

VMI

Veterans In The Entrepreneurial World

Overcoming The Competition By Force

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Abstract

This quantitative research project deals with military veterans and their part in the entrepreneurial world. On average 1 in every 4 veterans become business owners, while only 1 in every 11 non-veterans venture into the business world. This study seeks to link together the military and the entrepreneurial world. The main idea driving the entire project is the theory that military veterans possess greater entrepreneurial personality characteristics than those who are not veterans. Through the use of the Five Factors Model, the study compared and contrasted the known characteristics of an entrepreneur to that of military veterans to determine if they did indeed possess stronger entrepreneurial characteristics than non-veterans. This study is important because it informs franchisors, venture capitalists, and future employers of whom they should focus their efforts on in the market, making veterans more likely to get the capital to start their business after active duty.

Introduction

Entrepreneurs come from all walks of life. Some are just born to run a business and build their own Fortune-500 companies from scratch by age 25, while others become successful as a result of a low point in life, such as the loss of a job. Regardless of the reasoning it has been proven that entrepreneurship attracts particular groups of people, especially those with military backgrounds. Military veterans are more of a proportion of the entrepreneur population than those who have no military background. According to the National Veteran-Owned Business Association, about 25% of all military veterans are business owners, compared to only 11% of all workers who have never served [1]. These statistics are confined only to those of working age and do not include those who are retired.

As of September 5 2008, the U.S. Census Bureau reported that there were approximately 24 million veterans living in the United States. The total population of the entire country at that time was over 300 million. From these statistics, we find that 8% of the general population is made up of military veterans, which means 8% of the population accounts for 30% of all business owners in the U.S. [2] So why do veterans venture into starting their own business at a significantly higher rate than non-veterans? Is it that veterans have the attributes that make good business owners? Is it the training they endure throughout their career in the military? Perhaps it is a combination of factors that drives veterans to entrepreneurship, as well as makes these same individuals appealing to lenders and franchisers. The training that is indoctrinated into the minds of service members, in combination with innate personality attributes, possibly better prepares military entrepreneurs for the rigors, risks, and the rewards of the entrepreneurial world more so than their peers who have not received the same experience. Veterans are quite sought after

around the country as both employees and franchisors. In addition, countless organizations specialize in helping veterans start their own businesses.

The main research question of this study is: are veterans more likely to engage in entrepreneurship endeavors than non-veterans? If veterans are more likely to do so, what is the major difference in skill level, character, attributes, or personality that sets them above all the rest? This research focus will first deal with the characteristics and attributes of a non-military entrepreneur in comparison to that of a military entrepreneur. Next, the typical lifestyles and personalities of veterans compared to non-veterans will be determined if any such standard exists. This study will also look at training received while in the military compared to any specific training given to rising entrepreneurs without a military background. Finally, this study will further look at the structure of a business as compared to that of the military. The chain of command and overall structure of a company is similar to that of an Army division. In the military, for any operation that takes place an operations order is written. The operations order outlines every detail and provides a plan of attack for future missions. In the business world, business plans are written which outline plans for future business strategy, more specifically: business, marketing and financial operations. From these comparisons among many others, this study will be able to identify major factors affecting entrepreneurial spirit and discipline in both veterans and non-veterans, and furthermore, will be able to determine if the military truly does attract and better prepare entrepreneurs.

Theory & Background

The question of whether veterans are more successful in the business world is a long debated question. In the article, the Small Business Association (SBA) states that military

veterans are indeed more successful and possibly more qualified to run a business than their civilian counterparts. “We think it's because veterans bring a vast depth of experience, confidence and a winning attitude that so many veterans gain as a result of their years of strong service in the Armed Forces. It could be that veterans are entrepreneurs at heart, making it a logical step for so many veterans to start their own businesses.” [3] According to an entrepreneurial study conducted by the Small Business Administration, “22 percent of veterans are either purchasing or starting a new business, or considering purchasing or starting one.” [4] Conducted in 2004, the study examined certain experiences of veteran business owners, as well as their past experiences both in the military and the civilian world. The study concluded that a majority of veteran business owners had received training, that was directly relevant to the business and entrepreneurial world while serving. Additionally, those veterans who possessed further civilian employment experience were found to be increasingly successful.

Much research has been done on veterans and their role in the business world including the ground-breaking seventy four page report by the SBA entitled: “Entrepreneurship and Business Ownership In The Veteran Population”[5]. The findings of the report include the examination of several aspects of the veteran population, including percentages of veterans just discharged from service, who were now starting their own business. This work will look at further findings from that study, which deal with the type of businesses that veterans were interested in, as well as the level of interest shown by the entire population as a whole.

Subsequently, there has been much discussion regarding veterans and how they are increasingly entering into the business world. The focus on increasing the number of veterans in the field has increased in order to spur economic development, as well as ease the transition for

soldiers to civilian life. These efforts have primarily been through specialized small business loans, incentive programs, and the creation of organizations, which has the main goal is to assist veterans just coming out of service to start their own business. Franchisors have also created specialized programs, such as The Veterans Transition Franchise Initiative (VetFran), in order to “help Veterans and explore opportunities in franchise ownership.” [6, p.1] These increased incentives for veterans to enter the business world and the reasons why are they are so sought after is what is investigated in this research study.

Before a comparison between military entrepreneurs and non-military entrepreneurs can be made, one must first determine what the actual characteristics of a successful entrepreneur are. In his 2008 article entitled [7]: “The 5 Key Characteristics of a Successful Entrepreneur,” author Keith Walden of Article Alley identifies these characteristics as the following: vision, perseverance, self-discipline, flexibility, and mental toughness. Vision, Walden argues, “implies leadership... to do what others won’t; to go outside their comfort zone.” Perseverance is a quality that anyone who becomes successful must have in order to achieve the final goal, for without the willingness to drive on despite failure, a person will not succeed in entrepreneurship. In the same sense, self discipline is a desired attribute. Walden defines self discipline as: “the ability to take consistent and persistent action even when we don’t feel like it.” Flexibility, Walden further argues, is: “the unique ability to recognize when perseverance devolves into just plain ‘stubbornness.’” [7, p.1] When someone has the ability to adjust the plan, despite what they necessarily want or believe, and adopt a new way of thinking, it allows for things to get accomplished and be successful. Mental toughness, the final characteristic described by Walden, is a defining factor when dealing with the rigors of the business world. “The key to every successful entrepreneur is their ability to deal with failure. There are a number of people that do

not have this ability, and in fact, there are people that give up on something after having one unsuccessful try at it. This is something that you need to avoid in business because you're going to fail at things again and again." [7, p.1] With the arguments that Walden makes, one can't help but attempt to match each one of the characteristics mentioned to that of a military veteran and the training they have received. The rigors and enduring hardships of military life bring about discussion that the military is effectively grooming entrepreneurs to one day break out into the civilian world.

Continuing to build on the key characteristics of a successful entrepreneur, one turns the focus onto what it takes to be a good soldier. The purpose of determining these traits is to determine any parallels, if any such exist, with those just described. By discovering such parallels, one can better argue the relationship between the military and the business world of entrepreneurs, particularly those people who make up these respective groups. Although the question: What characteristics make a good soldier or leader, is rather open ended and may differ depending on who is asked, one can identify several traits that are mentioned time and time again.

There are countless accounts of successful veteran entrepreneurs and each attribute their success to their time in service, including Mr. Bob Lotter, a very successful veteran entrepreneur and owner of several multi-million dollar firm. Many, including Mr. Lotter, would agree that the business hierarchy mirrors that of the military in many ways [8]. Perhaps that is the reason why veterans are feeling right at home in the entrepreneurial world. The military stresses discipline and mental toughness, in addition to many other factors which seem to directly correlate to the

entrepreneurship. As a result, veterans seem to already possess the necessary tools needed to be successful in business right out of the military.

Opposing arguments of veterans being more prevalent and possessing the skills necessary in the entrepreneurial world, argue that these facts are purely coincidental and share no relation to veterans' subsequent business success. For them, the answer rests with veterans' inability to assimilate into normal civilian life. With the former daily routine of veterans no longer applicable, many have problems dealing with the drastic change. In order to counter the influx in unemployment, the government must step in and provide incentives to assist veterans in being successful in creating their own ventures. Otherwise, the economy would be devastated by such an increase in unemployment if nothing was done. A further argument is include that these programs are just some feel good applications proposed by politicians, looking for more votes, who are unable to accept the thought of veterans coming home from service unemployed. Finally, these programs are seen as being put into place to assist veterans in adapting back into society. Returning back to normal life is a tough thing for a soldier coming from a combat tour, so these organizations assist them in the re-acclimation process.

To further investigate the main research question, the following hypotheses will be tested. To primary questions to further focus on include: (a) Do veterans display more entrepreneurial attributes than non-veterans? If these findings hold true, does that make veterans more likely to be entrepreneurs than non-veterans? (b) Are veterans more likely to be successful entrepreneurs, and if so, what major difference in character attributes or personality might be responsible for an increased probability of success? From that argument, does military training affect these character traits to promote entrepreneurial activity in veterans?

In this study of veterans and entrepreneurship, we will use surveys with questions pertaining to different personality characteristics, veteran status and entrepreneurial venture details in order to analyze the personality characteristics of veterans, non-veterans, entrepreneurs, and non-entrepreneurs alike. For our survey, we will use the five-factor personality model. [9] The model is based on five dimensions of personality and has an advantage over others due to the emphasis placed on the individual trait.

Research Model & Hypothesis

The five factors defined by the research model used for this study include the following: Neuroticism, Extraversion/Introversion, Openness to Experience, Agreeableness, and Conscientiousness. Additionally, every person possesses a certain individual magnitude of each depending on their personality. These magnitudes can be lower than average, average, or higher than average. An entrepreneur is known to have certain magnitudes of these five factors. By pointing out these magnitudes, we can determine if they in fact exist in greater magnitude in veterans. If the profile of veterans is more similar to entrepreneurs than non-veterans are, our hypothesis can be supported and we can discuss and draw conclusion in regards to our hypothesis relating to veteran entrepreneurs. The first hypothesis we will seek to support is:

-H₁: Veterans do display a personality profile more similar to entrepreneurs than non-veterans.

The factors relevant to our study of veteran entrepreneurs are possessed by everyone. It is the level, whether high, medium, or low, that is important. For example, when examining Neuroticism, a person who is determined to score on a high level would be characterized as sensitive and nervous. Those who were determined to score on the lower level would be

classified as secure and confident. If someone scores on the medium level, they may be confident, but sensitive. The same type of scoring occurs for each of the five traits, and each level has a particular meaning as determined by the respective personality dimension. Additionally, all of the traits can be subcategorized and have several facets of that respective dimension. The personality attributes which will be identified in our survey include: Openness, Conscientiousness, Extraversion, Agreeableness, and Neuroticism. These represent the traits of the five personality factors often referred to as the acronym OCEAN. Openness simply refers to how much a person is willing to try new things or do something out of the ordinary. Conscientiousness deals with a person's drive toward what they want or "the degree to which we push toward goals at work." [9, p.6]. Extraversion which is defined as "the degree to which a person can tolerate sensory stimulation from people and situations," is broken down into six of these facets. [9, p.4] How the facet is scored will ultimately decide whether the taker is an introvert, an ambivert, or an extrovert. Agreeableness, which is self-explanatory in name, deals with how tolerant or accepting we are of others and their ideas. Depending on a personality, one could be classified as a challenger, a negotiator, or an adapter [9, p.5]. A person in the business world would hope to find a balance and become a negotiator. Finally, Neuroticism, which will not be analyzed in our comparisons for this study, refers to: "the degree to which a person responds to stress" [9, p.3] How well one responds to stress goes hand in hand with how successful they are, not only in the business world but also in life in general. With the data gathered from these personality characteristics, we will be able to identify a general trait profile of our groups of interest in order to test H₁.

Questions regarding military service, training received, and length of service will provide further information essential to this study. These sets of data are crucial to the comparison of

veteran versus non-veterans in entrepreneurship. From the veteran data, we believe we will find that veterans do have characteristics typical of an entrepreneur. Furthermore, it is predicted that the longer the length of time served will have an effect on the abilities and success of the veteran entrepreneur. Reasoning behind such a hypothesis rests in the gained experience and the increased amount of leadership opportunities available to the seasoned veteran and the SBA study that found this also. From the personality data, we expect to find that veterans and non-military entrepreneurs possess very similar characteristics. Therefore, this study will seek support for the second and third hypotheses:

-H₂: Veterans are more likely to become entrepreneurs than non-veterans.

-H₃: Veterans are more likely to be successful entrepreneurs.

In addition to those questions pertaining to the personality makeup of those surveyed, the survey will include certain standard characteristics which will separate our comparison groups. These inclusions will provide useful information for further research. These included questions involving branch in which the veteran served and component of service, whether active duty or reserve/national guard. The active status is important in examining whether active duty may have a greater effect on entrepreneurial abilities than those serving in the Reserves or National Guard. These statistics can help determine if a possible reason for so many veteran entrepreneurs is the inability to integrate into society after active duty service. Active duty personnel spend more time living the military lifestyle, since they are full time and often spend tours overseas away from American culture and society. Reserve and National Guard members serve on a part-time basis, and most service members hold jobs outside of military service in the civilian sector. If active duty personnel are, in fact, more prevalent than reserve in entrepreneurship, the argument that veterans have entrepreneurial tendencies based on their

military service is further strengthened; therefore, allowing to further support the final hypotheses:

-H₄: Military training affects entrepreneurial success and gives active duty veterans an edge in the business world.

In addition to whether or not active or reserve status has an effect, this study earlier asked about whether the training received in the military had any effect on entrepreneurial attributes. Any special training received whether specialized leadership training, airborne school, or schooling at a War College should be relevant to our question. With such data, a direct parallel why veterans seem to be in such high demand in the entrepreneurial world, may be able to be made. An additional parallel between said training with the training received in the civilian sector by business owners who became successful can be determined. Further information such as gender, rank, age, marital status, and education level are also important demographic data to analyze in the study. These statistics can be very useful for further research. Armed with the demographics and characteristic tendencies of the veteran and entrepreneur, we will be able to test our hypothesis questions, among others, and discuss the gathered data to pave the way for further research topics.

METHOD:

In this study of veterans and entrepreneurship, surveys with questions pertaining to different personality characteristics, veteran status and entrepreneurial venture details were used in order to analyze the personality characteristics of veterans, non-veterans, entrepreneurs, and non-entrepreneurs alike. For the survey, we used the five-factor personality model. [9] The model is based on five dimensions of personality and has an advantage over others due to the emphasis placed on the individual trait.

The gathered results were collected in the form of a five point lickered-scale survey. The survey was made available to all and provided incentives to encourage participation. Incentives we provided to encourage participation in order to gather a sufficient sample due to the length of the Survey. The average time to take the survey was about 15 minutes. Through the use of Survey Monkey, the survey was posted on various military, entrepreneurial, and discussion blogs and comment boards as well as sent by friends to their respective email distribution lists in order to reach all of the targeted groups. The survey consisted of three major sections focusing on personal demographics, character attributes, and the actual business the participant was involved if he/she were an entrepreneur. The total sample size in the study was forty. These forty individuals were grouped into four distinct sub-groups: Non-Veteran, Non-Entrepreneurs; Non-Veteran, Entrepreneurs; Veteran, Non-Entrepreneurs; Veteran, Entrepreneurs. By separating the sample into these four groups, we will be able to compare the survey results and the five factor model scores of one group to the next and testing the significance of the finds through of the use of regressions.

DATA ANALYSIS:

-Introduction

The success of veteran entrepreneurs over their non-veteran entrepreneurial peers will be evaluated by comparing two quantifiable pieces of information that were shown in the survey. These questions deal with the number of employees in the business and how many years the company has been in business. The number of employees, although some variables exist, is an indicator of how well the business is doing. One would expect more employees to mean the company is doing well enough to be able to support their salaries. Although, employees can be

an indicator, they cannot be a sole indicator as there are many entrepreneurs who purely work on their own and do all the work themselves, which is why we determined the amount of years in business. Those individuals that have been in business greater than three years to be a success because most companies who fail, do so at this mark. Although, some surveyed may have just begun their business, we can draw conclusions and see any significant differences by comparing the two indicator data sets.

-Personality Survey

To perform data analysis, the sample was divided into relevant groups. The collected personality data was inputted and a score assigned based on the participants answer to a set of 60 questions. These scores will reflect different facets of that particular person as a percentile score. A typical personality composite profile of an entrepreneur is {E+, O+, A, C+} [9, p.11] which is used as a reference. In order to support the main hypothesis, veterans need to on average display a higher percentile score in E, O, and C than non-veterans. If they in fact do, then our hypothesis is supported, but if they in fact show lower percentile scores we cannot support our hypothesis. The group to focus on for the personality analysis is veterans versus non-veterans.

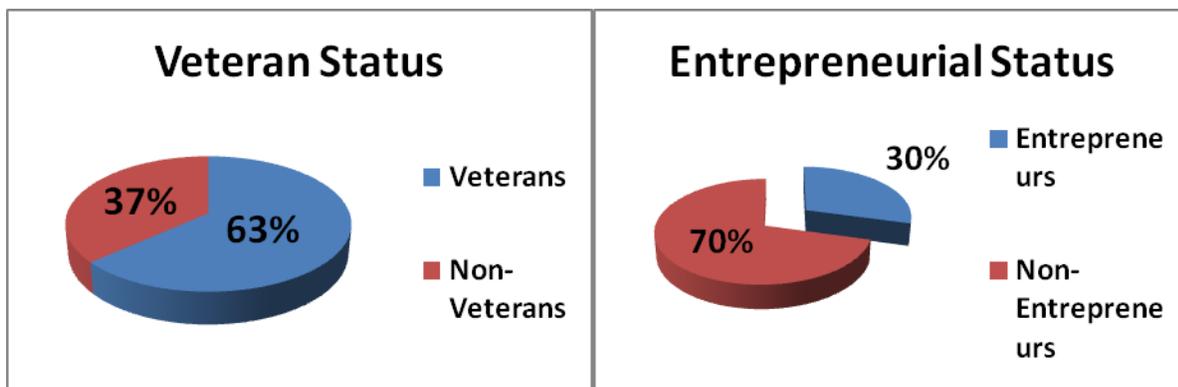
-Sample Population

Our sample is comprised of 70.2% Entrepreneurs and 29.8% Non-Entrepreneurs. Furthermore, 62.8% of those surveyed had served in the military in some form, while 37.2% had not.

Military & Entrepreneurial Status (N=40)

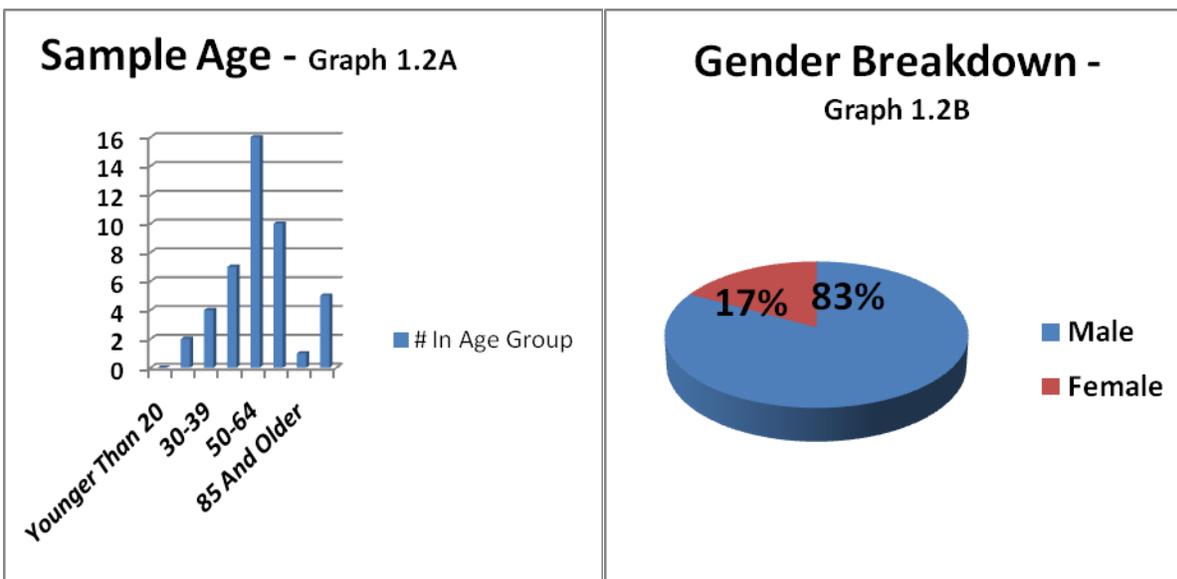
Graph 1.1A

Graph 1.1B



The age of each varies but is skewed to the right or the sample size tended to be older. (See - Graph 1.2A). The gender make up of the entire sample is 82.9% male and 17.1% female.

Age & Gender Breakdown (N=40)



Further demographic analysis shows that of those surveyed 92.5% had attended college and achieved a degree of some sort. It is further worth mentioning that of those who have served

in the military, there is no set rank structure from which all of them came from. In fact, there is almost a 50/50 split between officers and enlisted service members with 44% being officers and 56% being enlisted. Focusing on solely entrepreneurs, we find that nearly all of those surveyed started their own business as opposed to purchasing an already existing business or franchise.

-Entrepreneurial Personality Introduction

For the personality section of our data analysis, survey participants answered a series of sixty personality questions using a five point likerted scale. To compare with entrepreneurial traits, veterans must be classified as an extravert (E+). They must be cordial, prefer company, vigorous, a leader, trusting, and tactful. Additionally, they should be an explorer (O+) and be a dreamer, prefer complexity, accept change, and prefer a broad view. We would expect them to be classified as a negotiator (A) as well. They must also be balanced, approachable, fair, expressive, and out front. Finally, they should be focused (C+) in that they are capable, organized, driven to succeed, and careful. The expectation is that the sample of veterans will score higher in these respective categories for veterans versus non-veterans.

-Personality Survey Discussion

Using a specified scoring method provided by the IPIP-NEO survey designer, the survey data was scored and added together based on a numerical value that was assigned to each answer. Each of the sixty questions belonged to one of the five personality constructs of OCEAN. These grouped items were scored to provide the percentile score for that participant on that specific personality trait construct. Using the total scores in each category, the mean was determined for that subgroup as well as the standard deviation from the mean, which allowed us

to calculate the lower and upper limits of the sample. The entire sample calculation can be seen in Table 1.1 below.

DATA FOR POPULATION (TABLE 1.1) - (N=40)				
	St. Deviation	Average	Upper Limit	Lower Limit
Openness	8.04	28.10	36.14	20.06
Conscientiousness	7.91	43.73	51.64	35.81
Extraversion	6.34	41.90	48.24	35.56
Agreeableness	5.21	43.38	48.58	38.17
Neuroticism	5.34	47.38	52.72	42.03

A similar chart was developed for each of the subgroups to determine personality differences if any such exist in our subgroups.

Hypothesis Testing

-H₁: Veterans do display more entrepreneurial attributes than non-veterans

Veteran v. Non-Veteran Personality Score Comparison Chart					
Veteran					
	N	St. Dev	Mean	N +	N -
O	18	5.83	40.89	3	4
C	16	5.84	49.56	5	4
E	18	8.76	43.83	3	4
A	17	5.69	43.12	4	3
N	20	8.17	27.05	3	2
Non-Veterans					
	N	St. Dev	Mean	N +	N -
O	12	6.35	44.09	1	2
C	10	4.40	45.89	4	1
E	11	5.27	45.20	2	2
A	10	4.64	44.33	2	3
N	11	8.37	30.70	1	3
Table 1.2					

To answer the first question of whether or not veterans display more entrepreneurial attributes than non-veterans, the data collected from the personality survey was used. For each of the five traits of OCEAN, the standard deviation as well as the mean for each was calculated. These calculations are shown in Table 1.2, above. As previously stated, we would expect a typical entrepreneur to demonstrate higher in extraversion than a non entrepreneur (E+), higher in openness (O+) and conscientiousness (C+), and agreeableness should be relatively equal. Although the calculations for neuroticism were computed, they were not analyzed in this study as there has been no determined pattern for each group.

For the scoring of extraversion, non-veterans unexpectedly score higher on average than veterans. Veterans had a mean score of 43.83, while Non-veterans had a mean score of 45.20. The outliers for non-veterans were equal on each side, while veteran outliers were negatively skewed driving the mean down further. Non-veterans had a higher mean score than veterans in Openness as well. While both groups were negatively skewed with their outliers, non-veterans scored almost four points higher than veterans in that arena. Agreeableness was not significantly different between the two groups as can be expected. Although non-veterans scored slightly higher, the outliers were oppositely skewed in the veteran group favor. Finally, in conscientiousness the veteran sample group scored in a higher percentile than non-veterans. Although non-veterans had a positive skew with the outliers, veterans score significantly higher than non-veterans, scoring nearly four points higher on average. It is worth noting that veterans scored relatively similar to the entire sample in each of the trait categories with the exception of conscientiousness, which was significantly higher. The comparisons between the veterans and non-veterans groups and the entire population are shown in Table 1.1 and Table 1.2. All of these results can be found in the Table 1.2 shown above.

To further solidify the data used in the comparison between non-veterans and veteran personality profiles, an ANOVA was used to determine the significance of the difference between the means in the data previously discussed. The ANOVA was run at an Alpha level of .05 for each of the five categories of OCEAN. This allowed for a 95% confidence interval. The p-value, obtained from the ANOVA allowed for the comparison of the data and the significance factor. If the p-value for the data was less than .05 or Alpha, the sample data is significant. In addition the $F_{\text{statistic}}$ and F_{critical} values were compared to further determine the statistical difference between the means for each trait. If the $F_{\text{statistic}}$ was found to be greater than F_{critical} , the difference would be determined to be significant. The focus groups for the regressions are the same as the hypothesis groups: veterans v. non-veterans. The respective P, F, and F_{critical} values for each group, as well as the character traits can be seen in Chart 1.1 below.

Chart 1.1					
	O	C	E	A	N
P-Value	0.25	0.88	0.39	0.90	0.89
Alpha	0.05	0.05	0.05	0.05	0.05
F-statistic	1.368	0.025	0.742	0.016	0.019
F-critical	4.105	4.105	4.105	4.105	4.105
Significant	No	No	No	No	No

As calculated all data was determined to not be significant at the 95% confidence level. These values can be quickly eyeballed to determine their significance, and in each case the $F_{\text{statistic}}$ was less than the F_{critical} . With the ANOVA results, although differences due exist between the means they are not statistically significant, thereby making them inconclusive given the collected data.

-H₂: Veterans are more likely to become entrepreneurs than non-veterans

Veteran & Non-Veteran Population (Total Population = 300,000,000)		
	Veteran	Non-Veteran
Total Population	24,000,000	276,000,000
Total Business Owner	6,000,000	30,360,000
Ratio of Business Owners	4:1	9:1
Ratio as %	25%	11%
Table 1.3		

To answer our question: Are veterans more likely to become entrepreneurs than non-veterans, It is necessary to examine the data given to us shown in Table 1.3 above. From the data, veterans represent a little over 8% of the entire population in the U.S. Of the 24,000,000 veterans in the United States today, about 6,000,000 or 25% own and/or run their own business, while non-veterans have less than half that percentage (11%). Further calculation will show that veterans who represent 8% of the population account for over 30% of all business owners today.

H₃: Veterans are more likely to be successful entrepreneurs.

The third question this study seeks to answer and measure is the success rates of veteran business owners versus non-veteran business owners. As with the personality characteristics, to determine the attributes of veteran versus non-veterans, the data sets needed to be further separated. The subgroups that are relevant in our third hypothesis set are veteran entrepreneurs and non-veteran entrepreneurs. To measure success our study will examine two characteristic in order to draw a conclusion of the most successful. To determine success both number of employees as well as the number of years in business was analyzed. As shown by table 1.4 below:

Veteran Entrepreneuers Versus Non-Vet Entrepreneurs		
Years In Business (Success Data)		
Years In Business (As a %)	Veteran	Non-Veteran
In Business <1 Year	0.00%	5.60%
In Business 1-4 Years	60.00%	52.90%
In Business 4-7 Years	30.00%	16.70%
In Business >7	10.00%	26.30%
Employment Data (As a %)	Veteran	Non-Veteran
Self-Employed	72.20%	50.00%
2-5 Employees	16.70%	20.00%
>5 Employees	5.60%	20.00%
Table 1.4		N=40

72.2% of veterans are self-employed, while 50.0% of non-veterans are classified under the same status. Of those who have between two and five employees in their business, 16.7% of veterans fell under the category, while 20.0% non-veterans had the same amount. 5.6% of veteran entrepreneurs reported having more than five employees, while 30.0% non-veterans reported having more than five. As summarized in table 1.4 above, further attention was given to the number of years in business to determine success. The groups were placed into the following groups: less than one year, between one and four years, between four and seven years, and greater than seven years. Non veterans reported equal to percentages of 0%, 60%, 30%, and 10%, respectively. Veterans reported 5.6%, 52.9%, 16.7%, and 26.3%, respectively. As summarized in table 1.4 above. From the given statistics, the null hypothesis can be neither accepted or rejected as too many variable exist.

-H₄: Military training affects entrepreneurial success and gives veterans an edge in the business world

To determine if military training affects entrepreneurial success and gives veterans an edge in the business world, the previous group was separated into the following: veterans with training; veterans without training; non-veterans with training; non-veterans without training. In

the survey, the sample was asked if they had received training in their entrepreneurial venture. The veteran group was asked if they had received training or done a job relevant to their business while serving in the military. Anything they experienced while in the military that was applicable to entrepreneurship was reported as having training. Non-veterans were also surveyed to determine if they too had received some sort of civilian training or classes pertinent to their entrepreneurial venture. Anything they classified as relevant was counted as receiving training. Of those surveyed 61% of veterans reported having received some sort of training or experience relevant to their business while in the military. For non-veterans, only 25% reported having actually taken a class or alternative training relevant to their venture. Again these groups were compared on their success ratings with an additional training variable added in. From the sample who reported receiving training, 72.7% of veterans are self-employed, while 33.3% of non-veterans are classified under the same status. Business owners who have between two and five employees in their business, 18.2% of veterans fell under the category, while 33.3% non-veterans had the same amount. Of those who reported having more than five employees, 9.1% of veterans reported having more than five, while 33.3% of non-veterans reported having more than five. For the sample who reported receiving no training, 71.4% of veterans are self-employed, while 55.6% of non-veterans are classified under the same status. Business owners who reported having between two and five employees in their business, 28.6% of veterans fell under the category, while 22.2% non-veterans had the same amount. Finally, those who reported having more than five employees, 0% of veterans reported having more than five, while 22.2% of non-veterans reported having more than five.

Further attention was given to the number of years in business to determine success. The groups were placed into the following groups: less than one year, between one and four years,

between four and seven years, and greater than seven years. Non veterans who received training reported percentages of 0%, 66.7%, 33.3%, and 0%, respectively, while the percentage of Non-veterans who did not receive training remained unchanged. Veterans who reported receiving training had percentages of 9.1%, 27.3%, 18.2%, and 45.5%, respectively. Of those veterans not reporting gaining any sort of experience while in the military; 1.4% had a business less than one year, 85.7% had been in business between one and four years, 14.3% were between four and seven years, and 1.4% were classified as greater than seven years. These figures and percentages can be seen in Table 1.5A & 1.5B below.

Veteran & Non--Veteran With Training		
	Veteran	Non-Veteran
Training Received Percentage	61%	25%
In Business <1 Year	0%	9.10%
In Business 1-4 Years	66.70%	27.30%
In Business 4-7 Years	33.30%	18.20%
In Business >7	0%	45.50%
Table 1.5A		

Veteran & Non--Veteran Without Training		
	Veteran	Non-Veteran
No Training Received Percentage	39%	75%
In Business <1 Year	1.40%	5.60%
In Business 1-4 Years	85.70%	52.90%
In Business 4-7 Years	14.30%	16.70%
In Business >7	1.40%	26.30%
Table 1.5B		

Discussion

The study brought about some interesting findings. The lack of support for the hypotheses can be attributed to a number of factors.

-H₁: Veterans do display more entrepreneurial attributes than non-veterans

In order to strongly support the null hypothesis, veterans would have had to display significantly higher scores in extraversion, openness, and conscientiousness than that of non-veterans. Our sample determined that this was indeed not the case. In fact the only factor veterans scored higher in, was in the trait of conscientiousness. It could be the case that with a larger sample size that these calculations would change dramatically. Furthermore, the ANOVA, which was ran for each of the character traits to determine the significance of the sample means, found these differences to be not significant in each category. A reason for this could be insufficient sample size. For this study, the sample was extremely limited in the number of each group thereby creating a problem with data analysis between groups.

-H₂: Veterans are more likely to become entrepreneurs than non-veterans

The answer to whether veterans are more likely to become entrepreneurs than non-veterans was solely based on population data, percentages, and ratios. From these simple calculations, we could make a strong conclusion about whether to reject or accept are null hypothesis. All of the null hypotheses in this study support one another and build off the next. One could speculate that if veterans are more likely to become entrepreneurs than non-veterans, In addition, they must also posses the personality attributes to be one. Although simple in nature, H₂ is a vital stepping stone to the entire study in order to prove or disprove.

H₃: Veterans are more likely to be successful entrepreneurs

The success rate of veterans versus non-veterans is very different to conclude. In order to obtain hard evidence, further analysis on company balance sheets and return rates would need to be compared. From our gathered data we can only speculate as to the successfulness of each. With our data there is also a number of variables that came about as a result of our study. As shown, a lot of veterans own sole proprietorships and as a result we cannot base their success on the number of employees alone. With years in business, non-veterans have an advantage over veterans because they have had longer to set up their business. A factor to take into account, particularly in our sample, is the veteran sample has spent several years on active duty while the non-veteran sample had already set up their business and was expanding.

-H₄: Military training affects entrepreneurial success and gives veterans an edge in the business world

Testing whether military training gives veterans an edge in the business world provided some interesting findings as well. From the survey, where specific questions were asked to survey takers, an overwhelming number of veterans (over 60%) claimed to have received pertinent training to the business world while on active service. Only 25% of Non-Veterans reported receiving pertinent information to the business world. Reasons for the high percentage of veterans receiving training could have to do with the cost of education or lack thereof. It could also be that veterans receive this type of training by virtue of being in the military. Non-Veterans have to take specific classes and pay their hard earned dollars to continue their education in this realm.

Conclusion

From the sample findings, the data is mixed and needs to be further examined with a larger sample size with a focus on the specific targeted groups. Although veterans score higher in conscientiousness, the other factors expected to be higher in veterans were not. Therefore we cannot accept or deny H_1 and conclude that veterans score high in the respective categories and are comparable to that of entrepreneurs. Furthermore, our sample does not set them apart from non-veterans. We must keep in mind that a portion of the non-veterans population are entrepreneurs and the fact that veterans are comparable.

Solid demographic data was gathered from the census bureau as well as other sources in order to determine the population breakdown of all of our respective groups. For H_2 , we can firmly accept the null hypothesis and conclude that veterans are indeed more likely to become entrepreneurs than non-veterans.

For H_3 , we must perform further research to determine if the null can be supported. One thing we can conclude is that veterans are more likely to become sole proprietors of a business than non-veterans. An overwhelming majority of veterans are indeed running independent operations. Furthermore, the fact that non-veterans have had more time to start up their business while veterans were actually serving skews the results in the favor of the non-veteran group. Therefore, we cannot accept or deny the null hypothesis at this point in time.

The final hypothesis (H_4) builds off of the previous hypothesis set. From the sample, a strong supporting argument and conclusion can be made. We can readily agree that any training received will give someone an edge over someone who has not received that type of training. A greater percentage of veterans have received training than non-veterans giving them a competitive edge over their peers. These findings allow us to support the argument that veterans

have a competitive edge simply based on being in the military. Therefore, we can accept the null hypothesis and conclude that military training gives veterans an edge in the entrepreneurial world.

Further Research

There are a couple of things that hold promise for interesting conclusions if they were to be further researched. First, a bigger sample would need to be collected with at least 25 in each of the sub categories used in our study. The entire sample would contain a minimum of 100 participants. Gender would be an interesting aspect to investigate as the gender factor may play a role in entrepreneurship. In that case we would have to focus our sample on obtaining enough male and female responses to be significant in our findings. Another idea for future research would be to ask more questions in the personality survey. Asking more questions would allow us to examine over a dozen more subtraits which we could not do with the shorter 60 question survey used in our study. By having more questions to ask it would take the participant much longer to take, so incentives would be a necessity. Both of these ideas would be a great topic for future research and this study could be used as a base for future research in those fields.

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