

Study find veterans make great entrepreneurs, especially in collaborative environments

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It should be no surprise that many military veterans—trained to be highly disciplined, organized, team-oriented, strategy-minded, and goal

oriented—aim for entrepreneurship after having served. But a new study, commissioned by the Veterans Future Lab (VFL) at the NYU Tandon School of Engineering, and Barclays, the founding supporter of the VFL since its launch in 2017, offers a revealing perspective into what motivates vets to leap into the innovation economy, and the most successful routes and resources for veteran-led startups.

The study, conducted by the Fors Marsh Group, will be released on December 9 and was previewed at the annual Veterans Future Lab Summit at NYU Tandon on December 8, 2021, a virtual event featuring [entrepreneurs](#), top-tier investors, industry leaders conducting hands-on workshops on tangible, useful skills critical to the success of early-stage ventures.

With insights garnered from surveys of over 580 current and former members of the U.S. armed forces between February and May 2021, the study explores military, education, and entrepreneurial background; the challenges experienced and the resources used during the start of a business; and socio-emotional well-being. The investigators also interviewed 20 veteran entrepreneurs on their military service and transition experience, education background, and successes and lessons learned from launching or growing their business.

"Barclays is proud to support veteran entrepreneurship and the Veterans Future Lab," said Travis Barnes, Global Head of Financial Sponsors Group & Sustainable and Impact Banking at Barclays. "We hope that this important research, which offers great insight into how veterans most effectively envision, develop and launch innovative businesses, will help drive additional support to the veteran entrepreneur community."

Among key findings are that military individuals are drawn to pursue the innovation and entrepreneurial economy because:

- It offers freedom, flexibility, and control of being one's own boss
- Pulls on personal skills, interests, and education/civilian career background
- Leads to the possibility of financial independence or additional income

In addition, the top three challenges experienced by veteran entrepreneurs when launching a business are:

- Marketing and promotion
- Personal finances
- Initial capital

The road to entrepreneurship includes potential potholes demonstrating that once in the start-up community, vets actually face a more daunting path to success than other entrepreneurs: An earlier study found, for example, that 60% of veteran-owned businesses reported obtaining less financing than requested in applications compared to 52% of non-veteran-owned businesses. Veteran-owned businesses also observed lower loan approval rates than their non-veteran-owned counterparts.

The VFL, an incubator dedicated to ventures led by veterans and military spouses was founded to make these obstacles easier for vets to surmount. Its nine-month, no-cost Apex program responds to the needs of veteran entrepreneurs, providing mentorship, support, and resources needed to start and grow high-impact companies. The Veterans Entrepreneurship Training (VET) program gives NYC-centric entrepreneurs, industry leaders, and VFL founders a curriculum that features a capstone project, hands-on experiential learning, and mentorship.

As part of the study, each participant selected what they identified as the three most helpful resources for launching a [business](#). Topping the list among all respondents were professional networks, informal

relationships, and professional development programs.

"The VFL encompasses all three, focusing on building a community and a network, and offering programming for developing entrepreneurial skills," said Alexa Modero, director of the VFL. Since launching in 2017, the VFL has supported 60 startups, and graduated over 240 early-stage or aspiring entrepreneurs across its training programs.

Nearly all of the veterans who participated in interviews reported taking part in one or more formal professional networking groups, including incubator programs, [veteran](#) entrepreneur programs, programs specifically for minorities and women, and programs for specific industries.

Participants also said that through formal groups, they surrounded themselves with "like-minded" individuals. While building their networks, they also often identified peers, partners, and mentors to supplement and/or enhance their own skill sets, describing the latter as "important" and "useful" in providing guidance, offering feedback for ideas, troubleshooting challenges, and identifying new opportunities.

Additionally, participants spoke about the importance of being around like-minded professionals, who often generated motivation and ideation and promoted accountability.

More information: The report is available for download at www.vflresearch.nyc/

Provided by NYU Tandon School of Engineering

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