

Entrepreneurial Women Find Success Through B-School

Empowered with the skills, resources, and connections of a graduate management education, alumnae entrepreneurs find professional and personal rewards in being their own boss

March 2018

Every year a growing number of enterprising women break out on their own as entrepreneurs. According to the Global Entrepreneurship Monitor, female total entrepreneurial activity has increased by 10 percent in the last two years, and the gender gap in entrepreneurial participation has narrowed by 5 percent.¹ For a number of these women, a graduate business degree was a critical step in their professional development, empowering them with the skills, resources, and connections needed to launch their own businesses.

In recognition of International Women's Day, this data brief shares details about aspiring female entrepreneurs in the business school candidate pipeline and highlights the professional and personal success many alumnae have found through starting their own business.

More than 1 in 5 women in the candidate pipeline want to be entrepreneurs

Among women who registered on mba.com in 2017, 22 percent say their career goal is to be self-employed as an entrepreneur, up from 16 percent in 2010.

Like women business school candidates overall, aspiring entrepreneurs come from an array of professional backgrounds. While the majority studied business as undergraduates (57%), a higher percentage of aspiring entrepreneurs were engineering or computer science majors (18%) and fine arts or humanities majors (18%) compared with women in the candidate pipeline overall.

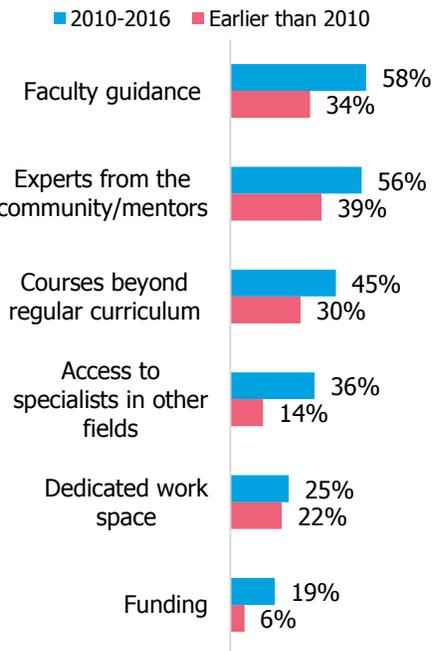
Aspiring woman entrepreneurs most frequently consider applying to full-time MBA programs, whether in a one-year (45%) or two-year (41%) format. Aspiring woman entrepreneurs also consider Master of Finance (19%) and Master of Entrepreneurship (17%) programs.²

Business schools are expanding their resources for aspiring entrepreneurs

More than ever, entrepreneurship is a major focus of learning and practice on business school campuses. Survey data of business school alumni entrepreneurs that began their business either during or immediately after business school reveals how in recent years business schools have expanded their offerings to connect their entrepreneurially-minded students with the resources they need to be successful.

Start-Up Help On Campus

Percentage of alumni entrepreneurs with access to resources, by graduation year



Source: GMAC Alumni Perspectives Survey (data collected in 2016).

¹ Global Entrepreneurship Monitor (2017). [Women's Entrepreneurship 2016/2017 Report](#).

² Graduate Management Admission Council. mba.com Prospective Students Survey. Data collected in 2017.

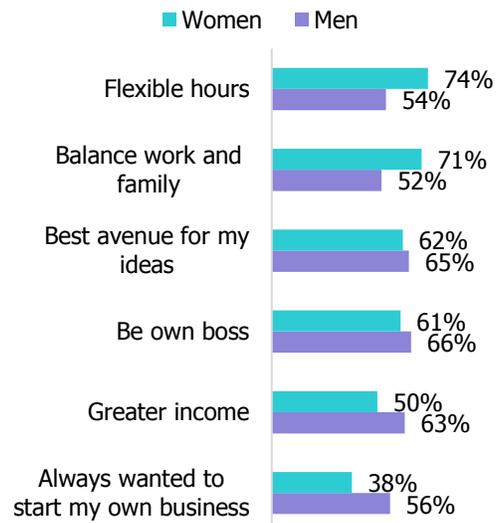
Many alumnae seek flexibility and balance through being their own boss

After graduation, most alumnae entrepreneurs first worked for a company before launching their own venture (70%), though some arrive at business school having already started a business (10%), started a business while enrolled (6%), or started a business immediately after business school (7%). Overall, entrepreneurial activity among alumnae increases with time removed from graduation. For example, seven percent of alumnae from the graduation years of 2011 to 2015 are currently self-employed, compared with 17 percent of alumnae from 1991 to 2000.

Among business school alumni entrepreneurs, women are more likely than men to be in the consulting industry (50% vs. 32%) and their businesses are more likely to have 25 or fewer employees (92% vs. 80%). Women are more likely than men to say flexible hours and the ability to balance work and family are important reasons for owning their own business, whereas men are more likely to say opportunity for greater income and the fact that they always wanted to start their own business are important reasons.

Entrepreneurial Motivations

Percentage of alumni entrepreneurs who say specific motivations are "very important" to them, by gender



Source: GMAC Alumni Perspectives Survey (data collected in 2017).

Most alumnae entrepreneurs founded or started their business themselves (90%), while a small number purchased (4%) or inherited (3%) their business. Though a smaller share of women sought venture capital than men (8% vs. 16%), those that did have a similar success rate in securing funding (70% vs. 67%).³

Most alumnae entrepreneurs find professional success and satisfaction

Business school alumnae entrepreneurs report that their businesses are successful. About half report that their business is either very or extremely successful (49%), while a slightly smaller share reports their business is somewhat successful (47%). Just 5 percent say their business is not very successful. Alumnae entrepreneurs are also satisfied with their overall experience as entrepreneurs. Seventy-one percent report being very or extremely satisfied and 23 percent report being somewhat satisfied. Just six percent report being not very satisfied.⁴

Business school experience key to alumnae entrepreneurs' success

Overall, most alumnae entrepreneurs agree that their business school experience prepared them for their chosen career (73%) and, knowing what they know now, more than 9 in 10 would still pursue a graduate management education (92%). That's a testament not only to the positive impact their degree has had on their careers, but on their personal lives as well, as the clear majority of alumnae entrepreneurs agree that their graduate management education was rewarding professionally (85%) and personally (93%).⁵

³ Graduate Management Admission Council. Alumni Perspectives Survey. Data collected in 2016 and 2017.

⁴ Ibid.

⁵ Ibid.