

Tech Entrepreneurs Older, More Educated Than Stereotype

The study also found the 45% of the tech startups were established in the state where American technology entrepreneurs received their education.

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Contrary to the popular perception that technology and engineering entrepreneurs are in their teens or 20s, a study spanning from 1995 to 2005 found that just 1% of American founders were teenagers.

Most American technology and engineering business founders were middle-aged degree-holders, according to a study by the [Ewing Marion Kauffman Foundation](#). The study's researchers, from Duke and Harvard universities, found that the average and median age for people founding tech companies was 39.

"While education clearly is an advantage for tech founders in the United States, experience also is a key factor," said Vivek Wadhwa, lead researcher, Harvard Law School Wertheim fellow, and Duke University executive in residence. "That a large number of U.S.-born tech founders have worked in business for many years also is important in understanding the supply of tech entrepreneurs."

The study points to a correlation between founders' education levels and their companies' performance.

Ninety-two percent had bachelor's degrees, 31% had master's degrees, and 10% had Ph.D.s. Almost half of the degrees were in science, technology, engineering, and mathematics. A third of the degrees were in business, finance, and accounting.

"Because entrepreneurship is an indicator of economic vitality in regions and across the country, this study raises important policy questions about how to foster greater tech entrepreneurship to boost economic growth," said Robert Litan, the Kauffman Foundation's VP of research and policy.

Forty-five percent of the tech startups were established in the state where American technology entrepreneurs received their education.

Among U.S.-born technology entrepreneurs earning degrees from California, 69% eventually started a business there. Fifty-eight percent of those in Michigan started their own businesses there, while 53% in Texas and 52% in Ohio did so. New York's retention rate was just 21%, according to the study.

Technology entrepreneurs with advanced degrees were most likely to have obtained them at Harvard; Stanford; University of Pennsylvania; MIT; University of Texas; University of California, Berkeley; University of Missouri; Pennsylvania State University; University of Southern California; and University of Virginia.

Founders with Ivy League degrees were more likely to succeed and reported startups with average sales revenue of \$6.7 million and staffs of 55 employees in 2005. Startups with founders who held high school degrees reported \$2.2 annual sales revenue and 18 employees the same year.