 show that the diagonal italicized values, representing the square roots of the AVE for each construct, are greater than the corresponding inter-construct correlations beneath them, confirming the establishment of discriminant validity. Table 5 further reveals that the HTMT values are below the recommended thresholds of 0.85 and 0.90 suggested by Henseler et al. (2015). Hence, discriminant validity has been established.

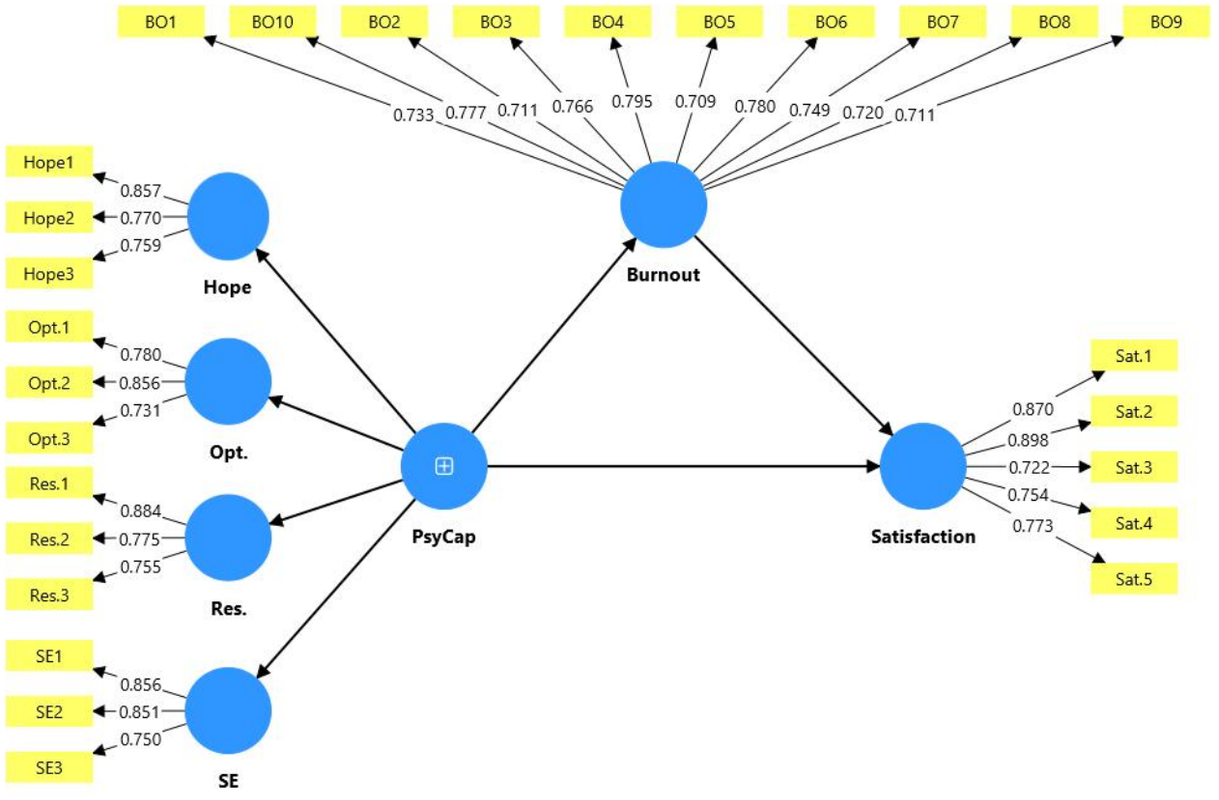

Figure 2. Measurement Model Evaluation (First Stage)

Table 3: *Measurement Model: Factor Loadings, Reliability, and Convergent Validity*

Construct	Item	Loading	α	ρa	CR	AVE
Burnout	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				

Construct	Item	Loading	α	ρa	CR	AVE
	BO8	0.720				
	BO9	0.711				
	BO10	0.777				
Hope	Hope1	0.857	0.718	0.760	0.838	0.634
	Hope2	0.770				
	Hope3	0.759				
Optimism	Opt.1	0.780	0.705	0.743	0.833	0.625
	Opt.2	0.856				
	Opt.3	0.731				
Resilience	Res.1	0.884	0.731	0.762	0.848	0.651
	Res.2	0.775				
	Res.3	0.755				
Self-Efficacy	SE1	0.856	0.758	0.777	0.860	0.673
	SE2	0.851				
	SE3	0.750				
Entrepreneurial Satisfaction	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				

Note. α = Cronbach's alpha; ρa = composite reliability (rho_a); CR = composite reliability (rho_c); AVE = average variance extracted. Authors' own calculations using SmartPLS 4.

Table 4: ***Discriminant Validity: Fornell–Larcker Criterion***

Construct	1	2	3	4	5	6
1. Burnout	*0.746*					
2. Hope	-0.199	*0.796*				
3. Optimism	-0.119	0.635	*0.791*			
4. Resilience	-0.098	0.756	0.625	*0.807*		
5. Self-Efficacy	-0.118	0.748	0.689	0.818	*0.820*	
6. Entrepreneurial Satisfaction	-0.193	0.371	0.212	0.211	0.293	*0.806*

Note. Diagonal values (Italic) represent the square root of the average variance extracted (AVE). Off-diagonal values represent inter-construct correlations. Authors' own calculations using SmartPLS 4.

Table 5: ***Discriminant Validity: Heterotrait–Monotrait Ratio (HTMT)***

Construct	1	2	3	4	5	6
1. Burnout	—					
2. Hope	0.246	—				
3. Optimism	0.147	0.862	—			
4. Resilience	0.129	0.853	0.832	—		
5. Self-Efficacy	0.146	0.841	0.882	0.872	—	
6. Entrepreneurial Satisfaction	0.197	0.437	0.238	0.233	0.333	—

Note. HTMT values below 0.90 indicate adequate discriminant validity. Authors' own calculations using SmartPLS 4.

Table 6 refers to the assessment of the higher-order construct (stage two), the PsyCap reflective measurement model, which is created from the latent variable scores of the lower-order constructs (Chin, 2010). The table shows (also see Figure 3) that the indicators of PsyCap, namely hope, optimism, resilience, and self-efficacy, have indicator reliability values above the required threshold of 0.70 (Hair et al., 2021; Hulland, 1999). The table also indicates that the Cronbach's alpha and composite reliability values are higher than 0.70, confirming internal consistency reliability. Furthermore, convergent validity is also satisfactory, as the AVE values are greater than 0.50 (see Table 6). Table 7 reports that Discriminant validity has been established, as the Fornell–Larcker criterion in the lower triangle bold italic diagonal values are correlations which are greater than the corresponding variable values below them. Furthermore, Table 7 also shows that upper triangle HTMT scores are below threshold values of 0.85 and 0.90, which confirms discriminant validity (Hair et al., 2021; Henseler et al., 2015).

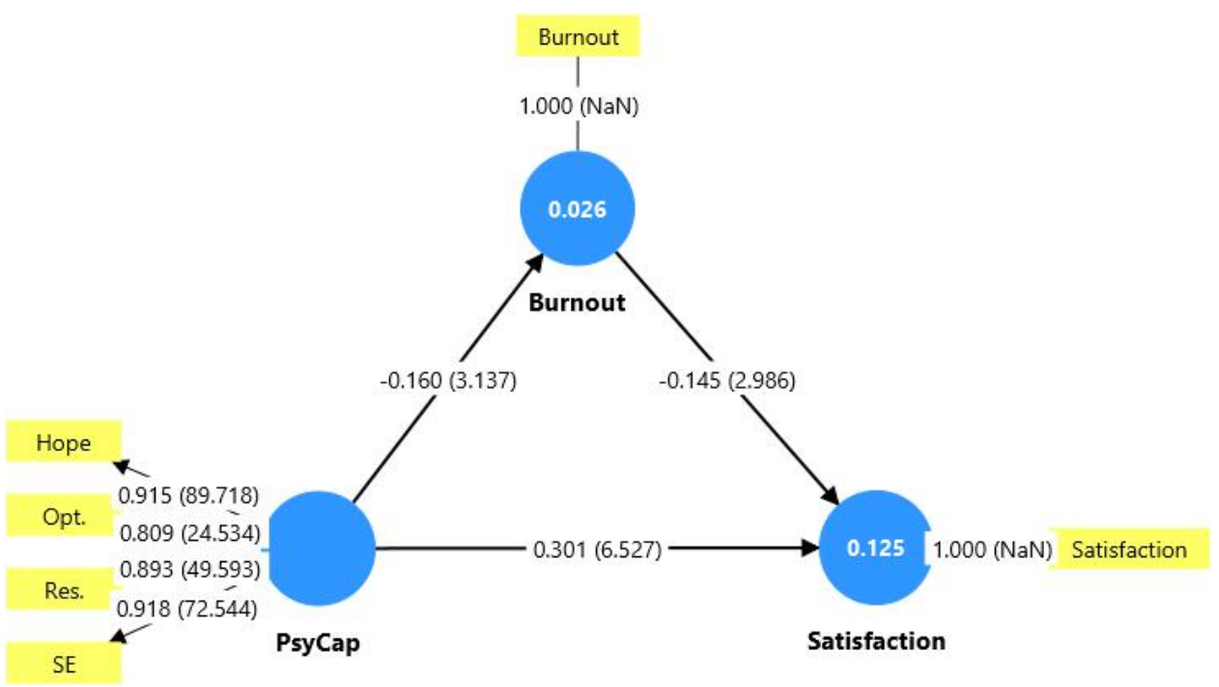

Figure 3. Measurement Model Evaluation of Higher-Order Construct (2nd Stage)

Table 6: *Higher-Order Construct Assessment (PsyCap) and Key Constructs*

Construct	Loading	α	ρa	CR	AVE
Psychological Capital (PsyCap)		0.909	0.970	0.935	0.783
Hope	0.915				
Optimism	0.809				
Resilience	0.893				
Self-Efficacy	0.918				

Construct	Loading	α	ρa	CR	AVE
Burnout	1.000				
Entrepreneurial Satisfaction	1.000				

Note. α = Cronbach's alpha; ρa = composite reliability (rho_a); CR = composite reliability (rho_c); AVE = average variance extracted. Loadings represent second-order construct relationships. Authors' own calculations using SmartPLS 4.

Table 7: ***Discriminant Validity (Fornell–Larcker and HTMT)***

Construct	Burnout	PsyCap	Satisfaction
Burnout	***1.000***	0.158	0.193
PsyCap	-0.160	***0.885***	0.322
Satisfaction	-0.193	0.324	***1.000***

Note. Upper triangle = HTMT. Lower triangle = correlations. Authors' own calculations via SmartPLS-SEM Version 4.

Structural Path Model Assessment and Hypotheses Testing Results

Through bootstrapping, the direct paths of the model were assessed. Table 8 (also see figure 4) reports that PsyCap relates positively to satisfaction of entrepreneurs (β = 0.301), which is significant (t = 6.527, p < 0.05). Furthermore, PsyCap relates negatively to burnout among entrepreneurs (β = -0.160) and is significant too (t = 3.137, p < 0.05). However, results indicate that burnout has a negative impact on entrepreneurial satisfaction (β = -0.145) significantly (t = 2.986, p < 0.05). The VIF values are below 3, suggesting no collinearity issues in the model. The model's R^2 and Q^2 predict values indicate that model has good explanatory strength and predictive power, the effect sizes (f^2) are also given in Table 9.

Table 8: ***Structural Model Results: Path Coefficients***

Paths	β	SD	t-value	p-value	VIF
PsyCap → Satisfaction	0.301	0.046	6.527	0.000	1.026
PsyCap → Burnout	-0.160	0.051	3.137	0.002	1.000
Burnout → Satisfaction	-0.145	0.049	2.986	0.003	1.026

Note. β = standardized path coefficient; SD = standard deviation; VIF = variance inflation factor. Bootstrapping based on 5,000 resamples. Authors' own calculations using SmartPLS 4.

Table 9: ***Model Predictive Power and Effect Sizes***

Panel A: Coefficient of Determination and Predictive Relevance

Endogenous Construct	R^2	Q^2predict
Burnout	0.026	0.018
Entrepreneurial Satisfaction	0.125	0.098

Panel B: Effect Size (f^2)

Path	f^2
PsyCap → Satisfaction	0.101
PsyCap → Burnout	0.026
Burnout → Satisfaction	0.024

Note. R^2 = coefficient of determination; Q^2predict = predictive relevance (Stone–Geisser's Q^2); f^2 = effect size. Authors' own calculations using SmartPLS 4.

Evaluating Burnout as a mediator

The indirect effect through the burnout mediator has been assessed through bootstrapping in PLS-SEM. Table 10 demonstrates that path (PsyCap → Satisfaction) has a total effect of (β= 0.324), which is higher than the path (PsyCap → Satisfaction) direct effect (β = 0.301) both are significant (t > 1.96 & p < 0.05). This shows that there is a partial mediation of burnout as indirect effect of PsyCap through burnout on satisfaction is (0.023) which is significant too (t = 2.045, p < 0.05).

Table 10: ***Total, Direct, and Indirect Effects (Mediation Analysis)***

Effect Type	Path	β	SD	t-value	p-value
Total Effect	PsyCap → Satisfaction	0.324	0.045	7.207	0.000
Direct Effect	PsyCap → Satisfaction	0.301	0.046	6.527	0.000
Indirect Effect	PsyCap → Burnout → Satisfaction	0.023	0.011	2.045	0.041

Note. β = standardized effect; SD = standard deviation. Bootstrapping based on 5,000 resamples. Authors' own calculations using SmartPLS 4.

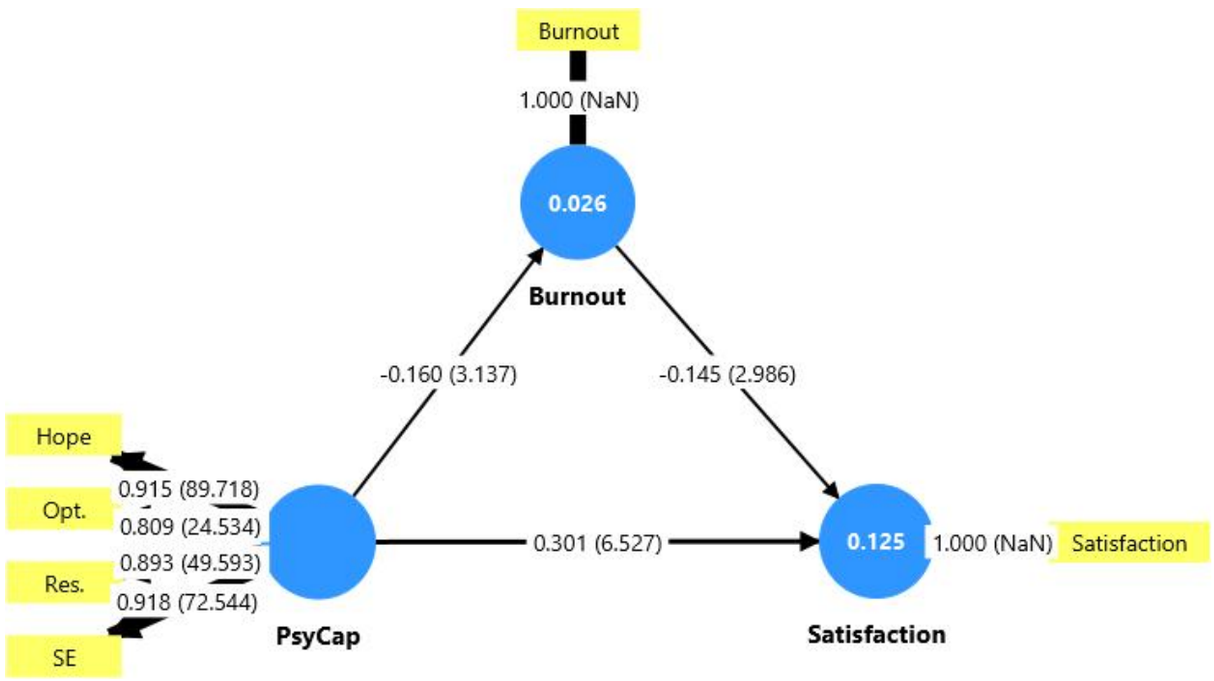

Figure 4. Structural Model of PsyCap, Burnout, and Entrepreneurial Satisfaction

Discussion of the Results

This study investigated the relationship of PsyCap with satisfaction of entrepreneurs and burnout's mediating effect through COR Theory in the context of Sindh, Pakistan. The hypothesis testing results report that PsyCap has a positive and significant relationship with entrepreneurial satisfaction, confirming our study hypothesis (H1). This suggests that entrepreneurs having higher PsyCap resources, such as hope, optimism, resilience, and self-efficacy, help in achieving psychological contentment during venture operations, leading to greater satisfaction. These findings align with previous research observations, which indicate that PsyCap boosts positive energy and motivation and causes higher satisfaction (Hmieleski & Carr, 2007; Baluku et al., 2018). In line with the Conservation of Resources (COR) Theory, PsyCap represents a valuable psychological resource that enables entrepreneurs to build and sustain positive resource reservoirs, thereby enhancing satisfaction. In the resource-constrained entrepreneurial settings of Sindh's urban areas, such as Karachi, Hyderabad, and Sukkur, entrepreneurs are exposed to infrastructure weakness, heavy workloads, greater risks, and uncertainty. In such a situation, PsyCap works as an essential psychological resource that upholds positive energy and motivation to greater satisfaction and success.

The hypothesis testing results further reveal that PsyCap relates negatively to burnout in a significant way, supporting hypothesis (H2) of the study. In link to COR theory, this suggests that PsyCap plays a safeguarding role to protect from the burnout effects among entrepreneurs. This means a higher level of PsyCap resources mitigates burnout. Prior studies also advocate that entrepreneurs with higher PsyCap experience lower levels of burnout (Manzano-García & Ayala, 2017; Malekitabar et al., 2017). Similarly, other studies also confirm this (Avey et al., 2010). In dynamic and uncertain entrepreneurial environments such as Karachi, Hyderabad, and Sukkur, where adaptability and persistence are essential, PsyCap plays a vital role in preventing the depletion of psychological energy and reducing burnout levels. Evidence from the local context (Malak & Qassim, 2026) further strengthens this argument.

Notably, the mediation analysis results show that burnout partially and significantly mediates the link between PsyCap and satisfaction of entrepreneurs, advocating hypothesis (H3) of this research. This explains that PsyCap not only directly enhances satisfaction, but also indirectly, through burnout, by reducing burnout effects, strengthening satisfaction. Relating this to COR theory, which suggests that burnout reduces motivation, energy, well-being, perception of success, and satisfaction (Lechat & Torrès, 2016; Malak et al., 2025; Malak & Qassim, 2025). However, evidence from studies shows PsyCap reduces stress and burnout, leading to improved well-being, performance, and satisfaction (Manzano-García & Ayala, 2017; Juhdi et al., 2015). Similarly, a study also showed that PsyCap worked as a protective shield against burnout and enhanced psychological functioning (Malak & Lanjwani, 2026). In Sindh, entrepreneurs are more prone to risks and unpredictable situations, thus requiring more PsyCap to effectively handle burnout and achieve better psychological functioning for better well-being and satisfaction during their venture performance.

Implications of the Study

This study theoretically extends the COR Theory in the context of entrepreneurship with a focus on resource-constrained environments such as Sindh, Pakistan. It also confirms the mediating role of burnout and how PsyCap can be used as a key resource to greater entrepreneurial satisfaction. Practically, this research tests the hypothesized relationships among PsyCap, burnout, and satisfaction among entrepreneurs. The findings can be applied by policymakers and educational and training institutions to develop effective training programs for boosting PsyCap and satisfaction among entrepreneurs.

Limitations

This research has a limitation in using a cross-sectional survey. It is restricted to a sample of urban entrepreneurs' representation in Karachi, Hyderabad, and Sukkur (Sindh, Pakistan). The generalizations of these research outcomes are also limited to resource-constrained developing economies such as Sindh, Pakistan.

Future Research Directions

Future research can use a longitudinal design and can take a sample that represents rural areas, also. Upcoming research can extend to investigate these variables in other cultural entrepreneurs for more generalizability. The research scholars can use other variables, such as AI, emotional intelligence, and PsyCap, to see their role. The entrepreneurs from diverse industries can be included for investigation.

Conclusion

This research explored the association of PsyCap with entrepreneurial satisfaction and the mediating effect of burnout on the relationship, grounded in the COR theory. The findings demonstrate that PsyCap functions as a critical psychological resource that directly and indirectly influences satisfaction. The results confirm that higher PsyCap reduces burnout and enhances satisfaction, underlining the importance of resource accumulation and conservation in entrepreneurial contexts. Overall, the outcomes of the study highlight the significance of developing PsyCap for entrepreneurs to facilitate them in managing stress and burnout and secure higher satisfaction, particularly in resource-constrained environments. By offering both theoretical and practical insights, this research contributes to a deeper understanding of psychological resource dynamics in entrepreneurship and provides a foundation for future studies in this domain.

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