

Executive Summary

Founding success of academics in German universities
- a process oriented perspective.

Teita Bijedić, Sebastian Nielen, Christian Schröder

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Institut für Mittelstandsforschung Bonn
Maximilianstr. 20, 53111 Bonn

Phone +49/(0)228 / 72997 - 0

Fax +49/(0)228 / 72997 - 34

www.ifm-bonn.org

Contact

Dr. Teita Bijedić
Christian Schröder

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Summary

This study examines the start-up success of male and female scientists over a period of seven years (2013-2020). Different stages of founding success are considered: The first stage refers to the progress in the start-up planning process, measured by the number of planning steps taken, the second stage refers to the actual start-up execution, and the third stage refers to both the economic and the subjectively perceived success of self-employment of the founding individuals.

Progress in Start-up Planning

In 2013, six out of ten respondents had undertaken various activities to implement their startup idea, such as developing a business plan, acquiring business partners or investing their own money in implementing the startup idea. Seven years later, nine out of ten people interested in founding a company had engaged in such activities.

Every Third Person Interested in Founding a Company has Become Self-employed

Three out of ten scientists, who had a start-up idea in 2013, are now self-employed, whereby 80 percent pursuing their self-employment as a second job. The newly founded companies are innovative, and their business model is often based on an invention. In addition, professors are comparatively often among the founders.

Founders Would Repeat Stepping into Self-employment

The vast majority of the self-employed are able to cover their operating costs. The start-ups also prove to be stable - two-thirds are still on the market after seven years. If subjective indicators of success are taken into account, it becomes apparent that life satisfaction is higher among the self-employed than among scientists who are solely employed. Almost nine out of ten self-employed scientists affirmed the question whether they would repeat their self-employment.

Intrinsic Start-up Motives Lead to Faster Implementation of Start-up Ideas

The intrinsic motivation of those, who are willing to found a company, is significantly more pronounced than the extrinsic motivation. "Implementation of own

ideas" is the most important intrinsic motivation factor (approx. 85%), followed by self-realization (approx. 70%), while the most pronounced extrinsic motive, "earning opportunities", is cited clearly less frequently as a motivation for starting a business (approx. 35%). Nevertheless, both intrinsic and extrinsic motivation have a positive effect on the start-up process. However, intrinsically motivated individuals are quicker in the pre-founding phase, i.e. more planning steps are taken during the observation period.

Positive Effect of Start-up Support Services and Contacts in the Business Community on Start-up Success

Deficits in the business concept are the most frequent obstacles in the progress of the start-up process. Measures to promote start-ups at universities as well as networks of (prospective) founders in the business world prove to be particularly conducive to start-up success. Especially, people from the STEM disciplines who want to start a business have fewer contacts in the business world and more often report deficits in their business concept as obstacles to starting a business than people from other disciplines. Therefore, economic policy measures should particularly promote contact between universities and economy and create customized offers for members of the STEM subjects to support them in the pre-founding phase.