

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

and contradicting conventional wisdom about the conflict women face when it comes to business and family, most women (55 percent) reported a "great" work-life balance.

May. 11, 2015



Women are more likely to create new businesses, and the Xers take the lead when it comes to the generational perspective on today's entrepreneurs, according to a new survey from [Sage North America](#), a provider of business management software and services to small and medium-sized businesses.

Conducted during March 2015, the State of the Startup Survey provides deep insight into the motivation, business practices and performance of 524 new business startups in the U.S. and Canada. The study also canvassed senior executives in firms

who routinely counsel, invest in and generally nurture startups, such as accountants,

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

The Entrepreneurial Journey

Most State of the Startup survey respondents have no prior startup experience, and money is not their primary motivating factor. Fifty-nine percent of respondents wanted to be their own boss, 48 percent were following a passion they wanted to turn into a business, and 39 percent were driven by a “burning desire to work for myself.”

Women are more likely to found startups than men (57 percent versus 43 percent), and contradicting conventional wisdom about the conflict women face when it comes to business and family, most women (55 percent) reported a “great” work-life balance.

Gen X-ers make up the highest percentage of startup founders (55 percent), while Boomers are 31 percent more likely to say it was “somewhat” to “extremely easy” to start their business than Millennials.

The most striking difference among generations was their engagement with marketing functions, especially social. Boomers are 2.4 times less likely than Millennials to use social media marketing tactics.

The top three challenges experienced by startup founders are growing revenue (46 percent), acquiring customers (42 percent) and securing capital (41 percent).

Secrets to Success

In order to discover the secrets of why some startups thrive while others struggle, Sage grouped the startup founders into tiers based on their companies' performance against a key set of business metrics.

The top-tier startups are more profitable, growing faster and more aggressively

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

new business.

- **Recruit professional advisors.** The best startups lean on the wisdom and experience of trusted advisors such as accountants and mentors.
- **Embrace the latest marketing techniques.** Today's top entrepreneurs are masters of websites, social media, forums and the latest marketing tactics.
- **Balance!** Unexpectedly, the most successful entrepreneurs were 58 percent more likely than the bottom tier to report a "great" balance between work and life.

"Nurturers" reported that two of five startups eventually fail. They say the top three mistakes made by founders are taking on too much debt, not conducting adequate market research and an inability to control costs. They advise focusing on marketing, business networking and market research to enhance their chance of success.

According to the nurturers, new businesses most often struggle with growing revenue, adding customers and producing accurate financials. Thirty-six percent of advisors don't trust the financials they receive from entrepreneurs; 79 percent suggest that new businesses buy commercial accounting software and use an accountant.

The founders and nurturers provided best practices that can guide any new business or entrepreneur:

- **No experience? No problem!** Don't let a lack of experience starting a business or running a team at a large company discourage you and prevent you from trying.
- **Don't wing it; have a plan.** Create a formal business plan to help you set strategies and goals and secure financing.
- **Do your research.** Conduct a thorough market analysis of target customers, competitors and current trends.
- **Hire a trusted advisor.** Determine where you need advice and who can provide it to you.

- **Network.** Attend events and workshops to increase your knowledge, discuss new

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Research spoke with 102 senior executives who work at firms who routinely counsel, invest in and generally nurture startups. These nurturers are all based in the U.S. The survey has a 95 percent confidence of error +/- 4.28 percent.

Accounting • Firm Management • Small Business

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved