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Yale SCHOOL OF MANAGEMENT

On the Nature of Women Considering a Search Fund Launch

The encumbrances women identify when contemplating a search fund and why a search fund is a compelling choice for a woman

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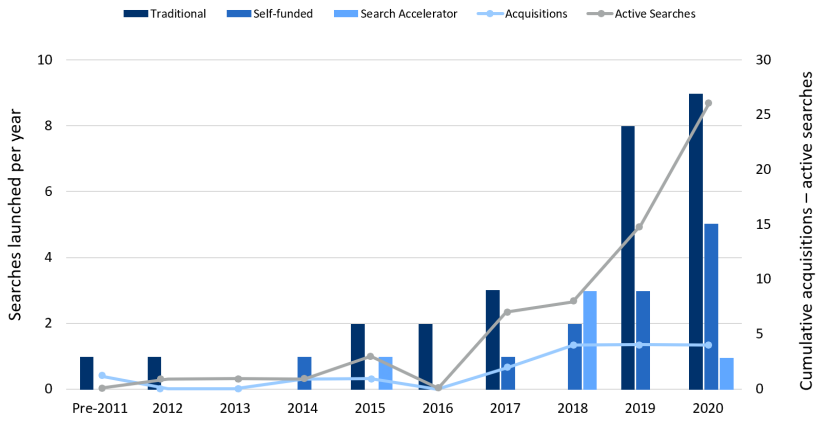
Search funds, and entrepreneurship through acquisition (ETA) more broadly, are growing in popularity as post-MBA careers. In a traditional search fund, one to two entrepreneurs raise approximately $300,000 to $500,000 of investor capital per person to fund their two- to three-year search for a business to acquire. While self-funded and accelerator-based models are also popular, in all cases, the entrepreneur typically serves as CEO of the acquired business for five to ten years, with investors serving as board members or advisors, after which point, the company is frequently sold to a strategic or financial buyer. The entrepreneur earns a market-rate salary during the search and as CEO can receive up to 25 percent of the equity based on closing the acquisition, vesting, and financial performance. For a more complete introduction to search funds see The First 10 Questions for Would-be Searchers or Note on Search Funds.

We believe that ETA is a wonderful and compelling post-MBA career choice for individuals interested in entrepreneurship, leadership, and building profitable companies. After all, we are search fund alumni, investors, and educators who have devoted our professional lives to this exciting form of entrepreneurship. Yet despite the general explosion in ETA's popularity, particularly in recent years, there has been a stark absence of women among the ranks of search fund entrepreneurs. According to the 2020 Stanford University Graduate School of Business Search Fund Study, there have been 401 traditional search funds launched since 1984,[6] of which fewer than 10 percent have been led by women.

Despite a long history of female underrepresentation, there is good news. The search ecosystem seems to be reaching an inflection point of sorts, with more female searchers (**Figure 1**), CEOs, and investors than ever, a trend that has the potential to create a positive and reinforcing cycle for women in the months and years to come. Additionally, in ETA classes at top business schools, the percentage of enrolled female students has more than doubled over the last few years, inching closer and closer to gender parity.

Figure 1: Female search fund launches by year and type*



Source: The Women's Search Network

Despite these strides forward, the question we ask ourselves and others in the ETA community is why women have not joined in ETA at the same rate as men. With women making up more than forty percent of the student population at select elite MBA programs,† we would expect ETA participation rates to reflect MBA class demographics. Unfortunately, they still do not, and they have a long way to go. To better understand why this is the case, we have explored the reasons why women consider ETA but opt out or do not even identify it as a potential career path in the first place.

This case note will more fully elaborate upon the following:

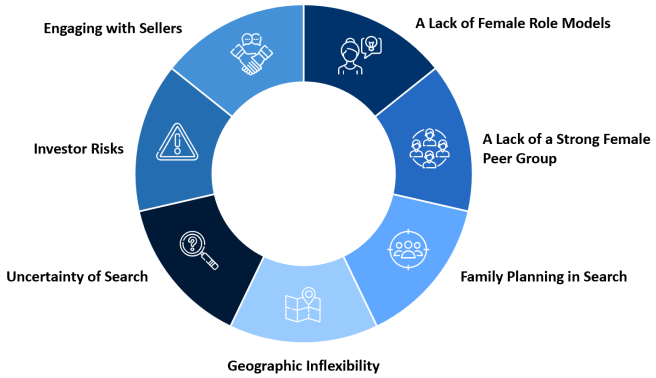
- Seven hurdles and risks women identify when considering a search fund and their potential mitigants
- Five reasons why a search fund is a compelling choice for a woman
- What search fund MBA educators and search fund investors can do to engage more women in the search fund community

We hope women considering launching a search fund will find this case note helpful in understanding the impediments women face when considering ETA as a career path, mitigating some of those concerns, and providing thoughtful perspectives to help them weigh the many considerations of launching a search fund.

* * The Women's Search Network (WSN) reports on traditional, self-funded, and accelerator-sponsored searches in both the U.S. and abroad, so its numbers will be higher than the Stanford study, which only reports on U.S.- and Canada-based traditionally funded searches. The WSN's data represent known female searchers who responded to the WSN's annual survey but may not be representative of the entire universe of female searchers.

† The Yale SOM 2022 class is 39 percent female (2022 class profile Yale SOM). The Harvard Business School 2020 class is 44 percent female (Statistics-Harvard Business School). The Stanford Graduate School of Business 2022 class is 47 percent female (MBA Entering Class Profile Stanford GSB).

Figure 2: Encumbrances women identify when considering a search fund



Source: Prepared by the case writers

The seven encumbrances enumerated in **Figure 2** are more fully described below.

- *A lack of female role models*. There are not enough female ETA entrepreneurs far enough along in their journey to provide mentorship and serve as role models for women considering this path.
- *A lack of a strong female peer group*. The shortage of female ETA entrepreneurs means that women lack a robust cohort with whom to share experiences and decisions in which gender has an influence.
- *Family planning in search*. Given the chronological timing of most search fund launches within child-bearing years, the uncertainty of search may create additional challenges for women thinking about family planning.
- *Geographic inflexibility and the impact on relationships*. Most search funds require geographic flexibility for entrepreneurs to relocate to the acquired business, which can feel more challenging for women with a working partner.
- *Uncertainty of search*. Not every search fund project is successful, a risk that can weigh more heavily on women as they plot their career path.
- *Investor risks*. Raising capital is typically the first step in a search fund journey. Sourcing funds from a predominantly male investor base can feel demotivating or intimidating, whether the challenge is real or perceived.
- *Engaging with sellers*. Many potential sellers of search fund-like businesses are middle-aged men, a demographic that may be less inclined to sell to a typical post-MBA female buyer.

We will explore the identified hurdles above in more depth in this case note. More importantly, we will offer potential mitigants to each that might make ETA a more accessible choice for women considering this path. In addition to examining hurdles, we will explore the reasons why ETA can be a fantastic opportunity for an aspiring female entrepreneur.

Figure 3: Why search funds are a compelling choice for women

Source: Prepared by the case writers

We have identified five key reasons (**Figure 3**) why, even in the context of the obstacles highlighted above, women can find success and professional satisfaction pursuing entrepreneurship through acquisition.

- *Leadership, passion, and impact.* When running a business, a woman has the opportunity to fully build an organization that is a reflection of her leadership style and vision and to harness all her professional passion while making an impact in her business and community.
- *Control over career path.* As CEO, female entrepreneurs have full control over their career progression and evolution. There are no organizational politics and bureaucracy to battle.
- *A supportive search community.* The search community is uniquely supportive, helpful, and collaborative. Male and female participants are generous with time, advice, and emotional support.
- *Attractive risk-reward profile.* Pursuing ETA is at an optimal point on the risk-reward curve. It is less risky than a startup venture but can lead to more potential reward than a typical post-MBA career in consulting, finance, or a large corporation.
- *Financial benefits.* In addition to the fulfilling emotional components of being an entrepreneur and CEO, the ETA route can lead to financial independence and the potential for generational wealth.

Identified hurdles and risks

In conducting a search fund, women may face certain gender-specific structural hurdles, both perceived and very real. The hurdles are presented here in the directional order of magnitude and importance articulated by the female searchers and CEOs we interviewed.

We believe that all thoughtful and reflective entrepreneurs, female and male, may experience a confidence gap where they do not believe they have the skills to acquire and operate a company. Furthermore, they may also experience imposter syndrome – a feeling of not being worthy or good enough to try. However, the shortage of female role models in search may serve to heighten these feelings of self-doubt among women and reinforce their fear that there is something inherently unwelcoming or structurally challenging for women pursuing this path. In this case note, we will highlight potential reasons why there have historically been so few women in search and present suggestions to change that trajectory, with the goal of demonstrating that women are eminently qualified to run a search to buy and lead a successful company – and should.

More than 450 entrepreneurs have raised a solo or partnered search fund since 1984, yet fewer than 25[7] of those individuals have been women launching U.S.-based, traditionally funded searches. While there is not a definitive explanation for this disparity, there are a few logical hypotheses. First, many searchers over the past two decades have come from investment banking or private equity backgrounds.[8] Though there is increasing gender parity in these fields, there remains a very real gender imbalance in the world of finance in general, with even fewer women from under-represented minority groups. According to a 2019 Prequin market research report on women in private equity,[9] women represented only 18 percent of private equity employees worldwide; separate research from Catalyst reported that only 17 percent of executives in investment banking were women[10] (a rough but telling proxy for women at lower levels of investment banking as well). Second, achieving gender parity at business schools continues to be an aspiration rather than a reality; among full-time MBA programs ranked in the Financial Times top 100, the last decade saw women's enrollment increase from 30 percent to 36 percent.[11]

Given that two major funnels for aspiring searchers – the finance industry and business school – were largely male-dominated during the 1990s and early 2000s when search funds were still gaining traction, it is not wholly surprising that almost every single entrepreneur in the first twenty years of search was a man. This early lack of diversity in the industry itself has created the image of a homogeneous search fund community, which threatens to convey the message that perhaps there is no space for aspiring female entrepreneurs in the rooms full of men or that there are insurmountable reasons why a search fund may not work for women.

A demographic that is particularly underrepresented in the search community is African American women. Within the group of female searchers to date, by our count, only five searchers in the U.S.[‡] have been African American (including Tarra Sharpe, Courtney Dunn, Lauren Richardson Scott, Mia Jackson, and Monica Weaver). Though an examination of racial and ethnic diversity within the search ecosystem is beyond the scope of this paper, we hope that this case note, along with broader efforts in the search community, will encourage more active conversation and efforts towards catalyzing both gender and racial diversity among aspiring entrepreneurs considering this path.

Monica Weaver (University of Chicago Booth School of Business 2007) started her career as an I.T. consultant with Arthur Anderson and PwC. After obtaining her MBA, she spent almost a decade honing her skills in marketing and business development-type roles and then decided to start a search fund. Weaver acquired TGI Direct, a direct marketing company, in 2020 through a self-funded search. "The search fund model enabled me to transition from corporate America to becoming an entrepreneur via acquisition. The community and the support were invaluable. Being an owner and a CEO is something that I have prepared for over the course of my career and my studies. This has been a fantastic path for me, and the journey continues. I highly encourage more women and more African American women to pursue this path. Searching was one of the most challenging things I have ever done, but the search and being a CEO has allowed me to use *all* of the skills in my toolbox and gain some additional ones, every day. It is definitely worth it!"

A Lack of Female Role Models

The scarcity of women in search has resulted in fewer female role models and mentors for aspiring female entrepreneurs. Though being the same gender is not a prerequisite for great mentorship, there are gender-specific issues that only women can advise on with first-hand experience and knowledge. Aspiring female searchers may seek the advice and guidance of successful female searchers and CEOs who have a unique understanding of specific decisions and milestones at each step of the search journey. But with only a handful of female role models, female searchers have had few resources from whom to learn, compare

[‡] Jane Snow, a woman of color, did a search fund in Africa and is the CEO of AquaVita.

backgrounds, and seek guidance and inspiration, all of which can make an already ambitious and uncertain path feel that much more formidable.

Cass Ziebel (University of Chicago Booth School of Business 2020) shared, "It's so much easier to envision yourself doing something when there are successful role models to emulate. It's inspiring and empowering when there is someone who looks like you and with whom you can identify who has taken the leap. There are more women entering the search world, but it still seems like there are not a lot of role models out there."

Compounding the issue is the lack of female instructors in the classroom – there is not a single female ETA professor at any of the country's top business schools. Although male ETA professors are making concerted efforts to include women in classes as case protagonists and guests, the absence of female professors, who could otherwise serve as mentors and advisors in the search fund journey, may be discouraging for aspiring female entrepreneurs, particularly those who first explore search funds as a possible career path while at business school.

Taken all together, the dearth of women in search adds an undue burden for the few women who are involved in the search community. This may manifest in serving as the token woman on panel after panel to being the lone female searcher or CEO to whom investors direct every prospective female searcher for advice. And while female searchers and CEOs gladly embrace the responsibility, it requires additional time (a precious and scarce resource for all searchers and CEOs) and effort beyond the typical conversations that take place for all contributors to the ecosystem's pay-it-forward culture. Furthermore, there is also a tremendous amount of pressure on current female searchers and CEOs to prove that women, broadly speaking, can thrive in the industry too. This pressure to succeed, while present for men as well, is exacerbated for women by the simple lack of precedent of performance.

Lacking a visible group of successful role models to follow, the women who choose to pursue a career in search are pioneers in their own right. Change will take time – longer than many of us would like – yet as more women join the ranks and achieve success in both acquiring and operating companies, there will be a naturally reinforcing dynamic that makes this path more compelling and accessible to women. Groups like the Women's Search Network, formed in late 2019 in response to the increasing numbers of women in search, will continue to serve as an organized source of mentorship, role models, and peer connection for women in search. As well, there are certainly more female guest speakers at business school classes, information sessions, panels, and conferences today as the ETA community works to make the representation of women in the community a priority.

A Lack of a Strong Female Peer Group

The search fund path can often be lonely, which makes a strong peer support group all the more critical. As with a cadre of role models, peer groups can expose aspiring female entrepreneurs to various models of search (including self-funded and accelerators) and provide a safe space to ask questions, learn less familiar skills, or seek advice on deciding whether search is a path they want to pursue. And while gender is only one of many filters by which we segment the world, it is a meaningful one when it comes to choosing a profession. However, in ETA classes at top business schools, a frequent starting point in the search fund journey, the student gender imbalance can be disheartening for women who might look to their peer group for validation and confirmation that they are on the right path.

Ashley Emerole (Indiana University Kelley School of Business 2020) is currently a media and communications investment banking associate in Manhattan. Wall Street was not always Emerole's plan. While in business school, she strongly considered launching a search fund. She wrestled with the search

fund opportunity and ultimately decided to opt out because she perceived too many hurdles and risks. Some of these were gender-specific, and others were more universal.

> While doing my MBA, I took a class in entrepreneurship through acquisition. This course dispelled the notion that you had to have a great idea and start a company to be an entrepreneur. I was really curious about entrepreneurship but wanted to explore banking too. I ended up interning with some search fund entrepreneurs while in school and found it inspiring. I discussed the idea with my wife and was really close to jumping in and doing the search.
>
> The search funders I interned with were men. I tested the search ecosystem, and it seemed to be 80 to 90 percent men. It felt very small for women to enter, and it did not seem like there was a large female community within the search world. This caused just enough hesitation for me to blink – especially around raising capital. I definitely suffered from imposter syndrome – who am I to ask wealthy, smart, and successful people to back me for an entrepreneurial project? It felt intimidating as a woman with mostly male investors.
>
> The male investors were certainly nice enough; it just did not feel like my people and community. It seemed a bit exclusionary and uninviting. A lot of the search funders have pretty similar backgrounds educationally, professionally, and demographically – and it was just not my world or comfort zone. It felt a bit bro-ish.

While gender parity in search will not be achieved overnight, among one of the greatest assets of the search fund community is the community itself, comprised of collaborative, smart, and supportive men and women who readily make themselves available to members of the ecosystem seeking guidance. Recognizing that many women may feel on the "outside" of that support network, we encourage all searchers and CEOs to honestly assess their own biases and be mindful of how their interactions with women in the community can facilitate opportunities for them to benefit from the strong culture, rather than feel excluded from it. For those topics that uniquely benefit from a gendered perspective, there are increasing opportunities for female searchers and CEOs to connect through informal networking groups, and the Women's Search Network recently launched small searcher peer groups to allow searchers at the same stage of the journey to engage with one another, facilitated by a female CEO mentor. These efforts are just the beginning of what hopefully will be a solid and enduring foundation of collaboration and support uniquely tailored to women in the community.

Family Planning in Search

Many women who choose to pursue a search fund may do so after completing an MBA. For female business school graduates who wish to have children, the timeline of the search and family planning can coincide – or even collide. The issue of time is more acute for women at this stage of their life than it is for men, yet a search requires a professional commitment of at least a few years. Female searchers may feel it is difficult to have children at the time of search, as it would involve taking maternity leave for some period of time, potentially hindering the momentum of their search and delaying the timeline for acquiring a company. As a result, some women may feel pressure to hide information about their pregnancy from investors for fear it will be frowned upon, or they may worry that any detour from the "normal" search process will negatively impact their longer-term career goals.

Fortunately, the culture is moving toward a more balanced work-life equation for both men and women. Many male entrepreneurs are starting or have young families at the time they launch a search or buy a company, and their desire to nurture both home and work life is contributing to a culture in which family time is valued on par with face time. Undeniably, women face a different set of burdens when it comes to

family planning, but an increasing number of women who have children during the search or operating phase are proving that it is not only possible, but also compelling, as search provides unique flexibility and autonomy for women. Both searchers and CEOs can create the situation that works best for their family planning timeline, whether setting their maternity leave or defining their daily schedule. For those who still have doubts, there is also the option to partner up in a female-female or male-female search team, allowing one partner to lean on the other if and when needed.

Patricia Riopel (IESE Business School 2011), a mother of two children under the age of two, is the CEO of Scribendi, an Ontario, Canada-based provider of high-quality editing and proofreading services that she acquired in 2017 through a search fund. Riopel insightfully offers, "If you are the kind of parent who cares about things like breastfeeding and being present for those key development moments in a young baby's life, you need to spend time with your child. When you are a search fund CEO, investors don't monitor time spent working; they monitor results. Therefore, one does not prevent the other, even though it might not necessarily be easy."

Jackie Kopcho (Columbia Business School 2019) is the managing partner of Big Branch Capital, a traditionally financed search fund based in White Plains, New York.

> There is no perfect time to have a baby. So when my husband and I decided to expand our family, I never felt that we couldn't because I was searching. I thought about pregnancy from a practical perspective. As a lifelong operator, I am a planner and understand the importance of ensuring different workstreams are getting done properly. I see motherhood as another, albeit particularly important, division of my life that will need my time and attention.
>
> I have an excellent relationship with my investors and was upfront about being pregnant. I was met with well wishes and an invitation to talk through scenarios if needed. The same goes with business owners; I am forthright about telling them I am pregnant. I view cultural and personal fit with sellers as one of the biggest drivers of a solid business, so owners who don't want to work with a pregnant buyer are a quick indication that the company is not for me. However, most of the conversations thus far have been positive. I recently visited a company, and the owner and I had a great discussion about his family and what it is like to have a daughter. I believe it was a great bonding point.
>
> I have worked in small businesses my entire life, so I never expected a traditional maternity leave. I plan to continue my search shortly after giving birth, with my team members handling emails and outreach during my downtime. I have an exceptional support system including my husband, parents, investors, and current team members, allowing me lots of options for keeping the search going and picking back up when I am ready. Being a mom will present its fair share of obstacles, but it is nothing that I can't handle. Motherhood is part of my story, and I want to show my daughter that I am able to be both her mom and a businesswoman.

Geographic Inflexibility and the Impact on Relationships

The geographic inflexibility of search, and its implications for the career of a partner, can be an issue for all searchers in long-term relationships. However, women may feel additional pressure due to waning but still prevalent stereotypical notions of gender norms. There has been extensive research on the topic over the last three decades, much of which points to the fact that job relocation typically takes place for the benefit of men's careers. According to a *Harvard Business Review* survey of Harvard Business School alumni, more than half the men in Generation X and the Baby Boom stated an expectation that their careers would take

priority over their spouses' or partners.'[12] Given that most searches have been geographically agnostic up until fairly recently, many women may have hesitated to pursue a search due to the inherent uncertainty of their final landing spot and the impact that may have on their partner's career.

Along with candid conversations about each partner's personal and professional goals and the tradeoffs required to achieve them, aspiring entrepreneurs should also recognize that they do have more control over the geographical location of their search than it may seem at the outset. This is because searchers get to choose where to spend their time and energy; if someone is interested in a particular geography or industry, that is naturally where they will spend more time searching. According to the 2020 Stanford University Graduate School of Business Search Fund Study, 39 percent of all searches acquire a business in the same state as where the search was based, and an additional 17 percent of searches acquire a company in the same region as where the search was based.[13] Many searchers may fear landing in a remote or undesirable location, yet the data show us that most acquired businesses are located in first- or second-tier markets where quality talent is available. This has been true for female searchers too, as is demonstrated in **Exhibit 3**.

Investors are also increasingly more open to a geographically-focused search than they were even five years ago, recognizing the role of a searcher's happiness in their ability to be productive and efficient. Searchers can also conduct a self-funded search, which can provide even greater flexibility around geographic constraints.

Greg Geronemus (Harvard Business School 2012) is the co-founder of Footbridge Partners, a search fund investment firm, and a former successful search fund entrepreneur in his own right. He states, "I know geography can be an issue for many women who are contemplating a search fund. The notion that every searcher must do a national search with complete flexibility on relocation is evolving. There is much more investor enthusiasm for a geographically focused search. There are wonderful businesses everywhere and having a more focused footprint is very doable now."

Paige Sopcic (Harvard Business School 2018) is the CEO of CanSource, an 80-employee Colorado-based company with $40 million in revenue that provides packaging solutions for craft beverages. Sopcic states, "I love being a CEO. Our business and team are thriving. This was the perfect decision – that does not mean every day is easy, but this is absolutely the right path for me. Geography was an issue for me during my search. I am not married, but I do have a partner, Evan, and we needed to be in a metro area that was big enough for him to find the right type of job. We are both engineers and met while working at General Electric. I did my search from Savannah, Georgia, where Evan was working at the time. We discussed my search quite a bit and we both knew that a relocation was on the horizon. I was committed to being in a place that could work for Evan too. We are currently outside of Denver and it has taken a few tries, but Evan is now in a role where he is happy. We have explored that the next chapter of our lives will be in a place that is more about Evan and his career. We each get our turn – that is what a healthy relationship is about for us. You can make the geography work in search if you and your partner have some flexibility."

Uncertainty of Search

Given that up to one-third of searches conclude without an acquisition, both men and women may feel discouraged by the uncertainty that is inherent in the process. However, this concern may be particularly acute for women due to the perception that even one "failure" could set a discouraging example for other women considering a search. Perhaps even more concerning is that women, who may already feel pressure to outperform their male peers to achieve equal status, may also believe that not acquiring a company could be damaging to their professional career as they would have to explain the outcome on their resume when pursuing future opportunities.

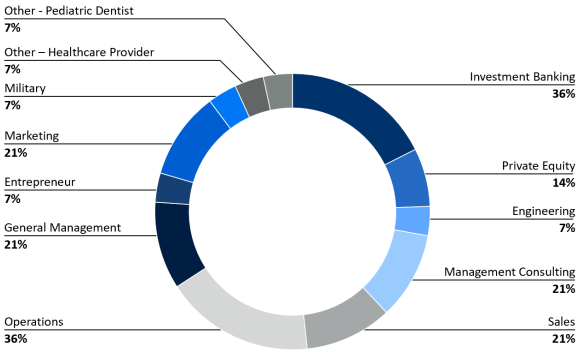
While search is not without risk and no outcome is guaranteed, all searchers should know that a search fund that does not culminate in an acquisition does not equate to failure. This is because the process of searching for a company to acquire leads to incredible learning that can inform future professional roles and lead to fulfilling new opportunities. Searchers who do not acquire frequently end up in other C-suite roles, start their own companies, or find rewarding work in industries they discovered during the search process. If a searcher has conducted their search with integrity and hard work, they will also have a supportive group of investors, peers, and CEOs of operating companies who can open doors to potential leadership roles in other companies.

For a more complete examination of search fund failure, see our case note On the Nature of a Search Fund Not Working Out as Planned, which explores three search failures and their implications. A key takeaway from the case note is that not acquiring a business is not perceived as a failure by investors and has few if any detrimental career implications for the search fund entrepreneur. Even in more deleterious outcomes (where an entrepreneur acquires a business and destroys all investor capital), investors are forgiving, supportive, and even helpful when the entrepreneur was hard-working, honest, and transparent.

Investor Risks

Aspiring female entrepreneurs may fear that they will not be able to raise enough capital from investors or that they might be passed over for male peers in their search cohort. For instance, in venture capital, women are significantly underfunded compared to men, with only 3 percent of venture capital going to companies with a female CEO in 2018.[14] This suggests strong biases exhibited by a predominantly male investor group, which is likely similar for search fund investors. Such statistics may have crossover effects on women's perceptions of investors' willingness to fund female searchers. Women may also fear that investors will only take them seriously if they have a finance or private equity background, perhaps due to signaling from the investment community at large. Despite these perceptions, women who have launched search funds come from diverse backgrounds representing many careers and industries, including and beyond finance. See **Figure 4** for pre-search professional backgrounds of women in 2020.

Figure 4: Pre-search professional backgrounds of women



Source: The Women's Search Network

Investors are acutely aware of the shortage of women in search and have an appetite to diversify their roster of entrepreneurs. Sandro Mina (Stanford University Graduate School of Business 1991) is the managing partner and founder of Relay Investments, a Boston-based institutional search fund investor. Mina is a former search fund entrepreneur himself and has invested in more than 100 search funds to date. His comments reflect the sentiments of many serial search fund investors: "At Relay, we want to see more female searchers in the market. To date, 86 percent of our female searchers have successfully acquired a company, far above the industry average of 67 percent. In the search fund community, we often talk about

the importance of the emotional connection with the business seller. In our experience, female searchers have excelled at making strong personal connections with business owners, and this ability should not be overlooked in a market where sellers have many options. We look forward to seeing more female searchers buy and build great companies as the next generation of CEOs in our portfolio. Support for women in search needs to begin pre-search. In an industry where a demographic represents a minority, actions often speak louder than words. We need more panels of female searchers discussing their experiences, their challenges, and their successes. Initiating the conversation and enabling the voices to be heard is a great way to start."

Debt capital providers are also increasingly seeking gender balance. Director of sponsor finance Heather Endresen is Live Oak Bank's lead for search fund lending activities. Live Oak is a very active search fund creditor with a $350-million ETA portfolio. Endresen offered, "At Live Oak Bank, we are particularly proud of the $2.5 billion we have lent to women-owned businesses across our entire portfolio. We are encouraged to see more women entering the ETA ecosystem because we see the importance of the perspectives they bring to small businesses first-hand every day."

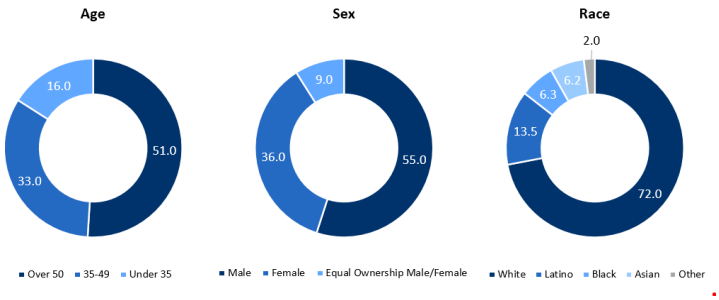
Addie Epstein and Ashley Quisol (both University of Chicago Booth School of Business 2020) have recently launched Benton Place Partners, their Chicago-based search fund. Epstein and Quisol were initially concerned about raising investor capital, but that proved to be a non-issue. Epstein explains, "We hit the investor community and were incredibly well-received. We spoke to a few dozen really nice and helpful investors and wound up being over-subscribed for our fund. Some of our investors are women, but most are men. Raising the search capital was actually a really enjoyable experience. We met lots of interesting and successful people who were more helpful than we could have imagined. Our initial apprehension about approaching a predominantly male investor base was completely unfounded. I would suggest to women who are considering a search that raising investor capital is not a roadblock at all. Test the market, and you will be surprised just how interested and enthusiastic investors are."

Jim Sharpe (Harvard Business School 1976) is an ETA mentor at Harvard Business School, a former self-funded search entrepreneur, a search investor, and the author of his eponymous blog Jim Stein Sharpe – Sharing about searching, searchers and running an SME. Sharpe's search investing has included the accelerator, funded, and self-funded models. He has invested in approximately 60 entrepreneurs and mentors scores of aspiring entrepreneurs and CEOs. Sharpe commented, "ETA is an excellent model, and I am an unabashed fan. I have devoted most of my professional life to the ETA space and now love helping entrepreneurs pursue their journey and dream. This can be particularly attractive for female entrepreneurs who get to define their own culture, have flexibility in the work-life balance area, and have an opportunity to create financial independence. I am currently an investor in five women and mentor three more. Not only is it important to work toward gender parity in the ETA ecosystem, but I also think women are super CEOs. They are great with people, prudent with risk, and strong capital stewards. I am enthusiastically looking to support more women on this entrepreneurial path."

Engaging with Sellers

While these trends are changing, small businesses in the U.S. have historically been predominantly owned by older, white men,[15] data which are mirrored in the demographics of business owners who sell to search entrepreneurs.[16] This fact alone may pose an additional hurdle for women who find the thought of trying to convince white, male business owners to sell their business to them unappealing. See **Figure 5** for the demographics of small business owners in America today.

Figure 5: Demographic Diversity Among Small Business Owners (%)



Source: Babson College State of Small Business in America Report

Contrary to expectations, however, women may find that they have an advantage of standing out in a world where business owners receive frequent and often relentless inbound interest from mostly male would-be buyers. Many female searchers interviewed stated that they had higher response rates than their male partners or peers, which they attributed in part to the novelty of being a female buyer.

Natalia Ortega (Harvard Business School 2020) launched her search fund, One Legacy Capital, immediately after graduation. Ortega is self-funding her geographically focused search in South Florida. She shares, "I definitely had some apprehension about launching my search and trying to buy a business from a seller who would likely be a male–especially in South Florida where you can encounter *machismo* culture. There are times I am even nervous about meeting with a male seller by myself, as the meetings often happen after business hours when employees are not present." She added, "It can be surprising for a middle-aged seller to be approached by a young woman about buying their business. It's not the profile they expect. However, I come from a family of entrepreneurs and I am confident I can get it done. I want to be an entrepreneur and build a business; gender will not be a reason I cannot do that."

Together with her cousin, William Colt (Rice University Jones Graduate School of Business 2016), Laura Franklin (Stanford University Graduate School of Business 2016 and Harvard Kennedy School 2016) acquired The Shandy Clinic, a Colorado-based company providing Applied Behavior Analysis (ABA), speech, occupational, and physical therapy for children. During their search, Franklin and Colt pursued sellers in various industries. Franklin offered these observations, "Women are fundamentally differentiated in search. When William and I were pitching sellers, we A – B tested our outreach and my response rate was about 60 percent and William's was about 20 percent. Our hypothesis is that an email coming from an obviously female entrepreneur trying to buy a business is unique and thus generates more interest."

Mini-profile: Brigid Mulcahy

Brigid Mulcahy (Stanford University Graduate School of Business 2021) is an Australian native who is currently launching a vertically integrated long-term holding company, a search-adjacent vehicle. Prior to enrolling at Stanford for her MBA, Mulcahy was at McKinsey in Australia and New York. While in business school, Mulcahy leaned into the search world by heading up the entrepreneurship through acquisition club at Stanford and doing an independent study project entitled "Evaluating Long-Term Hold Approaches to Investing in and Operating Small Businesses: An Entrepreneur's Decision Framework."

> When I was thinking about what to do after school, I was keenly drawn to the search fund world. There are a lot of checkmarks for me – entrepreneurship, autonomy, intellectual challenge, working with smart people who would mentor me, and a path to financial independence. It's a very compelling opportunity. I was all in. As I began to explore the ecosystem, however, I became aware that there were few woman role models. That was not

a complete setback; it is just something you notice and observe. Another big hurdle for me was family planning. It seems like a bit of a challenge to have children while engaged in the search process. It is not impossible, but it might be difficult. If you have a partner, figuring out how the geography is going to work can also be hard. Finally, there is not a huge female peer group to lean on and support. In my Stanford Search Fund Garage class, I was one of two women amongst 15 students. The guys are great, but the women are certainly outnumbered.

There are real obstacles to being a woman and launching a search, but they are surmountable. I have discovered role models and a valuable peer network in the Women's Search Network, which has been a terrific resource. This peer group is virtual, and it would be nice to have a local network of peers committed to search who are women. It is also energizing and super valuable when we have female guests in class at school. I believe the geography question can be managed too, with some boundaries. I plan to acquire multiple businesses, so at some point, I will locate headquarters in a central geography. Being transparent with your partner and having support to plan a family while bearing the responsibilities of a CEO is also essential.

I am hugely passionate about moving forward in the search world. In some ways, being a woman in the search community feels pioneering; I hope to pave a smoother path for other people – especially women – to follow.

Why search funds are a compelling choice for women

Clara Veniard and Martinique Grigg (both Harvard Business School 2006 and 2005, respectively) believe they have discovered a great vehicle in search funds. "This is like the best-kept secret out there," Grigg said. "And guys are doing this all the time!" They believe a search fund is a great way for women to take the entrepreneurial plunge. "I think this is a common situation for women of our age," said Grigg. "We've amassed this experience, we may have other priorities in our life, and we're looking for a way to have some more control and really take advantage of the experience that we've earned over the years and … reap the rewards of that hard work by having an ownership position in the company. That was really appealing to me."[17] Through their self-funded search, the duo recently acquired Salumi (renamed Coro Foods), a Seattle, Washington epicurean business that for more than 20 years has been making uniquely flavored cured meats created with sustainable practices, ethical sourcing, and the finest all-natural ingredients.

Veniard shared, "We brought in investors one year after making the purchase. We felt this delayed approach made more sense because we would be able to obtain a higher valuation once we had a detailed business plan and had been able to demonstrate some early wins in the business. Our investors have been helpful because they were hand-selected for their deep experience in food, branding, and e-commerce. Given that we are trying to rapidly scale our company, I wouldn't say I work any less than I used to in my previous corporate jobs. However, it has been very rewarding to see how we have been able to take a small restaurant and make it a brand and organization with a growing national reputation."

The search fund community consists of many talented and successful entrepreneurs, investors, and CEOs who are reaping the multitude of rewards this path can offer. We highlight the five most prominent benefits below.

Leadership, Passion, and Impact

For a woman passionate about building a great business, a search fund is one of the most efficient and rewarding paths to gain leadership experience early in her career. Beyond her own professional development, as CEO, she can also have a tremendous impact on employees' livelihoods, financial circumstances, and professional development. More broadly, she can play a key role in revving up the economic engine of a community through job creation, while creating an enduring legacy for a business and its customers.

Jessica Markowitz (University of Chicago Booth School of Business 2013) and Trista Engel (University of Chicago Booth School of Business 2013 and Yale College 2007) are co-CEOs of Paragon Legal, a San Francisco-based firm they acquired through a traditionally funded search fund. Paragon is a premier legal services firm providing interim in-house counsel to leading corporate legal departments. Engel states, "We both come from Wall Street and consulting-type backgrounds, and those were great experiences, but we knew we did not want that to be our entire journey and story. We wanted to lead and build something that reflected our values, vision, and the culture we wanted. When you are a CEO, you get to build your own sandbox. The culture is what you want it to be. As CEOs, we have a huge impact on our team and have a large degree of control in our lives. That being said, this is not perfect. It is hard. There is an absence of women in the search world, there are no maternity policies, and I think on a risk-adjusted basis, we would have been compensated more in our old careers. I am still glad we did this, but it is not easy or flawless."

Control Over Career Path

The search fund journey can provide aspiring entrepreneurs with greater flexibility and autonomy than they may otherwise find in more conventional post-business school careers. Searchers can set their own hours and control their own schedules, both during the search and after becoming CEO. For women looking to have children, such flexibility and independence can be liberating, allowing them to define the rules for managing their work and family. As CEO, a woman becomes the culture carrier for the organization, helping to shape a work environment which reflects her values and those of the company, all of which can have a lasting impact on people's lives and livelihoods.

Additionally, a searcher's success in this industry does not depend on other people to the same extent that it does in finance or more traditional business careers. Instead, as CEO, a woman is directly accountable for the company's achievements, which, in turn, will impact her own financial success and rewards. The buck stops with her and no one else. Because of this, buying a company in which she will take on the role of CEO may serve to mitigate the concerns many women face about whether and when they will run into the proverbial glass ceiling.

Alyssa Denning (Yale University 2013) is the founder and managing partner at Atlantic Succession Partners, a New Jersey-based search fund. Denning states, "By pursuing a search fund, a woman can remove many of the anxieties one might experience in a traditional finance role. For instance, anxieties about whether you will feel supported by the people you work with and for, anxieties about how you can move up the ladder, or concerns about whether you will be treated fairly are all mitigated or removed entirely. In a search fund, there is a group of people who are committed to your success, even if you are young and inexperienced. This group is financially incentivized to support you, and such a culture of support does not exist in a lot of other industries. There is no one person who has control over your career – you are ultimately in charge. This feeling can remove a big barrier for women."

A Supportive Search Community

The search fund community has thrived on a collaborative culture in which entrepreneurs, investors, and CEOs generously give their time, counsel, and support to one another. When the search journey feels lonely, there is always someone willing to listen, provide encouragement, and answer questions. As a group of people who are financially incentivized to mentor entrepreneurs, investors, in particular, are committed to helping entrepreneurs succeed. They frequently function as a team and cooperate with one another to the benefit of the aspiring entrepreneur, making themselves available to offer guidance, resources, and mentorship at various stages of the search.

Susan Pohlmeyer (Stanford Graduate School of Business 2015) is a managing partner at Futaleufu Partners, an experienced search fund investment partnership. The firm currently has about six investments led by female CEOs, with a few more searching. Pohlmeyer commented, "One of the things that I love about the search fund world is how supportive everybody is. We help lots of entrepreneurs, even if we are not investors. It's about building a robust entrepreneurial community. At Futaleufu, we are investing in top talented entrepreneurs and are entirely agnostic about gender or color – we are just looking for great people to back and lead a growing business. We actually would love to have more female searchers, and I believe there is a bubbling enthusiasm amongst investors to support them."

Attractive Risk-Reward Profile

All aspiring entrepreneurs need to be comfortable with a certain level of risk; however, the risk-reward profile of a search fund is more attractive than that of the other more traditional entrepreneurial paths. Unlike the early years of a startup, for example, a searcher embarks on a stable two-year journey, complete with a salary, a budget for expenses, and a team of investors and peers to turn to for guidance. And while many would-be entrepreneurs fear the scenario in which they do not acquire a company, they are no worse off than many of their peers who switch jobs within two years after graduation. Margie Adler is the Managing Director of Alumni Relations at the Yale School of Management. Adler commented, "We do not specifically track job changes for alumni by year, but we have surveyed alumni regarding sector changes. Based on that data, anecdotal conversations, and the fact that we have a team of people trying to keep up with alumni contact information changes, I would estimate that at least 20 to 30 percent of our alumni change jobs in the first few years after graduation. Those early post-MBA years are really still a testing period. People are trying to find the right industry, company, role, and geography. Early job changes seem pretty common after graduation."

As for the roughly 67 percent of searchers who do acquire a company (according to the 2020 Stanford University Graduate School of Business Search Fund Study), they are setting themselves up for the chance to gain valuable and impactful operating and leadership experience at the very least and a meaningful longer-term career path with healthy financial returns at the very most.

Financial Benefits

A searcher and CEO's compensation is defined by the market; thus, a female searcher does not have to question whether she is being compensated fairly or feel like she constantly has to climb the ladder for equal pay. Once she buys a company, she has the potential to earn up to 25 percent equity as an individual searcher or 15 percent each for partnered searchers in a company. And unlike a startup, this equity is earned in a profitable company that already has an established business model with clear potential for growth. While financial gains are by no means guaranteed and should not be the exclusive driver for conducting a search, the rewards can be lucrative. Search entrepreneurs who have exited have earned a median equity value of $3.25 million, with some garnering tens of millions.[18]

Karen Moriarty (Stanford Graduate School of Business 1989) is the CEO of North Carolina-based **Carillon Assisted Living**. Moriarty launched Carillon in 1996 through a search fund structure, but uniquely, she built the business from the ground up after unsuccessful attempts to buy a company to her liking in the assisted living space. Carillon allows seniors to live independently and receive the care they need. For more than 25 years, Carillon has grown and evolved under Moriarty's outstanding leadership. Carillon is now the premier licensed assisted living operator in North Carolina. Carillon recently exited 22 facilities where it employed more than 1,000 people. Through Moriarty's leadership and operational excellence, Carillon has distributed $148 million to shareholders who initially invested $6.4 million. The 23x MOIC is a rare achievement and reflects Moriarty's entrepreneurial acumen and commitment to serving residents in Carillon's communities and her shareholders simultaneously.

Moriarty is now building Carillon 2.0 – her latest entrepreneurial iteration where she is updating service and next-generation community design, moving into related senior living verticals and states, and mentoring a new management team for the next 25 years. Moriarty has launched one new facility under 2.0 with several more in the development pipeline.

Mini-profile: Robin Kovitz

Robin Kovitz (Harvard Business School 2007) is the president and CEO of Toronto-based **Baskits, Inc.**, one of Canada's fastest-growing companies. Baskits designs, manufactures, and delivers unique and luxurious gifts across Canada and the U.S. Kovitz acquired Baskits in 2014 through a self-funded search fund and has since expanded the business to serve more than 50,000 individual and corporate customers worldwide. Kovitz currently lives in Toronto with her husband and two children.

> During my pre-search career, I was often frustrated that my compensation seemed disconnected from my effort level and the value I created for an organization. In finance and consulting—typical post-MBA careers—compensation and advancement generally result from the time spent in a role. However, I do not think time is the right metric, especially for women who have limited time post-MBA to build their careers because they also want to become mothers.
>
> Conducting a search provided me the freedom to start my young family without relinquishing my career. In addition, motherhood has made me an even better CEO because the role has taught me patience and flexibility.
>
> My life is truly blended and integrated between my family and my business. I work from home at times, and I occasionally do "mom" duties at work. My two life roles both fit together nicely. Being a search fund entrepreneur has been a great way to build a fulfilling professional and personal life. By having the best of both worlds, I hope to be a role model for my daughter.
>
> I strongly recommend that other women consider this path, as a search fund can provide the following benefits:
>
> - Schedule flexibility—including the ability to set your own hours and work from home when needed. This freedom was particularly important during my children's early years.
> - Compensation transparency and control—one of the many aspects I love about conducting a search fund is that your compensation is directly tied to

performance. In other words, a direct correlation exists between effort and outcome.

- Merit-based and possibly faster career progression—the ability to have your career progression directly interrelated with performance and outcome. A search fund is a wonderful way for women to better control and have transparency regarding when and how quickly their careers progress.

What educators can do

Educators are often the first people to introduce the ETA and search fund concepts to MBA students, painting the picture for students of what it means to be a search fund entrepreneur. Additionally, educators play a vital role in connecting MBA students with learning opportunities, search fund internships, and touchpoints with other searchers, investors, and CEOs. In this role, educators are poised to give *all* prospective entrepreneurs both the tools and the confidence to explore search funds in the quest to determine whether it is the right path for them.

Based on many conversations with numerous MBA students, we offer the following suggestions to educators, recognizing that teachers at elite MBA programs are constantly striving to provide equal opportunities for all students in their classes:

- Educators can actively market ETA and search fund classes and events to women through student clubs and on-campus women's associations, offering to host luncheons, fireside chats, and panels with female investors and entrepreneurs to create a comfortable space to ask difficult questions.
- Educators can endeavor to include more women as protagonists in their syllabi and as classroom guests. We challenge educators to target 50 percent of their cases to have female protagonists – it is tenable, and we are happy to share sample syllabi with this design. Furthermore, we encourage educators to share protagonist demographics in their syllabi and be open about where they are deficient and working to improve. See **Exhibit 1** for ETA cases with female protagonists.
- Advocate for qualified women to teach entrepreneurship through acquisition at business school programs that offer the ETA curriculum.
- Create space for candid conversations inside and outside the classroom, allowing students to ask questions, acknowledge biases, and both share and listen to others' perspectives. Foster connections between female students and women within the search fund ecosystem.

Mark Agnew (University of Chicago Booth School of Business 2006) has seen enrollment in his ETA class bloom during his eight years at Booth. "We have worked hard to engage women even before they enroll in the ETA course. We connect with on-campus clubs and women's groups to increase awareness and get women into the course. Although we do not track student demographics in our courses, there are visibly more women. I would guess that we started with 20 percent females in the course and are now up to about 40 percent. We always try to have one female teaching assistant, though."

Mini-profile: Jan Simon

Jan Simon (Ph.D. in Finance, University of Essex) is a Visiting Professor of Financial Management at Barcelona-based IESE Business School. Before becoming an academic, Simon worked in the financial industry, including Goldman Sachs, Merrill Lynch, and Salomon Brothers, for nearly two decades. Simon has invested in private and public markets, advised, and raised public capital across multiple European and North American industries. He has won numerous teaching awards, and *The Economist* rated him as one of the Top 20 Business School Professors in the world.

> Teaching is a huge passion of mine. I teach courses in finance and search funds. As an educator, I am very intentional about making the classroom and academic community open to all my students. I am especially focused on making sure women have a full voice and presence in my courses. I try to do this in several ways. I seek out female protagonist cases to provide positive role models and examples for women who are considering the search fund path. I invite female guests to campus and class and facilitate female panels. Entrepreneurs need role models – I am a huge believer in the notion "You can't be what you can't see." I want my female students to see entrepreneurs they can emulate.
>
> I manage my classroom experience with everyone in mind. If I see disrespectful behavior, I call it out and shut it down immediately. I will not tolerate gender-insensitive comments. Sometimes in a class session, I will only call on female students and intentionally not invite men into the conversation. I am trying to show the male students what they are often implicitly doing. Even the language I use in class is purposeful. I never generically use the pronoun he – I always use he or she. These details send important subliminal signals.
>
> Something I would like to see happen in the academic community is to have more cases featuring female protagonists written by women. I can write female protagonist cases, and I do, but I think having cases authored by women would bring a more nuanced and insightful dimension that I cannot.
>
> I never speak about being a woman in my classes – I cannot. I never tell women what they should or should not do in their search fund journey. I try to facilitate rich and productive conversations, but I know where my boundaries are and where my expertise ends.

What can investors do?

Here we offer some thoughts on how investors can support and encourage more women to take up the search fund journey. These suggestions are made in the spirit of collaboration and are not meant to be didactic.

- Investors can actively seek to recruit more women into partner-track roles at their investment firms as well as help curate and source more women to be included on search fund company boards. Acknowledging that there are many factors to take into consideration when choosing board members, these individuals can be successful female investors, executives, and entrepreneurs either from within or outside the search fund community.

- Create a set list of questions to ask fundraising searchers, regardless of gender, to establish a systematic evaluation system that mitigates implicit assumptions and biases.
- Track demographic data for searcher commitments to gauge the diversity of funded searchers in one's portfolio relative to the broader searcher community at large.
- Consider sponsoring a bias or diversity, equity, and inclusion training for your team, as well as for the searchers and CEOs in your portfolio.
- Honestly assess unconscious biases. Once aware of personal biases, investors can seek out new experiences to evolve their thinking and mindsets.
- Be proactive in mentoring women in the search community, either by setting up regular sessions to catch up with female searchers or by reaching out to check in with female searchers periodically.
- Provide more critical and constructive feedback to female searchers – especially the ones with whom you choose not to invest.
- Be explicit and transparent about your commitment to equity in search. Female searchers may not necessarily assume a level playing field, so investors can open the door for a candid and comfortable conversation to allow for a two-way dialogue on this topic.
- Engage with organizations such as the Women's Search Network and Black Searcher Network to see how you can participate in the conversation and contribute to diversifying the community.

Ashley Giesler (UCLA Law School 1995) is an equity partner at Anacapa Partners, a San Mateo, California-based search fund investor. Giesler explains, "Aspiring female entrepreneurs need to see women partners – who make investment decisions and participate in the promote at search investment firms. Including women at this level in investment firms demonstrates an inclusive mindset and a respect for different points of view. Women investors bring a diverse viewpoint to investment opportunities which will benefit all members of the ecosystem. It is great to have women associates and analysts at investment firms, but that does not send the same message as hiring women as equal partners in the investment-making decision process."

GJ King and Will Bressman (both Stanford Graduate School of Business 2010) are search fund entrepreneurs and investors. They acquired RIA in a Box and now are active search fund investors. They share their perspective on women searchers, "One of the most compelling evolutions of the search fund world has been the recent expansion to include leaders and trailblazers who have broadened the traditional blueprint of what a searcher looks like. In particular, the search fund ecosystem has benefitted from a growing number of women searchers in recent years. As investors, we are extremely excited by this new momentum and are very optimistic about the leadership and return potential from such an incredible pool of talent. As investors, providing support to make that road go as smoothly as possible is the quintessential win-win and again, bodes very well for the future of search. While we still have much work to do as a community, we are proud that the majority of the search funds we have invested in thus far this year have included a woman or member of another underrepresented group."

Karen Liesching (Tufts University 1985) is a founder and partner at Prides Crossing Capital, a Boston-based private investment fund that provides debt capital to smaller middle-market companies. Liesching has spent her 30-year career sourcing, structuring, and monitoring debt and equity investments in private companies, many of which are search fund companies. When asked about gender parity in the search world, Liesching replied, "We have a few female CEOs in our search-centric portfolio but not enough. We are

absolutely seeking more balance with female searchers and CEOs, and other underrepresented groups. This is a super opportunity for women, and I really hope to see more of them in the game."

Shannon Jones (Kellogg School of Management at Northwestern University 2008) is the managing director of Halstatt Legacy Partners, a Naples, Florida-based sole source capital sponsor for search funds. Jones is building a portfolio of businesses led by partner entrepreneurs with support and coaching to ensure the entrepreneur's success. As a single-family office, Halstatt has a multi-decade holding period and horizon. Jones commented, "Halstatt is a female-led organization. Katie Sproul (Yale SOM 1993) is our CEO, and all investment and capital allocation decisions flow up to her. We absolutely want to back more female searchers. It makes business sense, is the right thing to do, and we have confidence in the return opportunity. My wife is a female entrepreneur, so I am a believer and am all in on supporting female searchers."

Mini-profile: Brian O'Connor

Brian O'Connor (University of Chicago Booth School of Business 2008) is the founder and managing partner of the Chicago-based search fund investment firm NextGen Growth Partners. Prior to founding NGP, O'Connor served as co-CEO and head of business development of Innflux, a hospitality-focused I.T. service company, where he oversaw sales and marketing, business development, mergers and acquisitions, and investor relations functions. Innflux was sold to strategic buyer Thing5 in January 2015, after 3.5 years of significant growth. O'Connor became involved with Innflux after acquiring the business through his search fund Fellowship Capital Partners in 2011.

> I am seeing more and more interest in search funds from women every year and we have taken a handful of action steps to make search and NextGen more attractive for female searchers.
>
> We have several highly accomplished female executives, investors, and entrepreneurs on our advisory board and in our investor group. We want to have women in our ecosystem, and having advisors who can serve on portfolio company boards is a positive step. We are also working with one of our Entrepreneur in Residence candidates who is pregnant to develop a flexible and accommodating maternity policy and program to make her search and family both thrive. It takes engagement on all our parts, but it is totally tenable.
>
> We are still a growing and evolving firm, so developing these policies and attracting women into key positions is still a work in progress. A key area for improvement is having more female investment professionals at the firm level – especially in senior positions. This is something that should be an area of focus across the entire ETA investment community.

Conclusion

In this case note, we have explored the primary hurdles women identify when considering a search fund launch. While these obstacles are very real, we believe there are efforts that can mitigate, if not completely eliminate, them. Furthermore, there are many convincing reasons why a search fund is actually a compelling and terrific career choice for women – we have highlighted the top five. Although ETA is not an easy path for anybody, or necessarily the right path for all, we concur with entrepreneur Paige Sopcic when she states,

"I think being a search fund CEO is actually one of the best roles for a woman that's out there. There's so much flexibility and independence when it comes to choosing your own work-life balance, building the company you want to create, and being on a path to financial independence – and you get to do it all on your own terms."

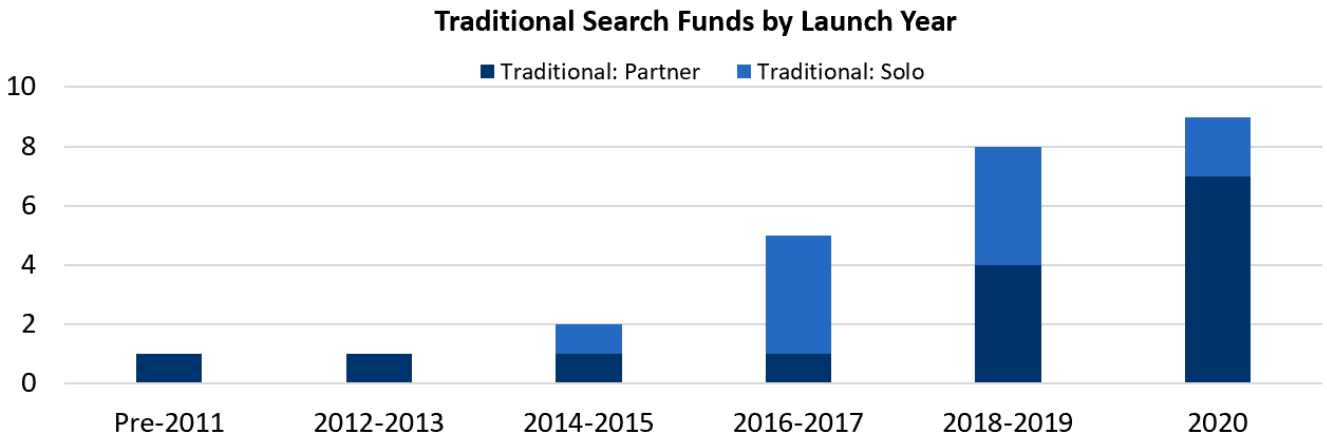
We are brazen supporters of ETA and search funds. We hope this case note will serve as inspiration and raise awareness for female entrepreneurs considering this route. We also hope that it catalyzes honest conversations about where the search fund ecosystem has fallen short and what it can do better. As investors and educators continue to pave the way for aspiring entrepreneurs, we hope many more women will take advantage of this fantastic opportunity and conduct a search fund of their own.

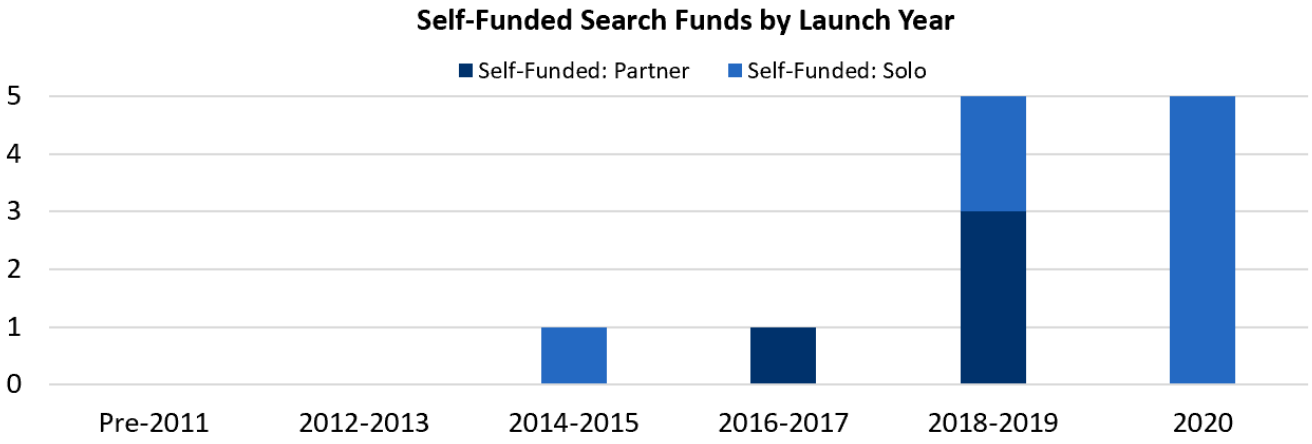
Many people in the search world are rooting for you and your success and are enthusiastic about helping. We wish you good luck on your search fund journey!

Exhibit 1: Search fund case studies with female protagonists

1. Baskits Inc.
2. Bovard and Majid
3. Buck Jack Capital: Closing or Quitting
4. Calyx Capital Partners
5. Carillon Assisted Living
6. Discover Capital
7. ElastoTherm: The Next Step
8. Helena Divišová
9. How to Prepare for a Search Fund During Your MBA
10. I Said You Said She is the Entrepreneur
11. Lis Settimi: Chicago Seasoning Co. (for permission see Alex Schneider - Kellogg School of Management)
12. The Evolution of a Search Fund CEO and Company
13. Pathfinder Capital
14. Prospect Colleges
15. Sarah Harris
16. Sarah Rowell and Scott Mackenzie
17. Sierra Capital Partners
18. Systems Design West

Exhibit 2: Female search fund characteristics by year

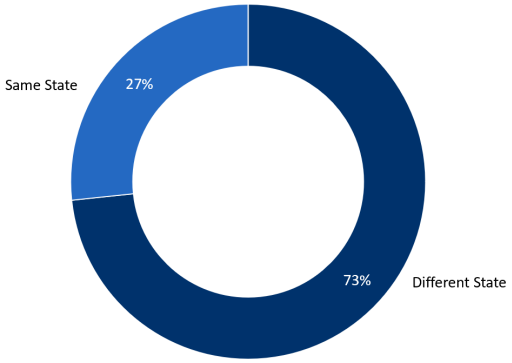




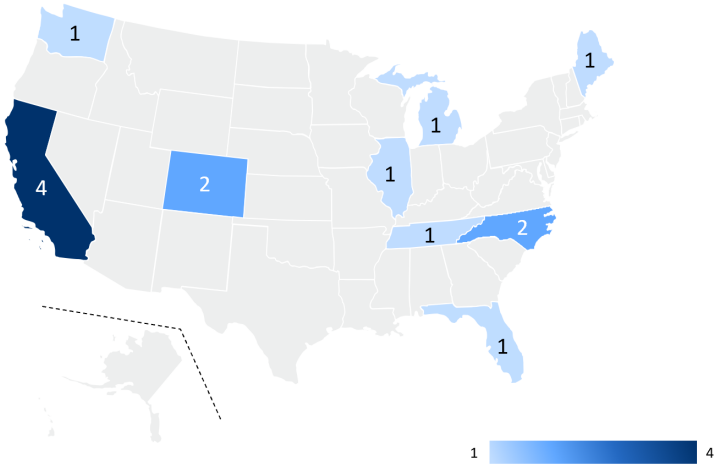
Source: The Women's Search Network

Exhibit 3: Geography of women-led searches

Where women acquire companies relative to search location (N=15)

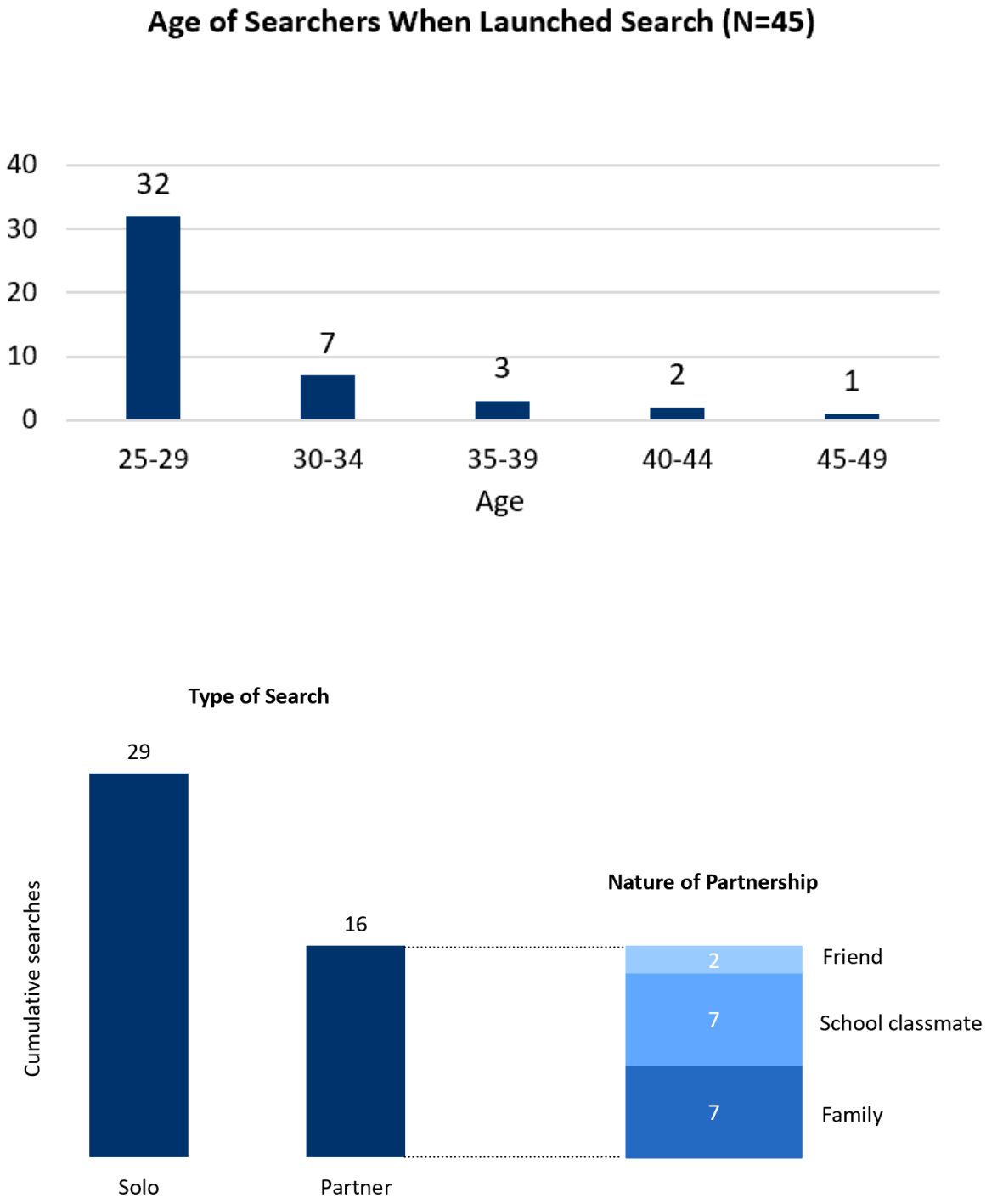


U.S. Acquired Companies by State (N=14)



Source: The Women's Search Network

Exhibit 4: Women-led search age and partnership demographics



Source: The Women's Search Network

Exhibit 5: Additional Resources

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This case has been developed for pedagogical purposes. The case is not intended to furnish primary data, serve as an endorsement of the organization in question, or illustrate either effective or ineffective management techniques or strategies.

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Endnotes

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[3] Lacey Wismer is the founder and managing partner of Hunter Search Capital and a founder of the Women's Search Network.

[4]Ryan Robinson is the managing partner of Brown Robin Partners and a Steering Committee Member of the Women's Search Network.

[5] A. J. Wasserstein is the Eugene F. Williams, Jr. Lecturer in the Practice of Management at the Yale School of Management.

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