**INSTITUTE FOR VETERANS AND MILITARY FAMILY**

**Data Brief: Women Veteran Entrepreneurs**

**March 2021**

This brief provides highlights from the 2020 National Survey of Military-Affiliated Entrepreneurs focusing on female veteran entrepreneurs. These findings are based on the data collected from 432 female veteran entrepreneurs, which represents 27% of the respondents that answered the gender question of the 2020 survey. This study monitors trends in the activity, needs, and economic, social, and policy barriers of military-affiliated entrepreneurs in the United States. This annual survey and forthcoming public dataset will be an enduring source of current insights for public and private sector leaders, policymakers, and community-based organization on systemic barriers to and drivers of entrepreneurial success among female veterans and their family members. To learn more about this study and other briefs, publications, and presentations visit <https://ivmf.syracuse.edu/nsmae-series/>

**MOTIVATIONS**

**Military Skills & Attributes that Apply to Entrepreneurship**

|  |  |  |
| --- | --- | --- |
|  | Female | Male |
| Work ethic/self-discipline | 55% | 56% |
| Teamwork | 39% | 49% |
| Leadership and management skills | 37% | 42% |
| Perseverance | 36% | 31% |
| Mental toughness | 32% | 39% |
| Ability to get things done | 28% | 25% |

**Interest in Entrepreneurship Prior to the Military**

|  |  |  |
| --- | --- | --- |
|  | Female | Male |
| Not at all interested | 47% | 35% |
| Slightly/somewhat interested | 27% | 30% |
| Moderately/extremely interested | 26% | 35% |

**ENTREPRENEURSHIP CHARACTERISTICS**

|  |  |  |
| --- | --- | --- |
| **Top Motivations to Entrepreneurship** | **Females** | **Males** |
| Helping society/supporting community | 48% | 31% |
| Maintain personal freedom | 48% | 36% |
| The chance to implement my own ideas/Creating something of my own | 46% | 45% |
| The opportunity to be a financially independent/increase personal income | 44% | 44% |
| Make my own decisions | 37% | 45% |
| Having more free time/flexible hours | 36% | 25% |
| Improving my quality of life | 31% | 33% |

59% of female veteran owned businesses are formally or informally certified by a national, state, local certifying body (78% male)

52% of female veterans that have certified business find the certification process difficult (56% male)

|  |  |  |
| --- | --- | --- |
| **Employment / Self-Employment Status** | **Female** | **Male** |
| Working full-time for an organization other than my own business | 21% | 14% |
| Working part-time for an organization other than my own business | 5% | 3% |
| Working for my own business full-time | 33% | 54% |
| Working for my own business part-time | 15% | 11% |

|  |  |  |
| --- | --- | --- |
| **Ability to financially sustain yourself with income from your current business** | **Female** | **Male** |
| Yes | 26% | 54% |
| Partially | 24% | 21% |
| No, not at this time | 46% | 23% |
| No, and I do not intend to do so | 4% | 2% |

|  |  |  |
| --- | --- | --- |
| **Nature of Business Acquisition/Start** | **Female** | **Male** |
| Founded or started | 94% | 90% |
| Purchased | 4% | 9% |

|  |  |  |
| --- | --- | --- |
| **Attitudes and Perspectives** | **Female** | **Male** |
| Willing to bring in new owners in order to grow the firm | 36% | 43% |
| Willing to take on new loans in order to grow the firm | 40% | 50% |
| Committed to achieving growth, even if it means lower profits | 51% | 57% |
| Would rather grow the firm than keep it at present size | 61% | 70% |

**BARRIERS TO ENTREPRENEURSHIP**

**Top Problems or Barriers in Pursuing or Achieving Business Goals**

39% Lack of initial capital

29% Lack of mentors for my business

27% Irregular income

24% Lack of experience in entrepreneurship or business ownership

22% Current economic situation

**Transition Difficulty and Key Challenges**

62% indicated that they needed time to figure out what to do in their civilian life (49% male)

49% had difficulty with the transition from military to civilian life (43% male)

47% indicated that adjusting to civilian life was difficult (39% male)

47% felt they had sense and purpose after military (54% male)

Top Transitional Challenges

|  |  |  |
| --- | --- | --- |
|  | **Female** | **Male** |
| Loss of connection with military community | 30% | 21% |
| Loss of sense of purpose/camaraderie | 27% | 22% |
| Getting socialized to civilian culture | 27% | 26% |
| Finding employment for myself | 25% | 23% |
| Financial struggles | 25% | 19% |
| Mental health challenges | 17% | 14% |

**Major Factors that Impact Starting a Business**

Marketing and Sales

63% did not know how to market their business (51% male)

59% did not know how to sell their products or services to a national market (51% male)

50% did not know how to developing a website or social media presence for their business (39% male)

Economic

71% did not know how to apply for grants (67% male)

59% did not know where/how to apply for a business loan (52% male)

54% could not identifying sources of funding to start their business (48% male)

Social and Human Capital

53% had difficulty finding a local business incubator or nonprofit that helps business owners (45% male)

50% lacked formal help to start their business (36% male)

39% lacked experience or exposure to someone who has run a business (29% male)

**Business Related Barriers and Challenges of Female Veteran Entrepreneurs**

Participants reported difficulty with:

47% navigating the resources in local community

34% don’t have anyone on whom they could rely on for help for the business

33% lack of support from community to start a business

DENIAL OF CREDIT - has a particular lender or creditor turned down any request you made for credit, or not given as much credit as you applied for?

|  |  |  |
| --- | --- | --- |
|  | **Female** | **Male** |
| Yes, turned down | 48% | 32% |
| Yes, not as much credit | 8% | 9% |
| No, not turned down | 44% | 60% |

Of those female veteran entrepreneurs that were turned down:

64% did not reapply anywhere

23% did reapply and were turned down again

13% did reapply and got funding later

**Disability Related Barriers**

80% have a service-connected disability

56% do not feel supported by Medical & Disability Service Providers

54% indicate that service-connected disability creates obstacles in business ownership

**CAPITAL**

**Sources of Capital for female veteran entrepreneurs**

91% needed capital to start/grow their business

9% did not need capital to start/ grow their business

TOP THREE SOURCES OF CAPITAL USED IN 2019 ARE:

|  |  |  |
| --- | --- | --- |
|  | **Female** | **Male** |
| Personal/family savings of owner(s) | 36% | 28% |
| Personal credit card(s) | 20% | 15% |
| Business credit card(s) | 17% | 19% |

CREDIT CARDS

55% of business debt is on credit cards (40% male)

61% pay an interest rate that is higher than 10% (36% male)

23% pay an interest rate between 20-29.99% (7% male)

CAPITAL FOR DIFFERENT STAGES

STARTUP

74% needed less than $25,000 to start their business (compared to 55% male)

71% were able to secure all or some of the initial funding for starting or acquiring the business in 2019 while 29% were not able to secure any funding at all

50% do not feel prepared for the traditional lending process

GROWTH

66% needed less than $25,000 to grow their business (compared to 41% male)

62% were able to secure all or some of the funding needed to grow their business in 2019 while 38% were not able to secure any funding at all

46% do not feel prepared for the traditional lending process

**SUPPORT AND RESOURCES FOR ENTREPRENEURSHIP**

|  |  |  |
| --- | --- | --- |
|  | **Female** | **Male** |
| Feel a sense of belonging to my local community | 58% | 66% |
| Can find people in my local community to relate to | 61% | 69% |
| Feel responsibility for my local community | 65% | 72% |
| Feel supported by my local community | 40% | 52% |

**Entrepreneurship Resource Needs in Local Communities**

59% were not aware of the Community Development Financial Institution (CDFI) funds, out of those that knew:

11% indicate the resource need improvement, 42% indicate this resource is sufficient, and 46% indicate this resource is outstanding

43% did not know about third-party certification resources, out of those that knew:

41% indicate the resource need improvement, 41% indicate this resource is sufficient, and 18% indicate this resource is outstanding

41% did not know about local incubators and accelerators in their local area, out of those that knew:

39% indicate the resource need improvement, 37% indicate this resource is sufficient, and 23% indicate this resource is outstanding

39% did not know about government contracting resources and support, out of those that knew:

43% indicate the resource need improvement, 39% indicate this resource is sufficient, and 17% indicate this resource is outstanding

39% did not know about credit and financing resources and support, out of those that knew:

32% indicate the resource need improvement, 50% indicate this resource is sufficient, and 18% indicate this resource is outstanding

29% did not know about marketing resources and support, out of those that knew:

29% indicate the resource need improvement, 57% indicate this resource is sufficient, and 14% indicate this resource is outstanding

**COVID-19 PANDEMIC**

**Preparedness for Entrepreneurship**

59% feel that military has prepared them for their business challenges associated with COVID-19 pandemic

|  |  |  |
| --- | --- | --- |
|  | **Female** | **Male** |
| Military did not prepare | 15% | 14% |
| Military somewhat prepared | 26% | 19% |
| Military did prepare | 59% | 67% |

89% were able to adapt their business during the pandemic

80% were been to accommodate (themselves or their employees) to work from home

79% indicate they lost business due to the pandemic

78 % believe their business/venture will be able to survive the pandemic

**CLOSURE DURING COVID-19**

70% indicate that they do not anticipate closing their business (*67% male*).

|  |  |  |
| --- | --- | --- |
| Of those that anticipate closing: |  |  |
| Can operate for less than 3 months | 13% |  |
| Can operate between 3-12 months | 53% |  |
| Can operate more than a year | 34% |  |

TOP RESOURCE NEEDS DURING COVID-19 FOR FEMALE VETERAN ENTREPRENEURS

58% were aware of the resources available to them/their business during the pandemic (67% males).

|  |  |
| --- | --- |
| General funding (financing, loans, grants) | 35% |
| Government contracting assistance | 29% |
| Social media/website assistance | 25% |
| Day-to-day operations | 23% |
| Assistance with adjusting marketing efforts | 21% |

CARES ACT’S PAYROLL PROTECTION PROGRAM (PPP):

|  |  |  |
| --- | --- | --- |
|  | **Female** | **Male** |
| Were approved and received funding | 27% | 47% |
| Approved, waiting for funding | 1% | 4% |
| Applied, pending approval | 5% | 5% |
| Eligible, have not applied yet | 11% | 10% |
| Turned down | 6% | 4% |

CARES ACT’S ECONOMIC INJURY DISASTER LOAN (EIDL):

|  |  |  |
| --- | --- | --- |
|  | **Female** | **Male** |
| Were approved and received funding | 21% | 21% |
| Approved, waiting for funding | 5% | 7% |
| Applied, pending approval | 5% | 7% |
| Eligible, have not applied yet | 7% | 11% |
| Turned down | 8% | 4% |

SUPPORT DURING THE PANDEMIC

|  |  |
| --- | --- |
| Believe that their business has NOT been supported by the state government during the pandemic | 66% |
| Believe that their business has NOT been supported by the local government during the pandemic | 64% |
| Believe that their business has NOT been supported by the federal government during the pandemic | 51% |
| Believe that their business has NOT been supported by the local community | 49% |

**What does entrepreneurship success look like to you?**

“For me, entrepreneurial success looks like improved lifestyle for myself and others: contributing to the improvement of public policies to the gain of my community, and helping my community grow and prosper, all while achieving financial freedom for myself and my family.”

- Navy Female Veteran Entrepreneur, Business Owner, and CEO

Professional, Scientific, and Technical Services Industry

“Being able to make a difference in 1-100 or more people’s lives is success for me.”

- Army Female Veteran Entrepreneur & Business Owner

Arts, Entertainment, and Recreation Industry

ABOUT IVMF

Syracuse University’s Institute for Veterans And Military Families (IVMF) is the first national institute in higher education singularly focused on advancing the lives of the nation’s military, veterans and their families. Through its professional staff and experts, the IVMF delivers leading programs in career and entrepreneurship education and training, while also conducting actionable research, policy analysis, and program evaluations. The IVMF also supports veterans and their families, once they transition back into civilian life, as they navigate the maze of social services in their communities, enhancing access to this care working side-by-side with local providers across the country. The Institute is committed to advancing the postservice lives of those who have served in America’s armed forces and their families. For more information, visit ivmf.syracuse.edu.

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The Center of Excellence (CoE) for Veteran Entrepreneurship, powered by Fiserv, is the nation’s premier center of research, trusted thought leadership, and innovative programming positioned to advance opportunities for transitioning servicemembers, veterans, and their families to successfully pursue business ownership in America. Leveraging the resources and established networks of Syracuse University, the IVMF, and their corporate partners, the CoE brings together a cohesive ecosystem focused on veteran/spouse-owned small business. Founded by Fiserv, a global provider of financial technology services, the CoE aligns with the company’s military and veterans engagement strategy called Fiserv Salutes, which provides the military community with career opportunities, education resources, and business solutions for military-connected businesses.

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