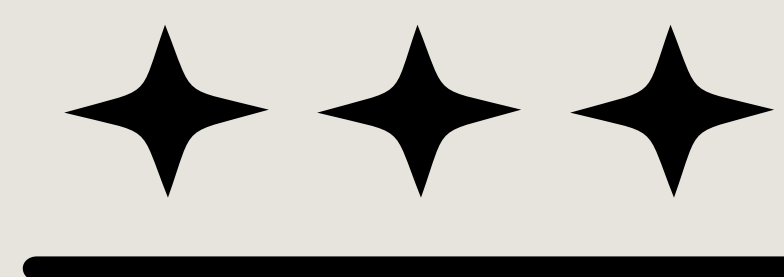


WHY SHOULD YOU INVEST IN ENTREPRENEURS?

Addison Forrester Lindenwood University



INTRODUCTION

- Job Creation
- Risk vs. Reward
- Key Considerations
- Ways to Invest
- Results

OBJECTIVE

Understand how you're able to play a big role in a small startup - and why it is important to do so

KEY CONSIDERATIONS

- Due Diligence
- Diversification
- Risk Tolerance

RISK VS. REWARD

- High Failure Rate
- Liquidity Issues
- Management Risk
- High Potential Returns
- Innovation and Impact
- Personal Involvement

CREATION OF JOBS

- Over 55% of jobs from 2013 to 2023 were created by small businesses according to the SBA
- Are you suffering from the job crisis? Entrepreneurs can help! (Leppert, 2024)
- Small businesses account for 99.9% of all U.S. firms (Office of Advocacy, 2023)

WAYS TO INVEST

Crowdfunding

- Platforms that allow entrepreneurs to raise money for their venture
- Rewards-based funding
- Easiest and lowest cost way to be involved

Incubators

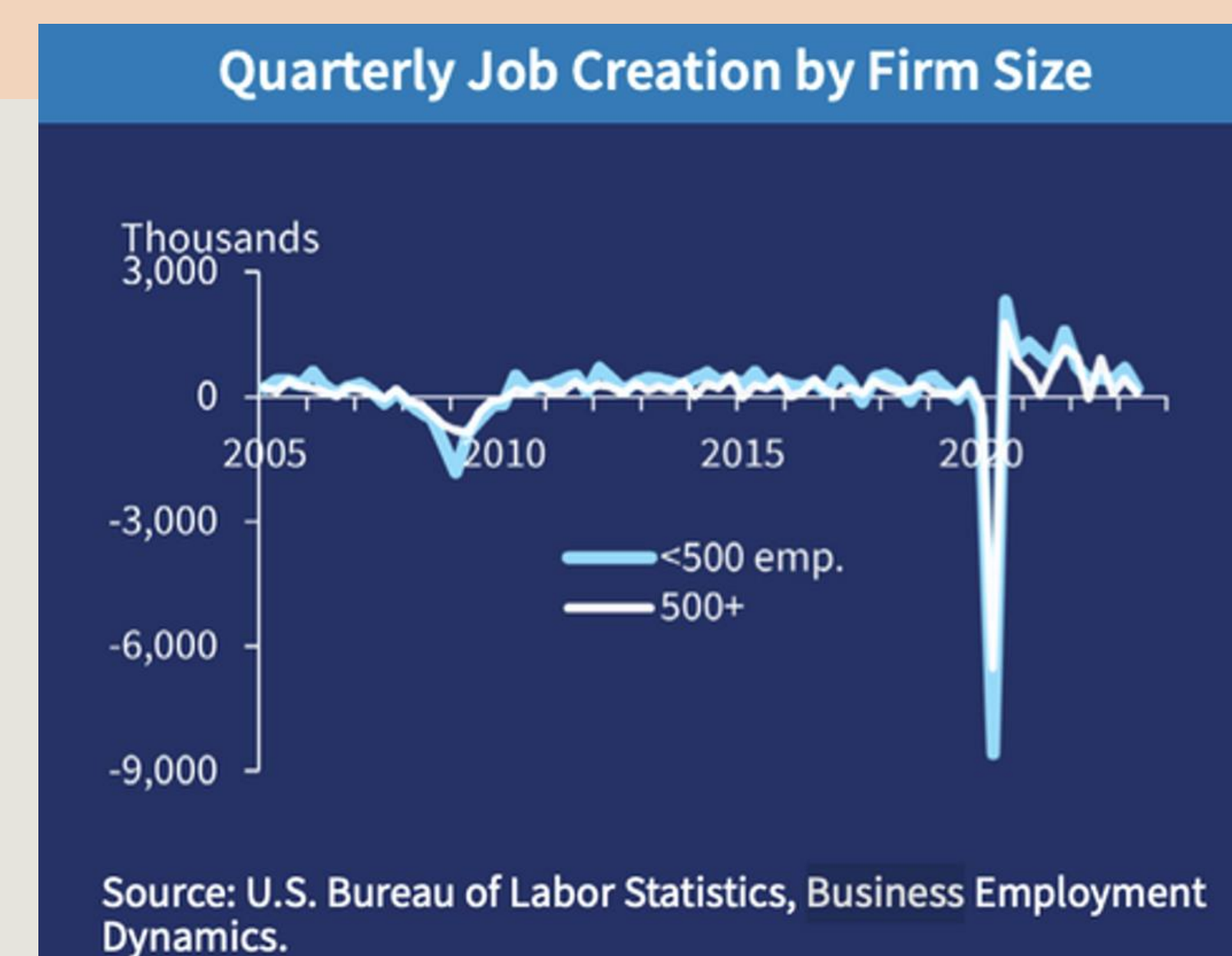
- Programs designed to help startups
- Invest by participating or funding these programs
- Easiest way to access many promising startups

Local

- Invest in local programs that support entrepreneurs
- Contributes to growth of the local economy
- Easy to make a big impact at a small level

RESULTS

- In the U.S., small firms generate 44% of all economic activity
- In 2021, small manufacturers employed 4.8 million workers and paid over \$277 billion in payroll
- Quarterly Job Creation by Firm Size:



Among employer firms with fewer than 500 workers, % of total firms and revenue by firm size, as of 2021

Firm Size	% of all small businesses	% of all small business revenue
No employees*	14	2
1-4 employees	49	9
5-9 employees	16	8
10-19 employees	10	10
20-49 employees	6	17
50-99 employees	2	15
100-249 employees	1	23
250-499 employees	0.3	15

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