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The Correlation Between Sports and Entrepreneurial Success

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Abstract

The business environment is changing all over the world, and especially in the United States. Startups and entrepreneurs are completely revolutionizing the economy and the conventional traditions of business. With this explosion, many people have tried to dissect the characteristics and skills of entrepreneurs to develop a sense for what makes a specific individual successful in entrepreneurs. Starting a new business and innovating demands dedication, determination, and hard work, just like athletics do. Is there a correlation between sports and business? This study aims to take an in-depth look to see if an athlete is better suited to achieve success in entrepreneurialism over those that have not competed in organized sports.

Introduction

With the rise of entrepreneurialism in the United States, study upon study has tried to address the question of what makes a successful entrepreneur? Are the most successful entrepreneurs born with a specific gene set, skills, intelligence, or knowledge that helps them reach the top of the business world, or can these traits be taught and developed over an entire lifetime? What factors could potentially affect this development? Even though many studies provide a

strong argument as to what makes someone more successful in business, only one thing has become clear - there is no specific criterion for what makes an individual successful in business. Each business is different, and each businessperson is unique.

This study will aim to take an in depth look into a specific factor that could potentially lead an entrepreneur to success: sports. Sports are worldwide cultural phenomenon that's accepted and followed by a majority of people in well-developed countries. However, could participation in organized sports be a factor for entrepreneurial success? Ask any athlete about what they've learned from competing in sports and how it's shaped their character, and its sure they will have something to say. So how could this shape their future success if they enter into business? Success in sports takes commitment, dedication, and discipline, just like running a business demands.

That's what this study looks to address. Through months of studying athletes, business owners, and members of startup teams, this study will analyze the correlation between sports and success in an entrepreneurial venture. Over the course of several months through the use on outlets such as LinkedIn and other online forums where entrepreneurs gather, this study has been introduced to an estimated 800,000 business-minded people. Those who used to compete in sports and currently own a business or work at a startup were encouraged to share their input and experience through a comprehensive survey. This survey

asks on what level they competed on, which sport they competed on, and their success levels in their entrepreneurial ventures. Before this data was collected, however, I hypothesized these two predictions:

Hypothesis 1: *Those that competed in sports in college are more successful in entrepreneurialism than those who did not participate in sports.*

Hypothesis 2: *Those that competed in individual sports in college will have higher success levels in entrepreneurialism than those who competed in team sports.*

These hypotheses are based on research into the fields of sports, business, and entrepreneurialism, as well as through personal experience. Business Insider reported a study that claims females in leadership or management roles in all areas of business are more likely to have participated in sports before. Out of the 400 CEOs, CFOs, CMOs, and other managers surveyed, almost 75% of them believed sports enabled them to reach the positions they were in (EY, 2014). Only 3% of these women in management roles never played any competitive sports.

A major reason why people believe sports helps an individual climb the corporate ladder is because rising the ranks of a business takes similar hardwork and dedication as sports require. being competitive is necessary to stand out

from other peers and business acquaintances. A recent study completed by Fast Company indicates that student athletes make for good entry-level hires, as their lack of business experience is compensated through their physical pursuits (Vozza, 2014). A quick Google search of “hiring athletes” yields over 9 million results, full or articles praising athletes in the workplace.

It may seem like there’s no need to complete another research study examining the effect of participation in sports on the professional development of an individual, but this study is not looking to find how sports benefits the workplace. Most studies take a look at athletes in the corporate world. Entrepreneurship is a completely different world that is full of individuals that may not excel in a corporate structure. Starting a completely new business to solve a problem takes a different kind of thinking and different skill sets.

Many people have looked into what traits successful entrepreneurs are made of. These traits include having passion, the ability to persevere in tough situations, and being resourceful (Resnick, 2014). This study aims to analyze whether or not competitive sports develop these critical characteristics.

When most people think of entrepreneurs, Bill Gates, Steve Jobs, and Mark Zuckerberg are commonly the first people that come to mind. However, these people are infamous for having different personalities. While its been closely studied that these strange personalities likely have led to their outlying success, this study will not focus on traits of these entrepreneurs. Our target

market for this study is today's "common entrepreneur." Time Magazine reports that typical high-growth business are now being started by those between the ages of 20-34 who are earning modest, yet profitable income for their startups.

Method

The study, which spanned several months, interviewed different entrepreneurs from different industries all across the United States. The study comprised of an extensive survey that asked business owners and startup members whether or not they consider themselves successful in their ventures, and how sports contributed (or did not) contribute to their success. Because everyone has a different view of success, the study allowed entrepreneurs to define their own definition of success. The study was posted on the following forums and online groups comprised of entrepreneurs and small business owners:

- *Leadership Think Tank*
- *The Indus Entrepreneur*
- *Global Entrepreneur Network*
- *Small Business Network: Startups & Entrepreneurs talk Social Media Marketing Startup Jobs Sales PR*
- *Angel Investor Group*
- *Young Entrepreneur Connections*

- *Bright Ideas & Entrepreneurs Startup Community*
- *Band of Entrepreneurs*

The total reach of this study is around 800,00 people interested in entrepreneurship, startups, and small businesses. Although not all of these people are entrepreneurs or startup members themselves, 327 people responded. After narrowing the results down to include only those working at a startup or running one, 292 remained.

The questions in the survey were interactive with previous answers. For example, if an entrepreneur answered “Yes” to the questions, “Did you participate in competitive sports in college?” they would be directed to answer which sports they participated in. Those who did compete were also asked to rate how much of an impact their participation in sports have on their professional lives. For those who did not participate in sports in high school or college, they would simply be asked to rank their success in business.

Results

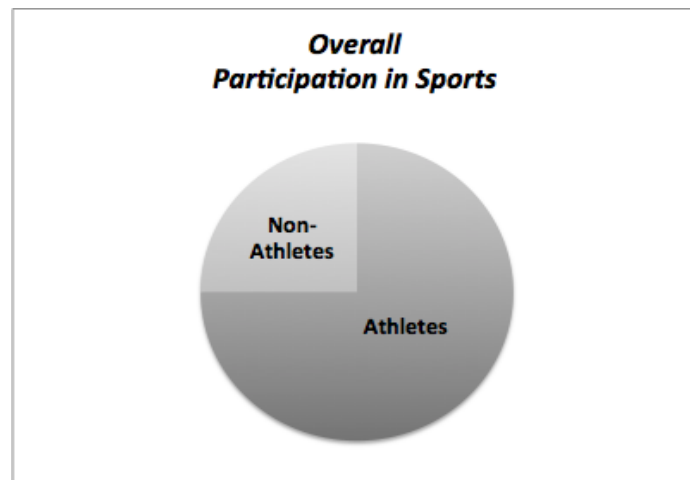
To fully understand the results of this study, the data was split up into three different segments. After eliminating all of the survey responses from people who do not own a business or work at a startup, the data was broken down to analyze the overall survey population, those that own businesses, and

then those that work at a startup. Figure 1.1 below shows the breakdown of the raw data collected.

	Overall	Business Owners	Startup Members
Survey Population	292	182	110
Percentage of Participants who Competed in College Athletics	75%	81.1%	67.3%
Athlete Success Rate	6.5	6	7.5
Non-Athlete Success Rate	6.5	6.5	4

It may be hard to draw conclusions from just the numbers listed in Figure 1.1, so let's breakdown the data into visual charts to help create a better picture of the potential correlation.

Overall - Figures 1.2 and 1.3



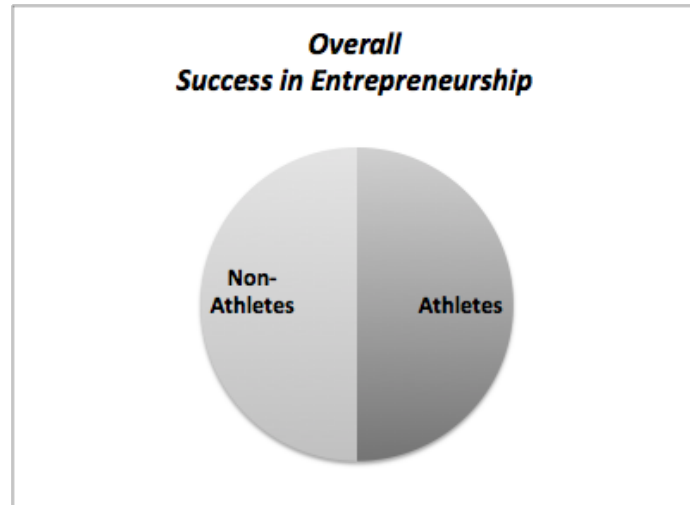
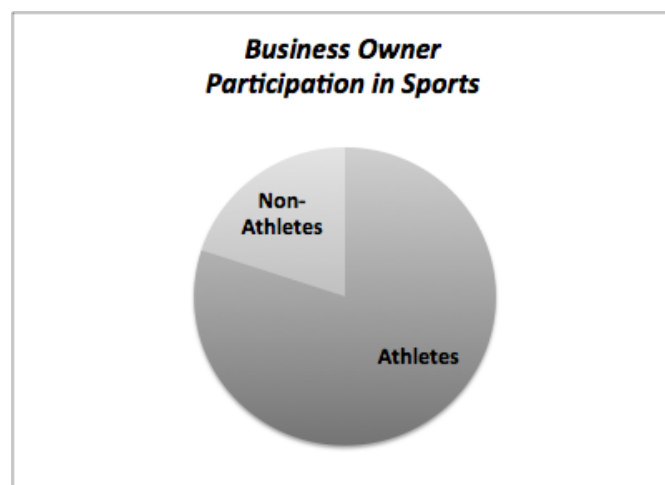
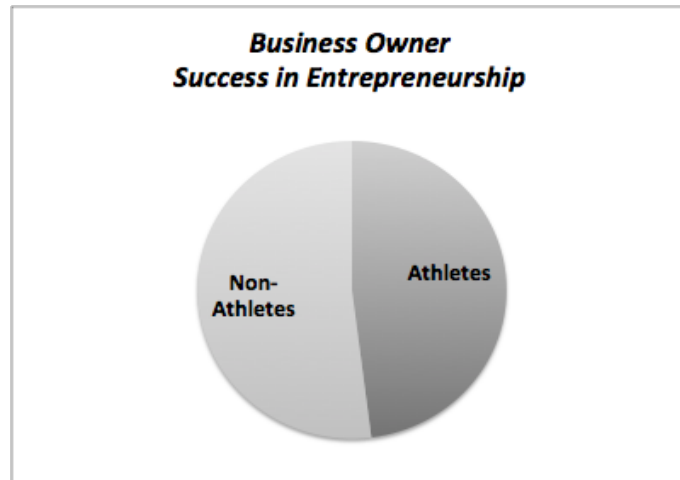


Figure 1.2 shows that the large majority of the survey participants competed in college athletics. However, the success rate of athletes versus non-athletes is exactly the same, both averaging 6.5 out of a 10-point scale as shown in Figure 1.3.

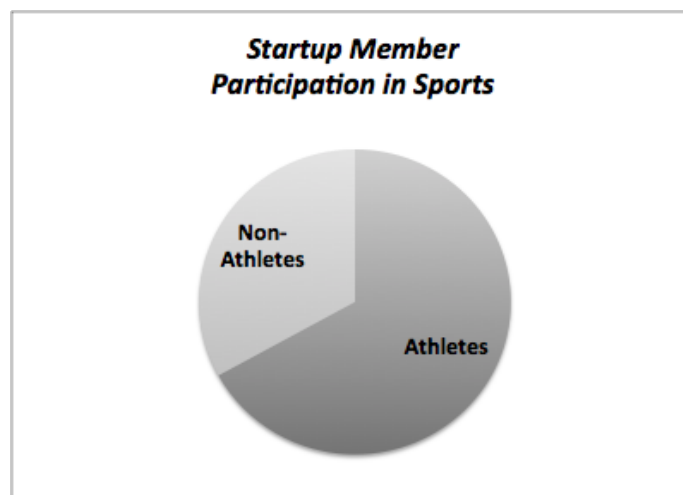
Business Owners - Figures 1.4 and 1.5

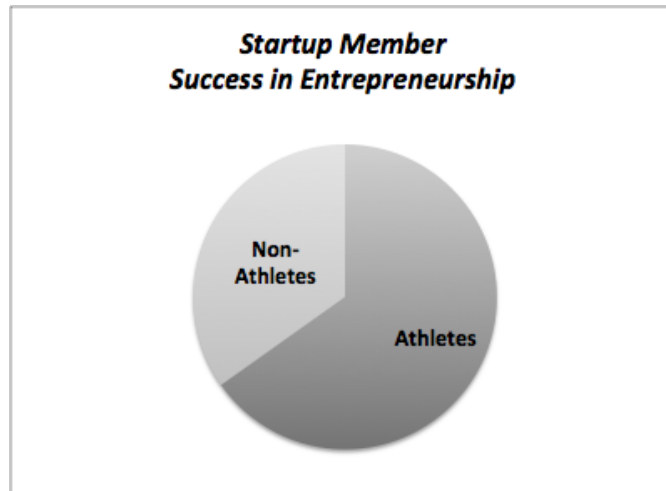




It turns out that those that actually started a business and own it themselves, rather than working with a team in a startup, are more likely to have participated in sports. Out of the 182 respondents that own businesses, 146 of them competed in sports. However, it seems that the non-athletes who run their own businesses have slightly higher success versus the athletes.

Startup Members - Figures 1.6 and 1.7



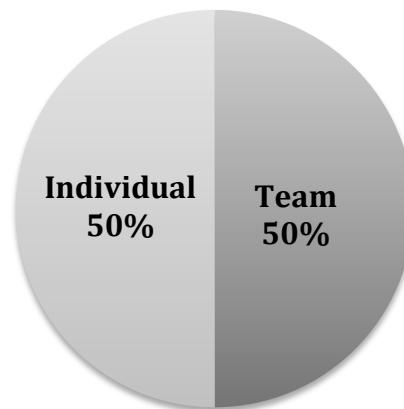


The data collected could help indicate a correlation between participation in sports and achieving success in a startup environment. A startup environment can be qualified as a new business venture comprised of only a few people. Not all businesses are started as solo projects. In fact, many investors and business experts believe partnerships and startup teams are they best way to create a successful business. Out of the 110 respondents that work in a startup, 74 indicated that they previously, or continue to, compete in organized sports.

The success levels of athletes versus non-athletes in startups differ the most in this study. The 74 athletes that work for a startup averaged a success level of 7.5 on a 10-point scale, while those that did not play sports averaged a success level of 4.

Individual vs. Team Sports

Individual Sports vs. Team Sports



The second hypothesis of the study sought to look at whether or not there is a difference in athletic entrepreneurs considering the sports they competed in were an individual sport or a team sport. Out of the twenty-two NCAA sanctioned sports, exactly eleven can be defined as individual sport and the other eleven are team sports. This 50-50 split actually appeared in the data, as about 50% of the 219 athletic participants competed in team sports, and the other half competed in individual sports. Of these 219 people, both groups of people averaged success levels of 6.5, meaning there is no difference.

Discussion

After collecting and analyzing the data in this comprehensive survey, some interesting points arose. Hypothesis 1 states that those who competed in sports in college will be more successful in entrepreneurial ventures. However,

the data does not *directly* support this hypothesis. Overall, the success rate of athletes averaged the same as those who do not play sports. Entrepreneurs who started ventures individually actually averaged lower success if they competed in sports in college. While this difference is minimal, athletes that are apart of startup teams are much more successful than startup members who opted to not compete in physical sports. Let's further break down each category analyzed.

Overall

The overall purpose of this study was to take a look into what makes a successful business owner, entrepreneur, or startup member and see whether or not participation in sports has any type of effect on the success of the individual's career. While looking at the overall results of the survey, it seems that there is no general effect sports has on the business world. The athletes in the study had the exact same success levels as those who are not athletes. This is quite interesting considering that success in business requires very similar skills, dedication, and work ethic. It would seem clear that athletes are more successful in business considering they've proven that they once had what it takes to push themselves to success.

What's most interesting about this study is that a majority of the respondents of the survey did compete in sports in college. The governing body of college athletics, the NCAA, conducted a study found that there about eight

million athletes in high school at any given time. Out of these eight million, only 460,000 will get the chance to play on a higher level in college (NCAA, 2013). That means only 5.7% of athletes have what it takes to reach the college level, whether that's Division I, II, or III, or a smaller junior college. With that being said, a similar percentage should have appeared in the data. However, an overwhelming majority of the respondents in our study competed in athletics in college. Out of 292 people surveyed, 75% percent of them competed in college. There may be some interesting facts behind this statistic.

Whereas our study aimed to look at how sports effects success in entrepreneurs, perhaps another study could be conducted to see if sports has an impact on choosing to become an entrepreneur or business owner. Generally speaking, sports may not have an impact on the success of an individual's career, but there may be a correlation between participation in sports and *choosing* to be an entrepreneur. Do competitive sports push athletes to choose a career working for themselves or on a small team, rather than a corporate career for a large, well-established firm in business?

This study did not find why so many athletes participated in the study, but it could be because starting a business is similar to competing in a sport. There is always uncertainty, its takes extreme resourcefulness, and encourages working on small teams. Starting a new venture may seem familiar with them,

and they may be more comfortable endeavoring this scary career path than non-athletes do.

The title of the survey was labeled as “The Correlation Between Sports and Entrepreneurial Success,” which may have appealed to athletes more. This may have pushed athlete entrepreneurs to take the survey because they could relate to it, and non-athletes would not be so attracted to it. Even if this is true, however, 75% is an extremely large majority considering less than 6% of the population could make it to compete under the NCAA.

Although the data did not show any correlation between participation in sports and success in entrepreneurialism speaking generally, the data did show interesting statistics when further breaking down the respondents.

Business Owners

Where 75% of the general survey population competed in athletics, even more who can be labeled as business owners were athletes at one time. Out of the 182 business owners, 81% were once athletes. However, this data indicates that participation in sports has a negative effect on the success of business owners. This does not mean that the athletes who started business are likely to not be successful at all, but their levels of success were reported to be lower than those who did not compete in college. The data collected for business owners actually counters Hypothesis 1.

Athletes may be better suited to perform well alongside peers and teammates. They are able to trust one other people to carry out tasks to help them reach a goal, rather than doing it alone. While the study also took a look into the different success levels of those who compete in individual sports and those who did so on teams, individual sports are still teams. For example, swimming is considered an individual sports. However, in order to win a swim meet against another school, it takes the efforts of all the athletes on a team combined to win. So while the primary action of the sport is done alone, the athletes are still working towards a common goal alongside teammates that they need to rely on and trust.

A report from 2010 found that athletes in college could spend up to 40 hours a week on activities specific to their sport. The typical college athlete spends 32.1 hours a week practicing, preparing, and recovering from sports (Jacobs, 2015). That makes 32.1 hour that they're spending with fellow teammates, all depending on one another to play their part. They are constantly surrounded by a team atmosphere, which may prime them to thrive in a team setting rather than alone. This could be a reason why their success levels were reported to be lower than those who are not athletes.

Startup Members

The results from the breakdown of the survey for those that are members of a startup community support the theories listed above. The population of startup members in the survey had the lowest participation in sports, though still 67% reported competing in college. However, the success levels varied the most in terms of athletes versus non-athletes. The difference in the average success levels of business owners is relatively minimal, with only a .5 difference. Athletes on a startup, however, averaged 3.5 points higher than non-athletes in a startup environment. This is a noteworthy difference, and it may be because of the reasons listed above for the discussion of the Business Owners results.

After taking a look at these results, it would be interesting to study the independence of athletes. They may actually not be very independent, which could be why it was reported that they do not thrive as well in solo entrepreneurial ventures, but do in a startup environment. The data from the Startup Members section actually supports Hypothesis 1 by illustrating that there is a correlation between sports and success in startups.

In the United States today, 90% of startups fail, likely before they even launch (Patel, 2015). However, the athletes that work for startups reported an average success level of 7 on a 10-point scale. A large majority of startups fail, but a majority of the athletes who responded to the survey are successful. Do athletes possess something that other people don't that enables them to drive a

startup to success? This certainly supports the hypothesis that sports have a positive correlation on the success of an entrepreneur.

Individual vs. Team Sports

The second hypothesis predicted that the study would find that those who participated in individual sports such as track and field, swimming, golf, etc. would have higher success levels than those who play on team sports like football, soccer, basketball, and baseball. The latter are more popular sports in the United States, which could potentially skew the results. Although the data shows that there is no difference at all, its interesting to see that a large portion of the athletes that responded competed in individual sports considering the cultural popularity of team sports in the United States. The NCAA sponsors exactly 11 individual sports and 11 team sports, but a majority of the athletes is apart of team sports. While the NCAA does not keep detailed records regarding the amount of athletes in a particular sport, the largest participation is in football where the average size of a college football team is 110 players (NCAA, 2013).

As stated earlier, there may be a correlation between participation in sports and *choosing* to become an entrepreneur, rather than a correlation between *success* as an entrepreneur and athletics. After looking into Hypothesis 2, there's a possibility that individual sports push athletes to become entrepreneurs more than team sports do.

Conclusion

It is extremely tough to look into what makes a successful entrepreneur. With infinite possibilities, it's almost impossible to develop a clear blueprint for a successful businessman. The only thing we can do is take a look at what could possibly influence a career in business, whether positively or negatively. The hypotheses of this study predicted that participation in sports in college would positively impact success levels in business, and that those who competed in individual competition would have higher success levels. While athletes that competed in team sports and individual sports reported the same success levels, it does not appear that sports have any general correlation in terms in business success. Business owners actually have slightly lower success than non-athletes. However, athletes who work in startups reported much higher success than those who did not compete in college. Although these hypotheses are not fully supported by the data, this study opens the door to plenty of other studies that could help us better understand what it takes to be a successful entrepreneur today.

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