

Moving Forward or Falling Back: Gender Differences in Career Advancement for Former Entrepreneurs Re-Entering the Workforce

Tristan L. Botelho
Yale School of Management
tristan.botelho@yale.edu

Daniel C. Fehder
USC Marshall
fehder@marshall.usc.edu

Milan Miric
USC Marshall
mmiric@marshall.usc.edu

July 2023

Abstract

Entrepreneurship is highly uncertain, and many ventures are likely to fail. Thus, potential entrepreneurs likely consider the impact founder experience may have on their future career. Given that gender has substantial impacts on both career progression and entrepreneurial performance, we hypothesize that female and male entrepreneurs may have substantially different outcomes when they re-enter traditional employment, potentially serving as a hidden roadblock to female participation in entrepreneurship. Using data from LinkedIn's Economic Graph Research Program, we find that when re-entering traditional employment after founding a firm former, female founders are more likely to regress and less likely to advance in their next role in traditional employment than former male founders. This significant gender penalty for female entrepreneurs, however, obscures important variation that allows us to point to potential mechanisms. We find that male entrepreneurs are substantially more likely to advance in their career relative to similar female entrepreneurs when their startup showed significant growth, but that the gender penalty for female entrepreneurs is dependent upon the gender composition of the hiring firm. Female entrepreneurs hired by firms with greater female representation are *more likely* to advance in their career relative to men whereas female entrepreneurs hired by firms with less female representation are less likely to advance relative to similar male entrepreneurs.

Keywords: entrepreneurship, careers, gender, organizations, stratification

Introduction

Differences in how women are evaluated relative to men in their careers represent a significant and persistent source of gender inequality (Foschi 2000; Correll, Benard, and Paik 2007; Castilla 2008; Brooks et al. 2014; Botelho and Abraham 2017). To get ahead in one’s career, it is important for their prior work experience to be evaluated favorably. However, returns to similar work experience is not uniform; women often receive a lower return to similar work experience than men (Cech et al. 2011; Fernandez-Mateo and King 2011; Fernandez and Campero 2017). In theorizing and examining gendered returns to work experience, scholars have predominantly focused on employees at established (or traditional) firms.¹ However, a growing type of work experience in one’s career path is entrepreneurship (Burton, Sørensen, and Dobrev 2016), and employees at traditional firms are the most likely to start a new venture (Agarwal et al. 2004; Sørensen and Fassiotto 2011; Sørensen and Sharkey 2014). The high failure rates associated with entrepreneurship (Hall and Woodward 2010; Puri and Zarutskie 2012) suggests that most of these entrepreneurs (or founders) will subsequently return to traditional employment. *Do female and male entrepreneurs receive different immediate career returns to founder work experience when returning to traditional employment?*

When considering the career returns to founder experience, the limited research in this area has presented conflicting conclusions about how individuals with entrepreneurship experience—including founders and startup employees—fare in the labor market compared to those without this experience (Campbell 2013; Mahieu et al. 2021; Sorenson et al. 2021). Given the differences in the populations underlying these estimates, the differences across these studies may be in part because the returns to entrepreneurship experience is gendered. Organizational researchers have

¹ Throughout the paper we use the terms “established firms” and “traditional firms” interchangeably to differentiate working at firms that are not new ventures or startups.

only recently begun to make some direct progress on this line of inquiry (Kacperczyk and Younkin 2022; Botelho and Chang 2023). Botelho and Chang (2023) find that former innovation-driven entrepreneurs are less likely to receive interview requests at firms they apply to than non-entrepreneurs, but they find that gender plays no role in the likelihood of an interview. In contrast, Kacperczyk and Younkin (2022) also find a founder penalty with their evidence suggesting that it is driven by male entrepreneurs receiving fewer interviews. A limitation of these studies is that they only focus on the initial stage of the hiring process—receiving an interview. In other organizational contexts, it is suggested that gender plays a complicated role shaping unequal outcomes at different points of the hiring process (Fernandez and Weinberg 1997). It may be the case that gender plays a role after the initial hiring stage. Supporting this possibility, Botelho and Chang (2023) present interview evidence that suggests that women may be disadvantaged in later stages of the hiring process. Thus, large-scale data on realized employment outcomes of returning entrepreneurs are critical to uncovering whether gender differences in the immediate career returns to founder experience in the labor market are present.

Prior research on career returns to work experience in traditional firms sets the expectation that returns to founder experience will also be gendered. In traditional employment, researchers have found that women receive lesser career returns to their work experience than similar men (Cech et al. 2011; Fernandez-Mateo and King 2011; Fernandez and Campero 2017). A main driver of this gender disparity is stereotypes about competency that are linked to gender (Berger 1977; Ridgeway and Smith-Lovin 1999; Correll and Ridgeway 2006). However, founder experience may serve as a stepping stone to more senior roles in established organizations because entrepreneurs develop more diverse human and social capital (Agarwal et al. 2004; Lazear 2005; Burton and Beckman 2007; Campbell 2013; Sorenson et al. 2021) due to resource constraints (Stinchcombe

1965) which may be valued by employers. Furthermore, as entrepreneurship is male dominated (Guzman and Kacperczyk 2019; Miric, Yin, and Fehder 2022), it may also be possible that attempting to start a venture helps overcome gender-based stereotypes of competency (Melin and Merluzzi 2022). Specifically, female entrepreneurs may be seen as high quality for their ability to overcome the barriers that often preclude women from entering entrepreneurship. Thus, under certain conditions former female founders may experience similar career returns to former male founders. We are specifically interested in exploring the role of gender composition at the hiring firm and signals of the startup's quality.

To understand the relationship between entrepreneur gender and the immediate career returns to entrepreneurship experience in the labor market, we must collect data that satisfy three empirical challenges. First, the data must be sufficiently broad and offer a general sample of entrepreneurs and firms in the US economy, so that observed results are not specific to a given industry, job type, or region, and so that gender-based differences, such as industry sorting, can be controlled for in our empirical approach (Mann and DiPrete 2013; Merluzzi and Dobrev 2015). Second, the data must provide an individual's career detail before and after they entered entrepreneurship. Third, the data must offer a standardized way to measure career returns. We are particularly interested in career advancement via moving up (or down) a position-level hierarchy; thus, the data must offer a standardized measurement of position-level hierarchy across firms, position types, and industries. This last point represents the most significant challenge; it is difficult to compare hierarchies across similar firms, never mind firms in different industries.

To address these empirical challenges, we applied to and collected data from LinkedIn's Economic Graph Research Program that provides a near population sample of US workers. This near representative sample will allow for an analysis that helps generalize across the US economy

while controlling for various individual- and firm-level factors. For each individual, we observe detailed work histories characterizing their careers before and after entrepreneurship, which allows us to compare an individual's position hierarchy when they re-enter the labor market to their position hierarchy before they became an entrepreneur. Most importantly, we are able to measure career returns on a standardized scale. We do so by using LinkedIn's machine-learning measure of each role's location on a scale of generalized organizational hierarchy derived by observing the career paths of hundreds of millions of workers—allowing for a standardized comparison of an individual's organizational position to best measure their career progression. Although we lack exogenous variation in who becomes an entrepreneur and who re-enters the labor market, the quality and scale of the LinkedIn data allows us to control for differences in industry and the level of organizational hierarchy each entrepreneur achieved before entering entrepreneurship. Thus, we are able to offer detailed descriptive evidence of the relationship between entrepreneur gender and the immediate career returns to their founder experience when re-entering traditional employment.

We find consistent and significant evidence that female entrepreneurs experience immediate and negative career returns to founder experience compared to male entrepreneurs when re-entering the labor market. Male entrepreneurs are up to 23% more likely to advance to a higher level of the organizational hierarchy when re-entering traditional employment after entrepreneurship compared to similar female entrepreneurs. Further, male entrepreneurs are 17% less likely than those female entrepreneurs to regress to a lower level of the organizational hierarchy in their career. Importantly, this difference in career advancement is observed across all levels of organizational hierarchy. Furthermore, we provide suggestive evidence of two potential mechanisms related to organizational heterogeneity that drive this gendered difference in career progression: (i) the gender composition at the firm-hierarchy level of the firm the entrepreneur is

joining (ii) the growth potential of the former entrepreneur's startup. Our research helps unpack the drivers of gender inequality in career advancement and contributes to organizational research on careers, entrepreneurship, and stratification to better understand the role of gender and careers.

Gendered Career Returns to Established Firm Work Experience

Careers have long been a significant area for organizational and sociological research in part because the variation of individual advancement through roles within and across firms is an important avenue for the creation and perpetuation of inequality (Baron and Bielby 1980; Baron 1984; Bielby and Baron 1986; Reskin 1993; Phillips 2005). As an individual moves through the sequence of roles—within one organization or across multiple organizations—that constitute their career, each new position comes with a new level of responsibility, income, and status which can be increasing, decreasing, or static relative to their previous positions (Rosenfeld 1992). Researchers have thus been particularly interested in how individuals obtain an upward trajectory in their career (White 1970; Stewman and Konda 1983; Barley 1989)—or career advancement.

Individuals can have substantially different returns to their career, in terms of level (e.g., promotion/demotion), pay, and status, depending upon how careers are structured within organizations and industries (Barnett, Baron, and Stuart 2000; Petersen and Saporta 2004). One salient set of characteristics that has been consistently shown to affect the career returns individuals receive to their work experience is their ascriptive characteristics. A body of research has emerged to show how class, gender, and race substantially impact the initial jobs offered to individuals and the subsequent structure of their career path (Bielby and Baron 1986; Baldi and McBrier 1997; Fernandez and Fernandez-Mateo 2006).

Focusing on gender, research has shown that an individual's gender substantially impacts the overall returns they can expect in their career, such as the literature on the gender pay gap (see

Blau and Kahn 2000 for a review). Most important for our research is the work tracing out differences in the career paths of women versus men within and across organizations. Consistent evidence shows that men and women are pushed toward different roles that have significantly different career trajectories (Reskin 1993; England, Levine, and Mishel 2020), in part because of early differences in roles shape an individual's social network used to gain future jobs (Rubineau and Fernandez 2013; Bond and Fernandez 2019). Within similar roles and careers, a number of studies have found that women are less likely to receive promotions than men controlling for industry, education, and occupation (Olson and Becker 1983; Maume 1999; Blau and DeVaro 2007; Benson, Li, and Shue 2021). Across research on gendered returns to work experience, a common theme is that women's experience is evaluated worse than similar men with similar work experience (Maume 1999; Castilla 2008; Benson, Li, and Shue 2021).

Several related theories have been put forth to explain why men and women are evaluated differently for similar quality of work in similar jobs. Because managers evaluating employees have some discretion, expectations about the quality of the employee's performance may influence their evaluation (Elvira and Graham 2002; Bertrand, Goldin, and Katz 2010). Status characteristics theory predicts that characteristics of individuals that are broadly socially significant, such as gender or race, play a large role in setting these expectations when a characteristic is sufficiently salient and has a status-related hierarchy (Correll and Ridgeway 2006). In particular, broadly held stereotypes lead to gendered expectations of competence with women seen as less competent than men (Berger 1977; Ridgeway and Smith-Lovin 1999; Correll and Ridgeway 2006), especially in roles that are frequently seen as male typed (Ridgeway 2011).

The importance of gender as a status characteristics affecting evaluative outcomes is not diminished as evaluators have relevant performance information about that individual. A

substantial literature has emerged showing that individuals are frequently subjected to double standards in their evaluation depending on their gender (Foschi 1989). According to double standards theory, more data or higher demonstrated performance levels are required from women than from men to overcome lower expectations about the connection between their performance and their underlying ability (Foschi 2000). As such, women have to demonstrate a performance level in excess of the average man to receive the benefits that the average man experiences. The impact of gendered beliefs about competence and the double standards of evaluation also seem to increase when performance evaluations are made in settings with higher levels of uncertainty (Gorman 2006; Botelho and Abraham 2017).

When we consider the different streams of research discussed above, there are clear expectations that—on average—women receive lower returns to work experience than similar men. Furthermore, gendered career returns are primarily driven by gendered expectations held by evaluators (e.g., organization, manager, recruiters) especially when evaluators are faced with greater levels of uncertainty. However, these expectations come from the study of individuals working in roles at established firms. This starting point is logical given that these findings help describe the modal individual: moving from one job at an established firm to another. More recently, organizational scholars have called for careers research to further our understanding of how spells of entrepreneurship affect various facets of career paths (Burton, Sørensen, and Dobrev 2016; Merluzzi and Burt 2021).

In the next section, we begin to answer this call by building on the above research related to gendered returns to work experience to deepen our understanding of the conditions under which gendered returns to entrepreneurial work experience may occur.

Gendered Career Returns to Entrepreneurship Work Experience

Entrepreneurship has become a more common part of an individual's career path, with most founders coming from traditional roles at firms (Agarwal et al. 2004; Sørensen and Fassiotta 2011; Sørensen and Sharkey 2014). As has been shown, most entrepreneurs—and especially those engaging in innovation-driven or high-growth entrepreneurship—fail (Hall and Woodward 2010; Puri and Zarutskie 2012) and must return to traditional employment. Indeed, a potential entrepreneur's expectations about their future career prospects when they return to traditional employment have been hypothesized to be a critical input into their decision to attempt entrepreneurship in the first place (Manso 2016). Thus, we can expect the following career progression for the average entrepreneur: (1) employee at an established firm, (2) entrepreneur, and (3) employee at an established firm.

Building on the research above on gendered returns to work experience, we are particularly interested in whether former female entrepreneurs who re-enter traditional employment will experience different rates of career advancement relative to their last spell in traditional employment than former male entrepreneurs who re-enter. Specifically, using the career progression above, we are interested in comparing the position hierarchy between (3) and (1) after a spell as an entrepreneur (2). If the position hierarchy of (3) is higher than (1) then this person advanced in their career whereas if the position hierarchy of (3) is lower than (1) then this person regressed in their career. Comparing (3) to (1) between former female and male entrepreneurs will help suggest whether men and women experience different immediate career returns to entrepreneurship experience.

Apart from extending research on the gendered returns to work experience (Olson and Becker 1983; Maume 1999; Blau and DeVaro 2007; Castilla 2008; Benson, Li, and Shue 2021)

and the call to better understand how entrepreneurship affects careers outcomes (Burton, Sørensen, and Dobrev 2016), our research question also helps uncover an additional barrier women interested in entrepreneurship may face. Access to entrepreneurship is not equal across society, with a growing body of work demonstrating that there is a substantial gender gap in entrepreneurship (Guzman and Kacperczyk 2019) and variation in the size of that gap across industries and stages of individual's career (Miric, Yin, and Fehder 2022). These challenges do not end with starting a venture: Once women have entered entrepreneurship, emerging research have documented persistent inequalities in key steps of the entrepreneurial process such as funding (Brooks et al. 2014; Ewens and Townsend 2020; Kanze et al. 2020). Thus, any gendered returns to founder experience represents an additional roadblock women face relative to men.

An application of broader research on the gendered returns to work experience (Baron and Bielby 1980; Baron 1984; Bielby and Baron 1986; Reskin 1993; Phillips 2005; Castilla 2008) and the evaluative penalty women frequently face in professional contexts (Berger 1977; Ridgeway and Smith-Lovin 1999; Correll and Ridgeway 2006; Gorman 2006; Ridgeway 2011; Botelho and Abraham 2017) leads to a straightforward expectation: former female entrepreneurs will receive worse career returns to this experience than former male entrepreneurs. The primary mechanisms that underscore this expectation are those highlighted in related research in the preceding section. Former female entrepreneurs will experience worse career returns than former male entrepreneurs due to general concerns related to competence and quality (Berger 1977; Ridgeway and Smith-Lovin 1999; Correll and Ridgeway 2006). Furthermore, because entrepreneurship is male typed this penalty may be especially salient (Ridgeway 2011).

However, there is also reason to believe that the disparity between female and male entrepreneurs may be less substantive than the disparity between female and male employees at

traditional firms for two reasons: (i) entrepreneurship experience may present value to established employers and (ii) entrepreneurship experience may help resolve general competency and overcome stereotype concerns.

Although research on the returns to entrepreneurship experience is sparse, some research suggests that former entrepreneurs represent extraordinary value to traditional firms through a more innovative mindset and broader skillset. Entrepreneurs tend to have a human capital profile that emphasizes role diversity and breadth of experience that can be useful for future firms when they are employees (Lazear 2004; Campbell 2013; Luzzi and Sasson 2016). For example, Campbell (2013) finds that individuals with founder experience—founders and startup employees—have better career outcomes than those without this experience, conditional on being hired, in the semiconductor industry. Related research has discussed that startup employees experience a faster rise through their employer’s rank due to the breadth of experience that startup employment offers (Campbell 2013; Luzzi and Sasson 2016; Mahieu et al. 2021; Sorenson et al. 2021). To attenuate gendered returns to entrepreneurship experience, however, it must be the case that these expectations of broader skills and innovative mindset do not differ between men and women.

The little work that has examined gendered career returns to founder experience has focused on the initial stage of the hiring process, namely whether former founders receive different callback rates than non-founders when applying to jobs in the labor market. Using a field experiment, Botelho and Chang (2023) find that while former founders receive fewer callbacks male and female founders receive the same rate. A mechanism for their finding relates to commitment and fit concerns that hiring firms have over former founders. Although this may be used to suggest men and women may receive the same career returns to their founder experience,

Botelho and Chang (2023) present suggestive evidence—through interviews—that women may not fare as well as men in subsequent stages of the hiring process. Kacperczyk and Younkin (2022) also find a founder penalty but find that this is driven by male founders receiving fewer interviews. Again, whether male and female founders experience the same level of career advancement depends not only on whether or not they received an interview but how they traversed the full hiring process.

A primary reason that women experience worse evaluative outcomes is that gender is used by evaluators as a proxy for quality (Berger 1977; Ridgeway and Smith-Lovin 1999; Correll and Ridgeway 2006; Botelho and Abraham 2017) especially in contexts with high uncertainty (Botelho and Abraham 2017), such as hiring. Thus, it may be the case that the average female entrepreneur is seen as lower quality than the average male entrepreneur leading to gendered career returns to founder experience similar to gender effects seen in work focusing on career returns to traditional employment. However, there may be conditions under which where these gendered expectations are attenuated. Specifically, firms may value founder experience to an extent that attenuates gender difference and/or seeing founder experience may help combat performance-based concerns due to the obstacles that female founders must overcome (Brooks et al. 2014; Ewens and Townsend 2020; Kanze et al. 2020) in certain cases.

Exploring Potential Mechanisms to Overcome Gendered Returns to Entrepreneurship Work Experience

Prior research more strongly sets the expectation that female entrepreneurs returning to traditional employment will experience worse immediate career returns to founder experience than former male entrepreneurs. As discussed in the prior section, equality for female and male entrepreneurs hinges, at least in part, on founder experience quelling the issues that drive gendered career returns more generally. Prior research on the gendered returns to careers has shown that organizational

and individual-level factors combine in complex ways to generate substantial variation in career-level inequality across organizations (Barnett, Baron, and Stuart 2000; Petersen and Saporta 2004). We draw on these findings from the broader organizational research and explore two potential sources of heterogeneity in the gendered returns to entrepreneurship experience: organization-level gender composition and individual-level signals of competence.

The gender composition of an organization might influence the penalty experienced by female entrepreneurs returning to traditional employment because it influences the degree to which the organization relies upon gendered stereotypes in their hiring decisions. Because managers have substantial discretion in creating job titles and job descriptions, gender stereotypes can enter the selection and screening process, leading to substantial differences in the gender composition of similar roles across different organizations (Perry, Davis-Blake, and Kulik 1994; Gorman 2005; Kmec 2005; Gorman and Kmec 2007). Although a variety of organizational interventions have been explored to reduce the incidence of gender discrimination in the workplace (Kalev, Dobbin, and Kelly 2006), the role of gender representation in managerial roles has proven especially important.

A substantial literature has emerged that suggests that higher levels of female representation in managerial roles can substantially curtail gender inequality along a number of dimensions. Arguing that higher levels of female representation track with greater access to organizational power structures, a number of studies have shown that higher levels of female executives in an organization in one period leads to substantially higher growth in female representation and desegregation of roles in future years (Baron, Mittman, and Newman 1991; Huffman, Cohen, and Pearlman 2010; Kurtulus and Tomaskovic-Devey 2012). Similarly, the addition of female members to a company's board increases the level of female executives at the

firm (Gould, Kulik, and Sardeshmukh 2018). Other work has suggested that firm gender composition also leads to greater rates of female representation through homophily-related hiring and promotion preferences (Beckman and Phillips 2005; Castilla 2011). While some empirical work stresses that the effect of female representation can be more muted or even negative in some contexts (Srivastava and Sherman 2015; Abraham 2017), the preponderance of studies show a positive role for mitigating gender inequality.

Thus, we would expect that, all else being equal, organizations with higher levels of female representation will be more likely to view the entrepreneurial experience of female entrepreneurs more equally than those with lower levels of representation. It is important to note, however, that the role of gender on hiring decisions for external candidates is complicated and can be influenced by different demand-side and supply-side mechanisms at different stages of evaluation (Fernandez-Mateo and Fernandez 2016). These multistage evaluation processes, especially for more senior candidates, could mitigate the ability to determine the precise mechanisms generating any observed organization-level differences without more fine-grained data on the hiring process. Because the role of gender on hiring decisions can vary at different levels of seniority (Petersen and Saporta 2004), we focus on the gender composition of the firm at the level of seniority for which the returning entrepreneur is hired.

Another factor that may shape career advancement upon leaving entrepreneurship is the relative success of the venture they have founded because it can serve as a signal of the entrepreneur's underlying competence. There are substantial uncertainties in assessing how a founder's entrepreneurial experience will translate into performance in their new role when they return to traditional employment (Mahieu et al. 2021). A key source of uncertainty is determining the quality of a founder's technical, managerial, or strategic choices while they led their startup.

Even professional investors in startups have substantial issues evaluating the quality of new firms, so that they often rely on the prior experience of the founding team rather than business fundamentals to make investments (Bernstein, Korteweg, and Laws 2015; Gompers et al. 2020) and cite luck as a substantial factor in successful investments (Gompers et al. 2020). Given the substantial uncertainties facing even investors in evaluating startup quality, hiring managers are more likely to attend to easily-verified signals of success such as the size of the firm to inform judgements on how the founder's entrepreneurial experience relates to their overall competence (Spence 1973).

As entrepreneurial experience is unlikely to be included in a job description in an established firm, hiring managers have substantial discretion in how they connect the signal of a startup's higher or lower growth to the founder's suitability for future positions, providing scope for gendered stereotypes of competence to potentially taint evaluations of these entrepreneurs (Berger 1977; Ridgeway and Correll 2006; Fernandez-Mateo 2009; Moss-Racusin et al. 2012). Because signals of high capability can also be interpreted as potential warning signs of potential lack of commitment to a future employer (Galperin et al. 2020), gender plays a large role in how hiring managers balance the trade-offs between capability and commitment in the evaluation of potential employees (Campbell and Hahl 2022). Alternatively, signals of high achievement have been shown in other contexts to allow female employees to overcome the penalties associated with double-standards (Foschi 2000; Botelho and Abraham 2017). Given that previous work on the evaluation has stressed that uncertainty increases reliance on gender stereotypes (Botelho and Abraham 2017), we expect that there should be substantial differences in the immediate returns to having founded high-growth versus low-growth startups for male and female founders.

DATA

Data Source and Sample Construction

We used proprietary data from LinkedIn obtained through LinkedIn's Economic Graph Research Program. The data used are based on the publicly available data from the profile pages of individuals and provide career and education histories. Data are anonymized and the identity of individual entrepreneurs are protected. We provide a detailed overview of the construction of the analysis sample in Appendix A. One salient limitation of the LinkedIn data is that individuals decide whether or not to create a LinkedIn profile and what their profile will contain. In certain industries, such as technology, participation in LinkedIn is pervasive whereas participation in LinkedIn is substantially lower in other industries, such as construction (Zhu, Fritzler, and Orłowski 2019). Thus, the LinkedIn Economic Graph Research Program data is best suited to study questions related to career trajectories for highly-skilled individuals (Tambe and Hitt 2014; Brynjolfsson, Rock, and Syverson 2018), which fits the goal of our study. Relatedly, researchers have noted that individuals that engage in entrepreneurship and subsequently return to traditional employment are disproportionately drawn from higher levels of the human capital distribution (Levine and Rubinstein 2018). Thus, we believe that these data limitations do not unduly impact the appropriateness and validity of our sample for our research question.

We limit our data to individuals with LinkedIn profiles that are based in the US. It is important to allow for enough time for someone to leave traditional employment, found a new venture, and then re-enter traditional employment. As such, our sample construction begins by restricting to individuals who entered employment between 2005 and 2018, self-identified as entrepreneurs between 2016 and 2019, and re-entered the workforce by 2020, excluding entrepreneurs who pursue serial entrepreneurship by founding another startup from our analysis. Together with a further set of data validation steps detailed in Appendix A, these restrictions ensure

that we have complete and accurate career histories before and after entrepreneurship. Depending upon the particular analysis presented, we use different subsets of the population; for example, with entrepreneurs re-entering the workforce at large firms, and we note the particulars about the subset construction in the accompanying text for the analysis.

Identifying Founders

We identify individuals who engaged in entrepreneurship (i.e., founders) based on their description of the positions that they have held in their profile. Spells of entrepreneurship are identified when an individual describes their position in the firm with strings such as “founder,” “founding,” or “entrepreneur” that are indicative of having started a new firm. We also validated these by looking at individuals with a classifier-based measure that was trained to group positions based on the free text included in individual profiles. We exclude ventures which did not employ anyone other than the founder, and ventures for which the founded firm did not have a completed LinkedIn profile.² We also take steps where we have a higher likelihood of misclassifying founders (i.e., false positives). For instance, we omit founders of very large firms with more than ten-thousand employees. We also omit those that are founders of ventures which are multi-level marketing schemes.³ Our final sample contains 47,087 entrepreneurs.

We next describe our main measures and controls (see Appendix A for further detail about the full sample construction and further measure details).

² In addition to individuals, firms also have LinkedIn profiles. Firm profiles are created by users affiliated with the firm or automatically by LinkedIn based on the firm’s web presence. These data are validated by both the firm and LinkedIn to ensure they are valid (e.g., Number of Employees, Industry). By restricting our analysis to founders of firms with completed LinkedIn profiles, we ensure that our data focuses on verifiable startup firms.

³ These would appear as very high growth ventures, but in fact simply reflect a large number of salespeople who would describe themselves as a founder of a mini-venture.

Measures

Differentiating the Seniority / Hierarchy of Positions across Workers

One of the challenges in understanding career outcomes for individuals after entrepreneurship, is to reliably quantify the level of seniority that individuals occupy in positions before and after an entrepreneurship spell. The LinkedIn Economic Research Graph provides a classification of all positions described by individuals, into fine grained jobs (e.g., Software Engineer, Project Manager), as well as more coarse classification that reflects the overall level of seniority of the position: *Entry level, Mid-level Management, Senior Management* and *CXO*.⁴ The latter seniority hierarchy provides coarse indication of the overall level of seniority that can be compared across firms and industries. Examples of entry level roles include business analyst or marketing coordinator. By comparison, CXO roles can involve C-Suite roles such as Chief Executive Officer (CEO) or Chief Technology Officer (CTO), as well as Partner or Principal roles in consultancies or legal practices. We provide examples of the different job titles within each level of seniority in Figure 1.

Immediate Career Returns to Entrepreneurship

As described above, each job is assigned a coarse level of seniority within the LinkedIn Economic Research Graph dataset: *Entry Level, Mid-level Management, Senior Management* and *CXO* (e.g., CEO, COO, CFO). Entry level represents the least senior roles and CXO represents the most senior roles. We are interested in the following career progression: (1) employee at an established firm, (2) entrepreneur, and (3) employee at an established firm. We measure the immediate career returns to founder experience by comparing an individual's position in the LinkedIn's seniority hierarchy when they re-enter the labor market after entrepreneurship (3) to their position in the

⁴ Reports published by the LinkedIn Economic Research Graph report use this hierarchy. Examples of this: <https://economicgraph.linkedin.com/blog/gender-equity-insights-wef>

LinkedIn's seniority hierarchy before they entered entrepreneurship (1). *Advance* means that an individual advances one level (or more) up the standardized seniority hierarchy when comparing (3) to (1), *Same Level* indicates that an individual remains at the same level, and *Regress* indicates that an individual regresses one level (or more) down. For example, if an individual's role before entering entrepreneurship was classified as *Senior Management*, *Advance* indicates that their role after re-entering traditional employment from entrepreneurship was classified as *CXO*; *Regress* indicates that their subsequent role was classified as *Mid-level Management* or *Entry Level*; and *Same Level* indicates that their subsequent role was classified as *Senior Management*. In Appendix C, Figure C.1.i we provide a transition matrix which documents the proportion of all potential career return outcomes in our data.

Identifying Founder Gender

We identify the gender of the entrepreneurs in our sample based on first and last names using a gender-based classification algorithm developed internally by the data science team at LinkedIn; individuals whose names could not be identified were omitted. Each individual in our data were identified as either *Male* or *Female* based on this classification. We included sensitivity checks by including those individuals whose names could not be reliably identified and the results are robust.

Measuring the Gender Composition of Hiring Firm

After presenting our main results, we will explore whether the impact of gender on immediate career returns to entrepreneurship varies by the gender composition of the firm that hires the entrepreneur when they return to traditional employment. Because the role of gender on hiring decisions can vary at different levels of seniority (Petersen and Saporta 2004), we focus on the gender composition of the firm at the level of seniority for which the focal individual is hired. Specifically, we create a dichotomous variable for whether the share of women at that firm is

higher or lower than the median share of women across all firms in the US LinkedIn sample for the level of seniority for which the focal individual is hired.

To construct this measure, we compute for each firm in the LinkedIn data the number of individuals at each level of the seniority hierarchy, the number of women at each hierarchy level, and then compute a share of women at each level of hierarchy for all firms. With the full distribution of the share of women by hierarchy level in the US LinkedIn sample, we compute the median share of women by level of hierarchy. Next, we use these median statistics to code whether the firm has a higher than median or lower than median share of women in the level of seniority in which the focal individual is hired when returning to the labor market. We use this firm-seniority-level coding to construct two subsamples: Those where the share of women is above the median, and where the share of women is below the median.

We note that there are multiple alternative methods for measuring gender composition of the firm. In the Appendix B, we calculate other measures of gender composition and use them in alternative regressions to test the robustness of our results using this measure.

Measuring the Growth (Size) of Startup

Given the reliance on gender-based stereotypes of competency, the effect of gender on the immediate career returns to founder experience may vary by the perceived quality of the founder experience. We explore this potential source of heterogeneity by measuring the growth of the entrepreneur's startup prior to their return to traditional employment. To reliably measure the growth of different ventures across the economy we used firm size, namely the total number of employees. We define this based on the maximum number of employees that are reported to be working within the startup at any one time. We chose to measure the startup's maximum

employment rather than employment at the founder's time of departure because the founder's departure might be associated with closure of the firm or some other organizational shift.

Within our core regressions, we use this variable, *Founded Firm Size*, as a control variable. In addition, we use this variable to create split samples in later regressions to explore heterogeneity. In that analysis, we distinguish founder only businesses or low-growth ventures as those having fewer than 50 employees. By contrast, those that have 50 or more employees are defined as being higher growth ventures. The results are robust to different cutoffs of what higher versus lower growth firms represent. However, there are fewer high growth ventures and therefore the sample decreases considerably as the threshold increases.

Control Variables

We control for available measures that may affect the career returns individuals experience. As described above, *Founded Firm Size* measures the size of the individual's startup, based on the number of employees. *Re-Entry Firm Size* measures the size of the firm (based on employee count) that the individual's joins when re-entering the labor market by measuring the number of employees in the LinkedIn sample working at the firm in the year the entrepreneur is hired. *Re-Entry Industry Same as Founded* takes the value of 1 if the individual joins the same industry as their startup and 0 otherwise. *Re-Entry Industry Same as Previously Employed* takes the value of 1 if the individual joins the same industry that they worked in prior to founding their own venture. Each of these variables is meant to control for variation in the applicability of the human capital the individual derived as an entrepreneur to their new firm (Levine and Rubinstein 2018). Finally, we include fixed effects for the industry of the firm that re-hired the individual after entrepreneurship to help account for macroeconomic factors that might impact the immediate career returns to founder experience for returning founders, such as variation in the industry-level

receptivity to failed founders and gendered sorting patterns; and fixed effects for the year in which the founder was rehired to help account for various factors about the labor market in a given year.

ANALYSIS AND RESULTS

Estimation Strategy

To analyze whether men and women experience different immediate career returns to founder experience when they re-enter the labor market, we use a multinomial logit. We estimate:

$$\Pr(Y_i = k) = f(\beta_1 \text{MALE} + \gamma_t + \gamma_{ind} + X\beta_c; \epsilon_i) \quad (1)$$

Our main parameter of interest is β_1 which measures the relationship of entrepreneur i 's gender and their immediate career returns k (e.g., *Advance*, *Regress*, or *Same Level* (baseline)). $X'\beta_c$ represents a vector of control variables (see Control variables section), γ_t is a fixed effect for the year in which individual i re-enters the labor market, and γ_{ind} is a fixed effect for the industry that individual i re-enters.

The structure of job searches and subsequent evaluation of re-entering entrepreneurs may vary substantially across each level of an entrepreneur's initial level of organizational hierarchy before entering entrepreneurship. For example, entrepreneurs re-entering entrepreneurship may apply directly to job postings for lower-level positions but may be recruited directly for levels of higher organizational seniority. To ensure that our estimates of the relationship between gender and immediate career returns to founder experience when re-entering traditional employment is not impacted by unobserved differences in the structure of the labor market, we chose to estimate the statistical model described above on sub-samples split by the entrepreneur's level of organizational hierarchy when they left traditional employment to start their company.

Summary Statistics for Variables

In Table 1, we provide the summary statistics for our main variables and the control variables included in our analysis. For the 47,087 entrepreneurs included in our sample that entered

entrepreneurship between 2016 and 2019 and then re-entered the workforce prior to 2020, we find that a large majority (78%) are male entrepreneurs, as expected given prior research on the gender gap in entrepreneurship (Guzman and Kacperczyk 2019; Miric, Yin, and Fehder 2022). Beyond the gender composition, we find substantial differences across the sample in terms of the maximum employee size of the firm that they founded as well as the size of the firm they join when they re-enter the labor market. In addition, the entrepreneurs in our sample show important differences in terms of changing industries when they start a company and when they eventually re-enter traditional employment. Overall, we believe that these variables substantially control for the degree to which an individual's founder experience is directly applicable to their next role in traditional employment and the degree of uncertainty facing the hiring firm when they evaluate the candidate.

Former Entrepreneur Gender and Re-Entering Traditional Employment

We first explore the career returns to entrepreneurship experience by founder gender; in particular, we are interested in whether individuals advance, regress, or return to the same level after entrepreneurship by providing a descriptive plot of the distribution of outcomes for men and women, at each level of seniority held prior to entrepreneurship (Figure 2). In Entry Level Roles (Panel D) where founders may only advance or return to the same level, a greater share of men than women advance and a greater share of women than men return to the same position. For Mid-level and Senior roles, a greater share of men advance to more senior positions and a greater share of women regress to more junior positions after entrepreneurship. For CXO roles where advancement is not possible, a greater share of men return to CXO roles, while a greater share of women return to more junior positions. Overall, this implies a higher proportion of former male entrepreneurs in the data experience advancement in their career when they re-enter traditional

employment than former female entrepreneurs. In addition, when career regression is possible—when individuals held non-entry level roles before entrepreneurship—a higher proportion of female entrepreneurs regress to lower levels of organizational hierarchy than male entrepreneurs.

These plots are suggestive of strong gender differences in the immediate career returns to founder experience when re-entering traditional employment. However, there are a number of factors that may confound the role of gender in the patterns plotted (Figure 2). Thus, to better isolate the impact of gender on the immediate career returns to founder experience for former entrepreneurs, we include control variables, described above, that may influence this process into our individual-level dataset and use our preferred empirical strategy of estimating multinomial logit models (Table 2).

In Table 2, we estimate the multinomial logit model described in equation 1 for each subsample of our data by level of seniority the entrepreneur had achieved before leaving traditional employment for entrepreneurship. In addition, we explore the sensitivity of our analysis to the inclusion of entrepreneur-level controls by including only industry and year fixed effects in our first estimate and then adding controls in the next estimate on the same subsample. For example, our estimate of the main gender effect, β_1 , in Model 1, a statistically significant coefficient of 0.7, implies that male entrepreneurs that had previously reached a CXO level position prior to entrepreneurship are 30% less likely to re-enter traditional employment in a more junior position (i.e., regress) relative to female entrepreneurs who had similarly reached CXO level.

In Model 2, we add a number of entrepreneur-level controls and find that our estimate of the gender effect does not change significantly. In Model 3, we repeat the same analysis for a subsample of entrepreneurs that had reached Senior Management prior to entering entrepreneurship. Here, entrepreneurs can both *Regress* and *Advance*, so the multinomial logit

simultaneously estimates the likelihood of both events relative to the baseline of staying the same. Our statistically significant estimate of 0.82 implies that male entrepreneurs at this level of seniority are 18% less likely to regress relative to similar female entrepreneurs, and our statistically significant estimate of 1.23 implies that male entrepreneurs are 23% more likely to advance. Model 4 shows that these estimates are not sensitive to the inclusion of entrepreneur-level controls. Across all seniority-level subsamples, we find statistically significant estimates that male entrepreneurs are between 23% and 31% more likely to advance in their career relative to similar female entrepreneurs. Across nearly all seniority level subsamples (except Model 6), we show statistically significant estimates of a gender effect implying male entrepreneurs between 10% and 30% less likely to regress to a lower level of seniority when returning to traditional employment. In Appendix B, we explore the robustness of these results to an alternative statistical model, the ordered logit, and find the results of these models consistent with our preferred specification.

In order to better illustrate the relationship between gender and the immediate career returns to founder experience across the organizational hierarchy, we plot the probability of male and female entrepreneurs experiencing each re-employment outcome conditional on covariates for each level of prior seniority (Figure 3). In Panel A (Figure 3), we show a monotonic relationship where entrepreneurs are more likely to regress in their careers when they previously held more senior roles (i.e., CXO) and more likely to advance when they held more junior roles (i.e., entry-level). Although women and men have the same qualitative patterns across seniority levels, women are always at higher risk for regressing and lower risk for advancing. Panel B (Figure 3) helps clarify this advantage by plotting each potential career outcome by level of seniority held previous to entrepreneurship for male and female entrepreneurs.

Overall, we find that women receive consistently lower immediate career returns to their

founder experience than men. Across the levels of seniority analyzed, we find that when women leave a position at an established firm to start their own venture they are less likely to advance and more likely to regress than men when re-entering the labor market relative to the position they held prior to entrepreneurship. This trend suggests that founder experience is evaluated more negatively for women than for men by hiring firms. Next, we explore two potential mechanisms that may affect this relationship: the gender composition of the hiring firm and the growth of the entrepreneur's venture.

Differences in the Gender Composition of the Hiring Firm

One potential driver of the gendered returns to founder experience that we observe is the gender composition of the position that they are rehired into at their new firm. This may reflect differences in how men and women pursue employment after entrepreneurship (e.g., Cech et al. 2011; Barbulescu and Bidwell 2013; Brands and Fernandez-Mateo 2017), or this may be shaped by how women versus men are evaluated for such roles, by those within the hiring company in question (Correll 2001; Cech et al. 2011; Wynn and Correll 2017).

We measure gender composition using the share of women working within the level of hierarchy where the focal individual is being hired when returning to the labor market. As described in the data section, we split the sample into those that are re-entering at seniority levels where the share of women at the firm is above the median value (as computed within our sample) or below the median value.⁵ This would compare former founders re-entering the labor market in positions where there is already a relatively high share of female employees, to former founders re-entering in positions where there is a lower share of female employees. Our regression results

⁵ The results are robust to alternative computations of these variables, including the way the sample is split between shares of higher versus lower shares of female workers (e.g., majority women instead of median), or by computing these shares at the position-level. We report the other results in the appendix.

reflect whether there are differences between outcomes (*Advance*, *Regress*, or *Same Level*) for men and women re-entering the labor market in positions at firms with such characteristics.

In Table 3, Model 1, we provide our estimate of the main gender effect, β_1 , for the subsample of entrepreneurs that had reached a seniority level of CXO prior to entrepreneurship and were hired by a firm with above median share of women at the seniority level of the firm at which they were subsequently hired. Our estimate of 1.32 is statistically insignificant but is substantially different in magnitude to the estimate in Model 2 where we estimate β_1 on a subsample of entrepreneurs with previous CXO experience but entered firms with lower than median share of women. In Model 3, we turn to a subsample of entrepreneurs that had reached Senior Management levels prior to entrepreneurship and are hired at firms with higher than median share of women employees at the level of seniority where they are hired. Here, we again find a statistically insignificant result on the impact of gender on the probability of regressing (1.17) but we find a statistically significant estimate of 0.67 for β_1 on the probability of advancing which implies that male entrepreneurs at this level of seniority are 33% less likely to advance relative to female entrepreneurs when they are hired by firms with higher than median share of women employees at their level of seniority.

Overall, Table 3 shows significant differences in the relationship between gender and the likelihood of advancing to higher levels of seniority when taking into account the gender composition of the hiring firm. For firms that have higher levels of female representation at the level of organizational hierarchy where the entrepreneur is hired, men are between 18% and 33% less likely to advance in their careers relative to women (Models 3, 5, and 7). In contrast, when entrepreneurs are hired into firms with lower levels of female representation—or greater male representation—male entrepreneurs are between 46% and 72% more likely to advance to higher

levels of organizational hierarchy relative to similar female entrepreneurs (Models 4, 6, and 8). Thus, male entrepreneurs are more likely to advance to higher levels of organizational hierarchy relative to similar female entrepreneurs when they are hired by firms with less women at the same level of organizational hierarchy and less likely to advance when that level of hierarchy is more female within the firm. Interestingly, if we interpret this as a homophily effect consistent with prior findings (Castilla 2011), then the homophily effect for female entrepreneurs in organizations with high levels of female representation appears to be lower than the homophily effect for male entrepreneurs in organizations with higher levels of male representation. This suggests that the gendered career returns are driven by positions at firms with greater male representation, whereas greater female representation serves to attenuate the presence of gendered returns. In Appendix B2, we explore the robustness of these results to splitting the sample on alternative measures of female inclusiveness within the hiring firm and find the results of these alternative models are consistent with the results in the main paper.

This evidence suggests that the evaluation of founder experience by traditional organizations is at least partly related to female representation. The fact that the most senior positions are usually male dominated implies that former female entrepreneurs are more likely than similar men to face negative immediate returns to their founder experience.

Differences in the Growth (Size) of Startup

One aspect that reflects the success of the venture is the growth, as reflected by the number of employees in the venture. Even when a venture eventually fails, and the founder re-enters the labor market—working for an established firm—having founded and led a high growth company may provide a signal about managerial competence or experience marshalling resources, employees and running an established venture.

To test the role of a quality signal for the startup, we use a startup's size. Specifically, we split our sample into entrepreneurs whose startups have achieved substantial growth, measured by maximum size of 50 employees or more, and those who did not (Table 4). For entrepreneurs that founded firms that exhibited substantial growth (50 employees or more), we find that male entrepreneurs are between 38% and 149% more likely to advance in their career when compared to similar female entrepreneurs depending upon the level in organizational hierarchy they reached in the position directly before entering entrepreneurship (Models 3, 5, and 7). For entrepreneurs whose startups experienced lower growth (49 employees or less), we find that male entrepreneurs experience a smaller advantage in the likelihood of advancing in their career ranging from no statistically significant difference to a 27% higher chance of advancing in their career relative to similar female entrepreneurs (Models 4, 6, and 8). These results suggest that male entrepreneurs with more successful startups are evaluated more favorably such that they have substantially increased chances of advancing to higher levels of organizational hierarchy when they return to traditional employment.

We find more limited evidence that male entrepreneurs are penalized less if their startups achieve lower levels of growth. For entrepreneurs who left CXO positions when they entered entrepreneurship, we find that male entrepreneurs whose startups had lower growth are less likely to regress to lower levels of organizational hierarchy relative to similar female entrepreneurs (Model 2), but we find no statistically significant evidence of differences between male and female entrepreneurs in terms of their likelihood of regression for other levels of organizational hierarchy or organizational success. In Appendix B3, we explore the robustness of these results to an alternative measure of entrepreneurial quality, duration in entrepreneurship, and find the results of these alternative models consistent with the results above.

This evidence seems consistent with theories of double standards in the evaluation of the quality of founder experience. Because entrepreneurship is stereotyped as a male activity, male entrepreneurs are given more credit for having skills that might be valuable in traditional employment. Interestingly, this gap gets larger as male entrepreneurs fulfill more of the competence expectations associated with entrepreneurship (i.e., finding valuable opportunities that can sustain higher employment). While it may be the case that superstar performance would help overcome this double standard as found in prior work (Botelho and Abraham 2017), our ability to measure granular performance at the highest level of performance is limited.

Differences in Founders Returning to Previous Employer versus Different Employers

Hiring is rife with uncertainty about a job candidate's skills and ability to fit into and remain committed to a hiring firm (Spence 1973; Chatman 1989). This uncertainty presents a challenge to all job candidates and may exacerbate the role of entrepreneurship and gender in the hiring process. Thus, one explanation of the observed outcomes thus far may be that there are gendered returns to entrepreneurship due to the uncertainty in the hiring process, namely hiring firms are reacting to the uncertainty related to hiring overall and not specifically to gendered evaluation of entrepreneurial experience. To help account for this source of uncertainty, we next consider individuals who re-join their former employer after their founder experience. In particular, individuals who leave Employer X to become an entrepreneur and then re-enter the labor market by returning to Employer X. Previous employers have more detailed information about former employees, such as their ability and productivity, compared to a new employer, which has limited information. Therefore, observing whether gender differences persist even among founders who return to the same employer, may suggest something about the extent to which these results are

driven by the nature of the founder experience, rather than gendered differences in the ability of firms to evaluate workers overall.

In Table 5, we report the results for founders who return to their previous employer in Models 1, 3, 5 and 7. There is a difference for men in Entry and Mid-Level roles, whereby men returning to entrepreneurship are 63% and 350% more likely respectively to advance as compared to women when being rehired into the same firm. These effects are considerable and suggest that the main effects we observed are not due to the general uncertainty that hiring firms face when they are unfamiliar with an employee.

In Models 2, 4, 6, and 8 we report the results for founders being hired but by new employers, that they did not work for in the position immediately before founding their entrepreneurial venture. The results particularly for senior management and entry level roles, indicate that men are approximately 30% more likely to advance as compared to women when joining a new firm in such roles. Thus, men are more likely to advance when re-entering the labor market after founding a startup regardless of whether they join a firm they have or have not worked for in the past.

DISCUSSION AND CONCLUSION

This paper answers the call from organization scholars to bring the study of entrepreneurship into the study of careers (Burton, Sørensen, and Dobrev 2016; Merluzzi and Burt 2021). We focus on the immediate career returns to entrepreneurial experience when founders return to traditional employment because this transition represents a critical transition point in an entrepreneur's career that has been unexplored until recently (Kacperczyk and Younkin 2022; Botelho and Chang 2023). Furthermore, we provide a link between research on gendered career advancement in traditional organizations (Reskin 1993; Maume 1999; Blau and DeVaro 2007; England, Levine, and Mishel

2020) to gendered career advancement after entrepreneurship. This paper is the first—to our knowledge—to investigate whether there is a relationship between former founder gender and immediate career returns to entrepreneurial experience.

We show that entrepreneurship can be a pathway to career advancement, but that the likelihood of advancement is gendered, on average. Across all levels of prior-position seniority, we observed that female entrepreneurs returning to traditional employment were less likely to advance in their career and more likely to regress relative to similar male entrepreneurs. Our results contribute to and expand upon well-established research on the organizational drivers of gender inequality in the labor market (Baron 1984; Bielby and Baron 1986). Consistent with research on double standards (Foschi 1989; 2000), we show that entrepreneurship does not eliminate the likely reliance on gender stereotypes in the evaluation of competence but instead founder experience is a pathway to increase the disparity between men and women.

We also contribute to the broader research on the conditions under which gender disparity is present within and across organizations (Baron, Mittman, and Newman 1991; Huffman, Cohen, and Pearlman 2010; Kurtulus and Tomaskovic-Devey 2012; Gould, Kulik, and Sardeshmukh 2018). We provide suggestive evidence of an organizational mechanism that may help explain the differences in the immediate career returns to founder experience between male and female founders, namely an organization's gender composition. In organizations with female representation lower than the national median in the level of seniority to which the entrepreneur is hired, we observe a stronger gender disadvantage for female entrepreneurs in terms of career advancement than the effects we observed in the full sample. In contrast, in organizations with higher levels of female representation, female entrepreneurs are *more likely* to advance in their career relative to similar male entrepreneurs, reversing the effects observed in the full sample.

Our results on the gendered evaluations of high- and low-growth entrepreneurs also contribute to recent work that explores the mitigating factors that alleviate or lessen the burden of double standards (Botelho and Abraham 2017; Foschi, Ndobu, and Faure 2019). Unlike previous studies where signals of high performance substantially reduced the application of double standards (Botelho and Abraham 2017), female entrepreneurs with high growth ventures experienced a larger gender penalty in terms of likelihood of advancement relative to female entrepreneurs that founded low-growth ventures. This finding suggests that signals of high competence in our setting may be outweighed by issues of fit and commitment shown to be relevant to evaluating entrepreneurs (Botelho and Chang 2023), although we note that the coarseness of our growth measure may obscure changes in the career returns for female entrepreneur whose startups experienced exceptionally high growth.

Although we provide large-scale evidence of gender differences in the career returns to founder experience, there are several limitations to our study. First, our evidence is focused on the immediate career returns. The more long-term consequences of this initial difference could become more magnified over time or they could become more muted as former founders are better matched to career opportunities that match their skills (Hegde and Tumlinson 2021). Indeed, prior studies have suggested that the long-term wage consequences of entrepreneurship are positive (Campbell 2013).

Our data offers the breadth and depth to understand the relationship between founder gender and career returns to founder experience. However, we cannot disentangle the contribution of demand- and supply-side forces at play in this setting. Indeed, prior work in other organizational settings has demonstrated that these forces can only be fully accounted for when researchers can observe the supply and progression of applicants across multiple stages of a recruitment pipeline

(Fernandez-Mateo and King 2011; Fernandez-Mateo and Fernandez 2016). We believe that entrepreneurship is a fruitful setting for future studies to understand the interplay of demand- and supply-side forces in creating and propagating gender inequality.

Our study has a number of broader implications for both policy and future research. While a growing literature documents the gender gap in entrepreneurship (Guzman and Kacperczyk 2019; Miric, Yin, and Fehder 2022), our understanding of the mechanisms generating this gap are extremely limited. This paper underlines the importance of bringing an organizational lens to this question with a focus on how entrepreneurship fits into an individual's broader career (Sørensen and Fassiotto 2011; Burton, Sørensen, and Dobrev 2016). If the gender difference in the career returns to founder experience serves as a hitherto unknown roadblock to female participation in entrepreneurship, it could feed into a negative cycle which could shape a substantial portion of the gender gap.

For example, the immediate career returns of entrepreneurs may serve as an important input to the career aspirations of other individuals. Past research has demonstrated that there are significant workplace peer effects that stimulate entrepreneurial entry (Nanda and Sørensen 2010), but research has not examined whether these peer effects are gendered or moderated by the degree to which the careers of workplace peers were advanced by their entrepreneurial experience. If the immediate returns of entrepreneurs returning to established firms do indeed influence the entrepreneurial aspirations of workplace peers of the same gender, then the gendered effects of entrepreneurial experience on career advancement that we observe in this study could serve as an important factor in driving the gender gap in entrepreneurship.

Similarly, although most new firms founded by entrepreneurs fail, the long-term impact of the few successful female-led ventures may be substantial. Because organizational routines and

structure show substantial inertia after they are founded (Beckman and Burton 2008), new women-led organizations could provide an opportunity to introduce new female-friendly organizations to the economy and potentially more equitable organizations overall (Carnahan and Greenwood 2018). Indeed, our results show that firms with substantial female representation are far more conducive to the advancement of a female entrepreneur's career when they re-enter into traditional employment.

Lastly, lack of female representation in the ranks of entrepreneurship has important consequences for society more broadly. Entrepreneurship is a major driver of attainment, such as wealth creation, and thus unequal access to entrepreneurship is likely to persist (or even exacerbate) wealth inequality (Cagetti and De Nardi 2006). While important on its own, gender differences in the distribution of wealth may have important long-term consequences on the distribution of innovation which may push the economy towards more male-focused products and services (Stuart and Sorenson 2003; Koning, Samila, and Ferguson 2021).

REFERENCES

- Abraham, Mabel. 2017. "Pay Formalization Revisited: Considering the Effects of Manager Gender and Discretion on Closing the Gender Wage Gap." *Academy of Management Journal* 60 (1): 29–54.
- Agarwal, Rajshree, Raj Echambadi, April M. Franco, and Mb Sarkar. 2004. "Knowledge Transfer Through Inheritance: Spin-Out Generation, Development, and Survival." *Academy of Management Journal* 47 (4): 501–22.
- Baldi, Stephane, and Debra Branch McBrier. 1997. "Do the Determinants of Promotion Differ for Blacks and Whites? Evidence from the US Labor Market." *Work and Occupations* 24 (4): 478–97.
- Barbulescu, Roxana, and Matthew Bidwell. 2013. "Do Women Choose Different Jobs from Men? Mechanisms of Application Segregation in the Market for Managerial Workers." *Organization Science* 24 (3): 737–56.
- Barley, Stephen R. 1989. "Careers, Identities, and Institutions: The Legacy of the Chicago School of Sociology." In *Handbook of Career Theory*, 41. Cambridge: Cambridge University Press.
- Barnett, William P., James N. Baron, and Toby E. Stuart. 2000. "Avenues of Attainment: Occupational Demography and Organizational Careers in the California Civil Service." *American Journal of Sociology* 106 (1): 88–144.
- Baron, James N. 1984. "Organizational Perspectives on Stratification." *Annual Review of Sociology* 10 (1): 37–69.
- Baron, James N., and William T. Bielby. 1980. "Bringing the Firms Back in: Stratification, Segmentation, and the Organization of Work." *American Sociological Review*, 737–65.
- Baron, James N., Brian S. Mittman, and Andrew E. Newman. 1991. "Targets of Opportunity: Organizational and Environmental Determinants of Gender Integration within the California Civil Service, 1979-1985." *American Journal of Sociology* 96 (6): 1362–1401.
- Beckman, Christine M., and M. Diane Burton. 2008. "Founding the Future: Path Dependence in the Evolution of Top Management Teams from Founding to IPO." *Organization Science* 19 (1): 3–24.
- Beckman, Christine M., and Damon J. Phillips. 2005. "Interorganizational Determinants of Promotion: Client Leadership and the Attainment of Women Attorneys." *American Sociological Review* 70 (4): 678–701.
- Benson, Alan, Danielle Li, and Kelly Shue. 2021. "Potential" and the Gender Promotion Gap." Working paper.
- Berger, Joseph. 1977. *Status Characteristics and Social Interaction: An Expectation-States Approach*. Amsterdam: Elsevier Scientific Publishing Co.
- Bernstein, Shai, Arthur G. Korteweg, and Kevin Laws. 2015. "Attracting Early Stage Investors: Evidence from a Randomized Field Experiment." *Journal of Finance*, 14–17.
- Bertrand, Marianne, Claudia Goldin, and Lawrence F. Katz. 2010. "Dynamics of the Gender Gap for Young Professionals in the Financial and Corporate Sectors." *American Economic Journal: Applied Economics* 2 (3): 228–55.
- Bielby, William T., and James N. Baron. 1986. "Men and Women at Work: Sex Segregation and Statistical Discrimination." *American Journal of Sociology* 91 (4): 759–99.

- Blau, Francine D., and Jed DeVaro. 2007. "New Evidence on Gender Differences in Promotion Rates: An Empirical Analysis of a Sample of New Hires." *Industrial Relations: A Journal of Economy and Society* 46 (3): 511–50.
- Blau, Francine D., and Lawrence M. Kahn. 2000. "Gender Differences in Pay." *Journal of Economic Perspectives* 14 (4): 75–99.
- Bond, Brittany M., and Roberto M. Fernandez. 2019. "Networks for the Unemployed?" *Social Networks at Work*, 275–301.
- Botelho, Tristan L., and Mabel Abraham. 2017. "Pursuing Quality: How Search Costs and Uncertainty Magnify Gender-Based Double Standards in a Multistage Evaluation Process." *Administrative Science Quarterly* 62 (4): 698–730.
- Botelho, Tristan L., and Melody Chang. 2023. "The Evaluation of Founder Failure and Success by Hiring Firms: A Field Experiment." *Organization Science* 34 (1): 1–508.
- Brands, Raina A., and Isabel Fernandez-Mateo. 2017. "Leaning out: How Negative Recruitment Experiences Shape Women's Decisions to Compete for Executive Roles." *Administrative Science Quarterly* 62 (3): 405–42.
- Brooks, Alison Wood, Laura Huang, Sarah Wood Kearney, and Fiona E. Murray. 2014. "Investors Prefer Entrepreneurial Ventures Pitched by Attractive Men." *Proceedings of the National Academy of Sciences* 111 (12): 4427–31.
- Brynjolfsson, Erik, Daniel Rock, and Chad Syverson. 2018. "Artificial Intelligence and the Modern Productivity Paradox: A Clash of Expectations and Statistics." In *The Economics of Artificial Intelligence: An Agenda*, 23–57. University of Chicago Press.
- Burton, M. Diane, and C.M. Beckman. 2007. "Leaving a Legacy: Position Imprints and Successor Turnover in Young Firms." *American Sociological Review* 72 (2): 239–66.
- Burton, M. Diane, Jesper B. Sørensen, and Stanislav D. Dobrev. 2016. "A Careers Perspective on Entrepreneurship." *Entrepreneurship Theory and Practice* 40 (2): 237–47.
- Cagetti, Marco, and Mariacristina De Nardi. 2006. "Entrepreneurship, Frictions, and Wealth." *Journal of Political Economy* 114 (5): 835–70.
- Campbell, Benjamin A. 2013. "Earnings Effects of Entrepreneurial Experience: Evidence from the Semiconductor Industry." *Management Science* 59 (2): 286–304.
- Campbell, Elizabeth Lauren, and Oliver Hahl. 2022. "He's Overqualified, She's Highly Committed: Qualification Signals and Gendered Assumptions About Job Candidate Commitment." *Organization Science* 33 (6): 2451–76.
- Carnahan, Seth, and Brad N. Greenwood. 2018. "Managers' Political Beliefs and Gender Inequality among Subordinates: Does His Ideology Matter More Than Hers?" *Administrative Science Quarterly* 63 (2): 287–322.
- Castilla, Emilio J. 2011. "Bringing Managers Back In Managerial Influences on Workplace Inequality." *American Sociological Review* 76 (5): 667–94.
- Castilla, Emilio J. 2008. "Gender, Race, and Meritocracy in Organizational Careers." *American Journal of Sociology* 113 (6): 1479–1526.
- Cech, Erin, Brian Rubineau, Susan Silbey, and Caroll Seron. 2011. "Professional Role Confidence and Gendered Persistence in Engineering." *American Sociological Review* 76 (5): 641–66.
- Chatman, Jennifer A. 1989. "Improving Interactional Organizational Research: A Model of Person-Organization Fit." *Academy of Management Review* 14 (3): 333–49.
- Correll, Shelley J. 2001. "Gender and the Career Choice Process: The Role of Biased Self-Assessments." *American Journal of Sociology* 106 (6): 1691–1730.

- Correll, Shelley J., Stephen Benard, and In Paik. 2007. "Getting a Job: Is There a Motherhood Penalty?" *American Journal of Sociology* 112 (5): 1297–1338.
- Correll, Shelley J., and Cecilia L. Ridgeway. 2006. "Expectation States Theory." *Handbook of Social Psychology*, 29–51.
- Elvira, Marta M., and Mary E. Graham. 2002. "Not Just a Formality: Pay System Formalization and Sex-Related Earnings Effects." *Organization Science* 13 (6): 601–17.
- England, Paula, Andrew Levine, and Emma Mishel. 2020. "Progress toward Gender Equality in the United States Has Slowed or Stalled." *Proceedings of the National Academy of Sciences* 117 (13): 6990–97.
- Ewens, Michael, and Richard R. Townsend. 2020. "Are Early Stage Investors Biased against Women?" *Journal of Financial Economics* 135 (3): 653–77.
- Fernandez, Roberto M., and Santiago Campero. 2017. "Gender Sorting and the Glass Ceiling in High-Tech Firms." *Ilr Review* 70 (1): 73–104.
- Fernandez, Roberto M., and Isabel Fernandez-Mateo. 2006. "Networks, Race, and Hiring." *American Sociological Review* 71 (1): 42–71.
- Fernandez, Roberto M., and Nancy Weinberg. 1997. "Sifting and Sorting: Personal Contacts and Hiring in a Retail Bank." *American Sociological Review*, 883–902.
- Fernandez-Mateo, Isabel. 2009. "Cumulative Gender Disadvantage in Contract Employment." *American Journal of Sociology* 114 (4): 871–923.
- Fernandez-Mateo, Isabel, and Roberto M. Fernandez. 2016. "Bending the Pipeline? Executive Search and Gender Inequality in Hiring for Top Management Jobs." *Management Science* 62 (12): 3636–55.
- Fernandez-Mateo, Isabel, and Zella King. 2011. "Anticipatory Sorting and Gender Segregation in Temporary Employment." *Management Science* 57 (6): 989–1008.
- Foschi, Martha. 1989. "Status Characteristics, Standards, and Attributions." *Sociological Theories in Progress: New Formulations* 58.
- . 2000. "Double Standards for Competence: Theory and Research." *Annual Review of Sociology* 26 (1): 21–42.
- Foschi, Martha, André Ndobu, and Alice Faure. 2019. "Assessing and Blocking Double Standards for Competence." In *Advances in Group Processes*, 36:19–45. Advances in Group Processes. Emerald Publishing Limited.
- Galperin, Roman V., Oliver Hahl, Adina D. Sterling, and Jerry Guo. 2020. "Too Good to Hire? Capability and Inferences about Commitment in Labor Markets." *Administrative Science Quarterly* 65 (2): 275–313.
- Gompers, Paul A., Will Gornall, Steven N. Kaplan, and Ilya A. Strebulaev. 2020. "How Do Venture Capitalists Make Decisions?" *Journal of Financial Economics* 135 (1): 169–90.
- Gorman, Elizabeth H. 2005. "Gender Stereotypes, Same-Gender Preferences, and Organizational Variation in the Hiring of Women: Evidence from Law Firms." *American Sociological Review* 70 (4): 702–28.
- . 2006. "Work Uncertainty and the Promotion of Professional Women: The Case of Law Firm Partnership." *Social Forces* 85 (2): 865–90.
- Gorman, Elizabeth H., and Julie A. Kmec. 2007. "We (Have to) Try Harder: Gender and Required Work Effort in Britain and the United States." *Gender & Society* 21 (6): 828–56.
- Gould, Jill A., Carol T. Kulik, and Shruti R. Sardeshmukh. 2018. "Trickle-down Effect: The Impact of Female Board Members on Executive Gender Diversity." *Human Resource Management* 57 (4): 931–45.

- Guzman, Jorge, and Aleksandra J. Kacperczyk. 2019. "Gender Gap in Entrepreneurship." *Research Policy* 48 (7): 1666–80.
- Hall, Robert E, and Susan E Woodward. 2010. "The Burden of the Nondiversifiable Risk of Entrepreneurship." *American Economic Review* 100 (3): 1163–94.
- Hegde, Deepak, and Justin Tumlinson. 2021. "Information Frictions and Entrepreneurship." *Strategic Management Journal* 42 (3): 491–528.
- Huffman, Matt L., Philip N. Cohen, and Jessica Pearlman. 2010. "Engendering Change: Organizational Dynamics and Workplace Gender Desegregation, 1975–2005." *Administrative Science Quarterly* 55 (2): 255–77.
- Kacperczyk, Aleksandra J., and Peter Younkin. 2022. "A Founding Penalty: Evidence from an Audit Study on Gender, Entrepreneurship, and Future Employment." *Organization Science* 33 (2): 716–45.
- Kalev, Alexandra, Frank Dobbin, and Erin Kelly. 2006. "Best Practices or Best Guesses? Assessing the Efficacy of Corporate Affirmative Action and Diversity Policies." *American Sociological Review* 71 (4): 589–617.
- Kanze, Dana, Mark A. Conley, Tyler G. Okimoto, Damon J. Phillips, and Jennifer Merluzzi. 2020. "Evidence That Investors Penalize Female Founders for Lack of Industry Fit." *Science Advances* 6 (48): eabd7664.
- Kmec, Julie A. 2005. "Setting Occupational Sex Segregation in Motion: Demand-Side Explanations of Sex Traditional Employment." *Work and Occupations* 32 (3): 322–54.
- Koning, Rembrand, Sampsa Samila, and John-Paul Ferguson. 2021. "Who Do We Invent for? Patents by Women Focus More on Women's Health, but Few Women Get to Invent." *Science* 372 (6548): 1345–48.
- Kurtulus, Fidan Ana, and Donald Tomaskovic-Devey. 2012. "Do Female Top Managers Help Women to Advance? A Panel Study Using EEO-1 Records." *The Annals of the American Academy of Political and Social Science* 639 (1): 173–97.
- Lazear, Edward P. 2004. "Balanced Skills and Entrepreneurship." *American Economic Review* 94 (2): 208–11.
- Lazear, Edward P. 2005. "Entrepreneurship." *Journal of Labor Economics* 23 (4): 649–80.
- Levine, Ross, and Yona Rubinstein. 2018. "Selection into Entrepreneurship and Self-Employment." Working Paper. Working Paper Series. National Bureau of Economic Research.
- Luzzi, Alessandra, and Amir Sasson. 2016. "Individual Entrepreneurial Exit and Earnings in Subsequent Paid Employment." *Entrepreneurship Theory and Practice* 40 (2): 401–20.
- Mahieu, Jeroen, Francesca Melillo, Toke Reichstein, and Peter Thompson. 2021. "Shooting Stars? Uncertainty in Hiring Entrepreneurs." *Strategic Entrepreneurship Journal* 15 (4): 526–67.
- Mann, Allison, and Thomas A. DiPrete. 2013. "Trends in Gender Segregation in the Choice of Science and Engineering Majors." *Social Science Research* 42 (6): 1519–41.
- Manso, Gustavo. 2016. "Experimentation and the Returns to Entrepreneurship." *The Review of Financial Studies* 29 (9): 2319–40.
- Maume, David J. 1999. "Glass Ceilings and Glass Escalators: Occupational Segregation and Race and Sex Differences in Managerial Promotions." *Work and Occupations* 26 (4): 483–509.
- Melin, Julia Lee, and Jennifer M. Merluzzi. 2022. "When Women Do 'Men's Work': Hybrid Femininity and Within-Gender Inequality in Job Search." *Academy of Management Proceedings* 2022 (1): 10631.

- Merluzzi, Jennifer, and Ronald S. Burt. 2021. "One Path Does Not Fit All: A Career Path Approach to the Study of Professional Women Entrepreneurs." *Entrepreneurship Theory and Practice* 45 (6): 1366–93.
- Merluzzi, Jennifer, and Stanislav D. Dobrev. 2015. "Unequal on Top: Gender Profiling and the Income Gap among High Earner Male and Female Professionals." *Social Science Research* 53: 45–58.
- Miric, Milan, Pai-Ling Yin, and Daniel C. Fehder. 2022. "Population-Level Evidence of the Gender Gap in Technology Entrepreneurship." *Strategy Science*.
- Moss-Racusin, Corinne A., John F. Dovidio, Victoria L. Brescoll, Mark J. Graham, and Jo Handelsman. 2012. "Science Faculty's Subtle Gender Biases Favor Male Students." *Proceedings of the National Academy of Sciences* 109 (41): 16474–79.
- Nanda, Ramana, and Jesper B. Sørensen. 2010. "Workplace Peers and Entrepreneurship." *Management Science* 56 (7): 1116–26.
- Olson, Craig A., and Brian E. Becker. 1983. "Sex Discrimination in the Promotion Process." *ILR Review* 36 (4): 624–41.
- Perry, Elissa L., Alison Davis-Blake, and Carol T. Kulik. 1994. "Explaining Gender-Based Selection Decisions: A Synthesis of Contextual and Cognitive Approaches." *Academy of Management Review* 19 (4): 786–820.
- Petersen, Trond, and Ishak Saporta. 2004. "The Opportunity Structure for Discrimination." *American Journal of Sociology* 109 (4): 852–901.
- Phillips, Damon J. 2005. "Organizational Genealogies and the Persistence of Gender Inequality: The Case of Silicon Valley Law Firms." *Administrative Science Quarterly* 50 (3): 440–72.
- Puri, Manju, and Rebecca Zarutskie. 2012. "On the Life Cycle Dynamics of Venture-Capital- and Non-Venture-Capital-Financed Firms." *The Journal of Finance* 67 (6): 2247–93.
- Reskin, Barbara. 1993. "Sex Segregation in the Workplace." *Annual Review of Sociology* 19 (1): 241–70.
- Ridgeway, Cecilia L. 2011. *Framed by Gender: How Gender Inequality Persists in the Modern World*. Oxford University Press.
- Ridgeway, Cecilia L., and Shelley J. Correll. 2006. "Consensus and the Creation of Status Beliefs." *Social Forces* 85 (1): 431–53.
- Ridgeway, Cecilia L., and Lynn Smith-Lovin. 1999. "The Gender System and Interaction." *Annual Review of Sociology* 25 (1): 191–216.
- Rosenfeld, Rachel A. 1992. "Job Mobility and Career Processes." *Annual Review of Sociology* 18 (1): 39–61.
- Rubineau, Brian, and Roberto M. Fernandez. 2013. "Missing Links: Referrer Behavior and Job Segregation." *Management Science* 59 (11): 2470–89.
- Sørensen, Jesper B., and Magali A. Fassiotto. 2011. "Organizations as Fonts of Entrepreneurship." *Organization Science* 22 (5): 1322–31.
- Sørensen, Jesper B., and Amanda J. Sharkey. 2014. "Entrepreneurship as a Mobility Process." *American Sociological Review* 79 (2): 328–49.
- Sorenson, Olav, Michael S. Dahl, Rodrigo Canales, and M. Diane Burton. 2021. "Do Startup Employees Earn More in the Long Run?" *Organization Science*, January.
- Spence, Michael. 1973. "Job Market Signaling." *The Quarterly Journal of Economics*, 355–74.
- Srivastava, Sameer B., and Eliot L. Sherman. 2015. "Agents of Change or Cogs in the Machine? Reexamining the Influence of Female Managers on the Gender Wage Gap." *American Journal of Sociology* 120 (6): 1778–1808.

- Stewman, Shelby, and Suresh L. Konda. 1983. "Careers and Organizational Labor Markets: Demographic Models of Organizational Behavior." *American Journal of Sociology* 88 (4): 637–85.
- Stinchcombe, A. L. 1965. "Organizations and Social Structure." In *Handbook of Organizations*, 142–93. Chicago: Rand McNally.
- Stuart, Toby, and O. Sorenson. 2003. "Liquidity Events and the Geographic Distribution of Entrepreneurial Activity." *Administrative Science Quarterly* 48 (2): 175–201.
- Tambe, Prasanna, and Lorin M. Hitt. 2014. "Job Hopping, Information Technology Spillovers, and Productivity Growth." *Management Science* 60 (2): 338–55.
- White, Harrison C. 1970. *Chains of Opportunity: System Models of Mobility in Organizations*. Harvard University Press.
- Wynn, Alison T., and Shelley J. Correll. 2017. "Gendered Perceptions of Cultural and Skill Alignment in Technology Companies." *Social Sciences* 6 (2): 45.
- Zhu, T., A. Fritzler, and J. Orłowski. 2019. "Data Insights: Jobs, Skills and Migration Trends Methodology & Validation Results. World Bank Group–LinkedIn."

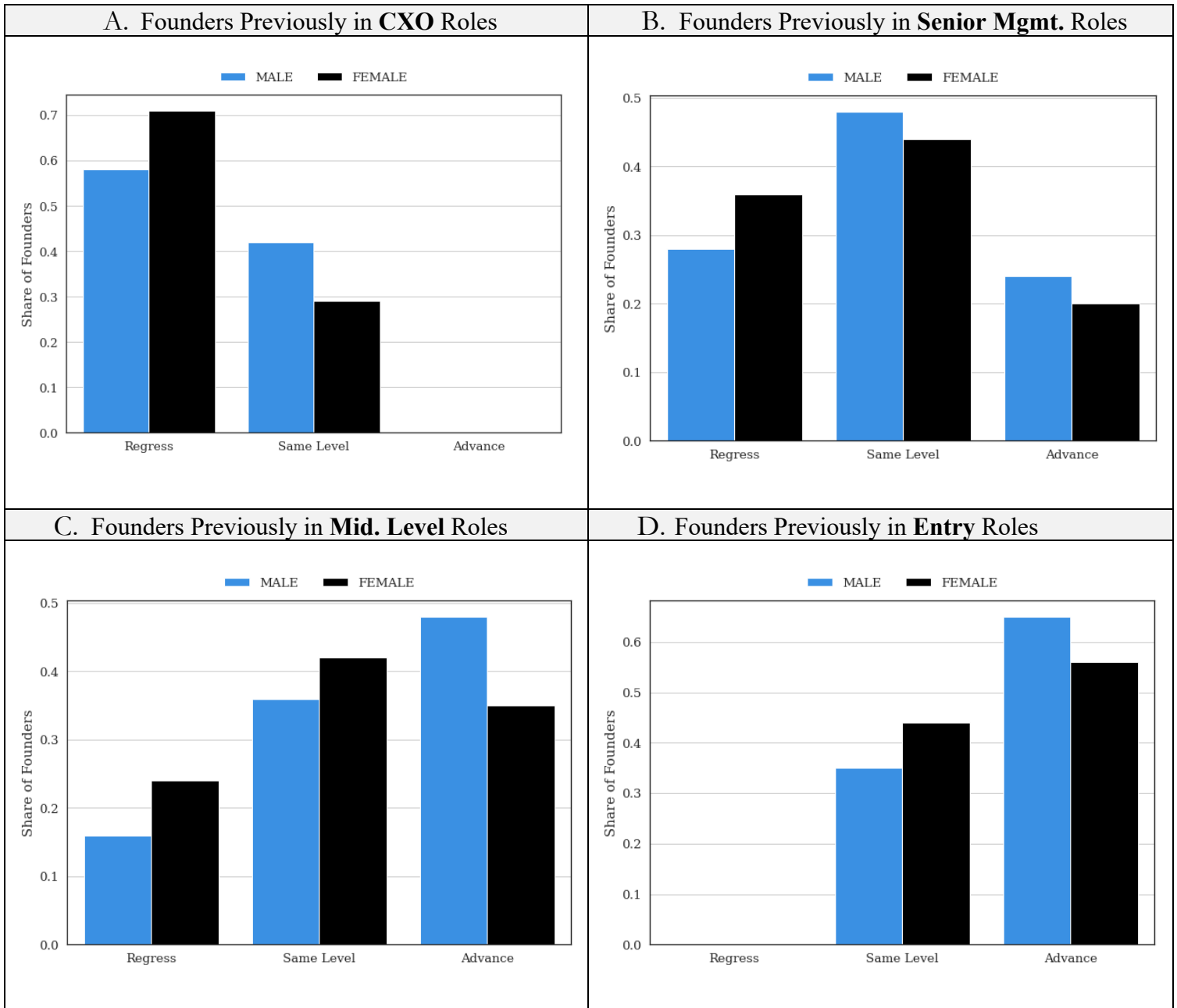
FIGURES AND TABLES

Figure 1. Examples of Job Titles within Level of Seniority

CXO	Senior Mgmt.	Mid-Level	Entry Level
<ul style="list-style-type: none"> ○ Chief Technology Officer ○ Chief Marketing Officer ○ Chief Operating Officer ○ Partner (legal) 	<ul style="list-style-type: none"> ○ Vice President, Engineering ○ Vice President, Head of Social Media ○ VP of Growth and Operations 	<ul style="list-style-type: none"> ○ Senior Software Developer ○ Marketing Specialist ○ Product Manager ○ Senior Associate (legal) 	<ul style="list-style-type: none"> ○ Software Developer ○ Marketing Coordinator ○ Business Analyst ○ Associate (legal)

Note: These and other example job titles by level of seniority can be viewed on LinkedIn by accessing LinkedIn’s Recruiter or Recruiter Lite data service that allows users to filter on seniority level

Figure 2. Raw distribution of career outcomes of entrepreneurship



Notes: In each panel, the sample represents the share of individuals that are likely to advance (re-enter the workforce in a more senior position) or regress (re-enter the position in a more junior position) depending on the level they held prior to founding. CXO is the most senior position possible (in our analysis) and therefore founders may only regress or re-enter at the same level. Entry level roles are the most junior possible positions (in our analysis) and therefore founders may only regress or re-enter at the same level.

Figure 3. Average Marginal Effects for Likelihood of Advancement, Return to Same Level or Regress for Founders at Different Levels of Seniority



Table 1. Summary Statistics

Variable	Mean	S. Dev.	Min	Max
OUTCOME				
<i>Regress [Re-Enter in a More Junior Position]</i>	0.22	0.42	0.00	1.00
<i>Same Level [Re-Enter at Same Level of Seniority]</i>	0.41	0.49	0.00	1.00
<i>Advance [Re-Enter in a More Senior Position]</i>	0.37	0.48	0.00	1.00
GENDER				
<i>Men Founders (Baseline Women)</i>	0.78	0.42	0.00	1.00
SENIORITY WHEN REHIRED				
<i>Entry Level</i>	0.11	0.31	0.00	1.00
<i>Mid-Level</i>	0.23	0.42	0.00	1.00
<i>Senior Mgmt.</i>	0.34	0.47	0.00	1.00
<i>CXO</i>	0.31	0.46	0.00	1.00
CONTROLS				
<i>Large Founded Venture (More than 10 Employees)</i>	0.96	0.19	0.00	1.00
<i>Large Hiring Firm (More than 200 Employees)</i>	0.44	0.50	0.00	1.00
<i>Re-Enter Industry of Entrepreneurial Venture</i>	0.42	0.49	0.00	1.00
<i>Re-Enter Industry of Past Employment</i>	0.42	0.49	0.00	1.00

Table 2. Regression Results for Likelihood of Outcome (Advance, Same Level Regress)
In First Job After Entrepreneurship by Level of Seniority Prior to Founding

Outcome: *Level of Seniority*; **Model:** *Multinomial Logit (Baseline: Ren-enter at Same Level of Seniority)*
Unit of Observation: *Founder Re-Entry Event (Sample restricted based on previous level of seniority)*

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Level of Seniority Prior to Founding							
	CXO		Senior Mgmt.		Mid-Level		Entry	
DV: <i>Regress [Re-Enter in a More Junior Position]</i>								
Baseline: <i>Same Level [Re-Enter at Same Level of Seniority]</i>								
<i>Male</i>	0.70** (-2.97)	0.68** (-3.11)	0.82** (-2.92)	0.83** (-2.71)	0.90* (-2.25)	0.95 (-0.86)		
DV: <i>Advance [Re-Enter in a More Senior Position]</i>								
Baseline: <i>Same Level [Re-Enter at Same Level of Seniority]</i>								
<i>Male</i>			1.23* (2.10)	1.30** (2.58)	1.29** (5.81)	1.31*** (4.59)	1.26*** (4.97)	1.25*** (4.63)
CONTROLS								
<i>Year of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Industry of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Founded Firm Size</i>		Yes		Yes		Yes		Yes
<i>Re-Entry Firm Size</i>		Yes		Yes		Yes		Yes
<i>Re-Entry Industry</i>		Yes		Yes		Yes		Yes
<i>Same as Founded</i>								
<i>Re-Entry Industry</i>		Yes		Yes		Yes		Yes
<i>Same as Previously Employed</i>								
<i>N</i>	2902	2902	6378	6378	16124	10198	9985	9985
χ^2	58.30	357.66	106.79	549.61	58.52	517.09	107.93	218.45
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Notes: Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to re-enter in a more junior position than female founders. *t* statistics reported in parentheses as they are more easily interpretable alongside risk ratios. Significance levels: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

Table 3. Regression Results for Likelihood of Re-Entering by Level of Seniority
 [Split Sample Analysis based on Whether there is a *Above the Median of Women Working at that level of seniority within a company*]

Outcome: *Level of Seniority*; **Model:** *Multinomial Logit*
Unit of Observation: *Founder Re-Entry Event*
 (Sample of Founders based on previous level of seniority)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Level of Seniority Prior to Founding								
	<i>CXO</i>		<i>Senior Mgmt.</i>		<i>Mid-Level</i>		<i>Entry</i>	
Share of Women in Seniority of Hiring Position (High > Above Median; Low < Below Median)								
	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>
DV: <i>Regress [Re-Enter in a More Junior Position]</i>								
Baseline: <i>Same Level [Re-Enter at Same Level of Seniority]</i>								
<i>Male</i>	1.32 (1.68)	0.69 (-1.39)	1.17 (1.45)	1.14 (0.79)	0.99 (-0.13)	1.27 (1.45)		
DV: <i>Advance [Re-Enter in a More Senior Position]</i>								
Baseline: <i>Same Level [Re-Enter at Same Level of Seniority]</i>								
<i>Male</i>			0.67* (-2.50)	1.71** (2.76)	0.82* (-2.28)	1.72*** (4.12)	0.95 (-0.86)	1.46** (3.07)
CONTROLS								
<i>Year of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Cohort (Experience)</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Industry of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Firm Size</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Founded</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Previously Employed</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	1087	1339	2147	2367	4185	3205	4575	2610
χ^2	111.08	145.74	191.05	194.65	197.9	214.39	115.46	125.58
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

t statistics in parentheses (* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

Note. Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to re-enter in a more junior position than female founders.

Table 4. Regression Results for Likelihood of Re-Entering at Relative Level of Seniority, by Gender
 [Split Sample Analysis for Founders That Founded High vs. Low Growth Ventures]

Outcome: Level of Seniority; Model: Multinomial Logit
Unit of Observation: Founder Re-Entry Event
 (Sample of Founders based on previous level of seniority)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Level of Seniority Prior to Founding								
	<i>CXO</i>		<i>Senior Mgmt.</i>		<i>Mid-Level</i>		<i>Entry</i>	
Size of Venture Founded Prior to Re-Entry (Large: More than 50 Employees)								
	<i>Large</i>	<i>Small</i>	<i>Large</i>	<i>Small</i>	<i>Large</i>	<i>Small</i>	<i>Large</i>	<i>Small</i>
DV: Regress [Re-Enter in a More Junior Position]								
Baseline: Same Level [Re-Enter at Same Level of Seniority]								
<i>Male</i>	0.63 (-1.48)	0.68** (-2.79)	0.95 (-0.20)	0.91 (-1.19)	0.71 (-1.87)	1.03 (0.40)		
DV: Advance [Re-Enter in a More Senior Position]								
Baseline: Same Level [Re-Enter at Same Level of Seniority]								
<i>Male</i>			2.49** (3.08)	1.00 (0.00)	1.80*** (3.51)	1.27*** (3.97)	1.38* (2.28)	1.19*** (3.31)
CONTROLS								
<i>Year of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Cohort (Experience)</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Industry of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Firm Size</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Founded</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Previously Employed</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	470	2515	807	5678	1087	9288	1073	8694
<i>χ²</i>	58.59	140.55	210.42	332.71	227.4	639.32	144.38	516.63
	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00

t statistics in parentheses (* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

Note. Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to re-enter in a more junior position than female founders.

Table 5. Regression Results for Likelihood of Outcome (Advance, Same Level Regress)
In First Job After Entrepreneurship by Rehiring within Same Firm

Outcome: Level of Seniority; **Model:** Multinomial Logit (Baseline: Ren-enter at Same Level of Seniority)
Unit of Observation: Founder Re-Entry Event (Sample restricted based on previous level of seniority)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Level of Seniority Prior to Founding								
	CXO		Senior Mgmt.		Mid-Level		Entry	
Former Founder Rehired by Previous Employer (Same Firm) or a New Employer (Different Firm)								
	Same Firm	Different Firm	Same Firm	Different Firm	Same Firm	Different Firm	Same Firm	Different Firm
DV: Regress [Re-Enter in a More Junior Position]								
Baseline: Same Level [Re-Enter at Same Level of Seniority]								
Male	0.57*	0.70*	0.70	1.01	1.20	0.87		
	(-2.12)	(-2.41)	(-1.28)	(0.11)	(0.56)	(-1.89)		
DV: Advance [Re-Enter in a More Senior Position]								
Baseline: Same Level [Re-Enter at Same Level of Seniority]								
Male			0.90	1.31***	3.51**	1.13	1.63**	1.25***
			(-0.42)	(4.27)	(2.78)	(1.14)	(2.58)	(4.16)
CONTROLS								
Year of Re-Entry	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry of Re-Entry	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Re-Entry Firm Size	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Re-Entry Industry Same as Founded	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Re-Entry Industry Same as Previously Employed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
N	448	2258	670	8670	318	5564	647	8158
χ^2	80.40	63.80	87.48	258.51	66.27	223.04	53.10	153.27
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note. Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to reenter in a more junior position than female founders. *t* statistics reported in parentheses as they are more easily interpretable alongside risk ratios. Statistical significance can be inferred from significance cutoffs: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

Summary of Appendices and Supplementary Analysis

A. Detailed Description of the Construction of Variables in the Datasets

B. Robustness Checks and Sensitivity Analysis for Re-Entry Results

1. **Ordered Logistic Regression.** In the main analysis, we have used a multinomial logistic regression. This approach treats the outcomes as independent and does not imply directionality (e.g., Promotion > Same Level > Regress). Here we repeat the analysis with an ordered logistic regression which implies directionality in the outcome variable and provides a single coefficient estimate of differences in the likelihood that men or women would be promoted.

Table. B.1.i. Split Sample Results for companies with a Majority of Women at level of seniority

2. **Gender Composition of Hiring Company / Role.** One concern was that the likelihood of men or women being promoted when they enter a position may vary based on the gender composition of those roles. We repeat the analysis with a split sample for those re-entering positions which were predominantly occupied by women, versus those predominantly occupied by men.

Table. B.2.i. Split Sample Results for companies with a Majority of Women at level of seniority

Table B.2.ii. Split Sample Results for companies with a Median of Women at specific role

3. **Differences in Performance and Success of Entrepreneurial Venture.** Individual outcomes upon re-entry may also vary depending on the nature of how long these individuals were in entrepreneurial roles, or whether those ventures were successful.

Table. B.3.i. Split Sample Results for founders with long versus short duration of entrepreneurship

C. Supplementary Information and Figures

Figure C.1.i. Transition Matrix for Outcomes Upon Re-Entering After Entrepreneurship

Figure C.1.ii. Average Marginal Effects for Likelihood of Advancement, Return to Same Level or Regress for Founders at Different Levels of Seniority

Appendix A: Detailed Description of The Construction of Variables in The Datasets

We use data from LinkedIn obtained through LinkedIn’s Economic Graph Research Program. The data used are based on the publicly available data from the profile pages of individuals and provide career and education histories. Data are anonymized and identity of individual founders are protected. In this appendix, we detail the construction of the variables used in the analysis for this paper.

Identifying Entrepreneurs in the LinkedIn Data

We identify individuals who engaged in entrepreneurship (i.e., founders) based on their description of the positions that they have held in their profile. Spells of entrepreneurship are identified when an individual describes their position in the firm with words such as “founder,” “founding,” or “entrepreneur” that are indicative of having started a new firm. To ensure the quality of our data, we also validated these by looking at individuals with a classifier-based measure that was trained to group positions based on the free text included in individual profiles. We exclude ventures which did not employ anyone other than the founder, and ventures for which the founded firm did not have a completed LinkedIn profile.⁶ We also took steps to mitigate against misclassifying founders (i.e., false positives); for example, we omit very large firms with more than ten thousand employees.

Founder Gender

We identify the gender of founders based on first and last names using a gender-based classification algorithm developed internally by the data science team at LinkedIn, with individuals whose names cannot be identified were omitted. To validate that measure, we checked whether

⁶ This was a way of verifying that this was in fact an established firm.

the results were systematically different for gender-ambiguous names but did not find systematic errors that would influence our results. Throughout our analysis in this paper, we create a dichotomous variable called *Male* which is set to 1 if the entrepreneur is male according to LinkedIn's gender algorithm, 0 if the entrepreneur is characterized as female, and missing if the LinkedIn algorithm cannot determine gender.

Measuring The Immediate Career Returns to Founder Experience

We observe individual positions occupied by founders before and after entrepreneurship. Each job title is entered into LinkedIn by the individual and then clustered using a machine-learning algorithm into a more general role description by LinkedIn (e.g., Software Engineer in Monetization group would be clustered into Software Engineer). LinkedIn also assigns these roles into a standardized hierarchy of seniority: *Entry level*, *Mid-level Management*, *Senior Management* and *CXO* (e.g., CEO, COO, CFO). Entry level represents the least senior roles and CXO represents the most senior roles. By immediate career returns to founder experience, we are interested in comparing an individual's role seniority when they re-enter traditional employment after entrepreneurship to their role seniority in traditional employment before entrepreneurship. *Career Returns* can take three forms: an individual advances one level up in the standardized hierarchy described above (*Advance*), an individual remains at the same level (*Same Level*), and an individual regresses one level down (*Regress*). We omit positions such as internships, student jobs, or academic positions (i.e., former founders returning to complete an education degree, or founding straight after completing their degree).

Control Variables for Individual-Level Regressions

We use a variety of control variables in our individual-level regressions to isolate the relationship between gender and career advancement as much as possible. In the individual level regressions,

we control for the size of the venture founded as it might impact the evaluation of the founder's quality separately from gender. Similarly, we control for whether the founded venture was in the same industry that the founder was subsequently rehired into as remaining in the same industry may alleviate some of the difficulties facing the established firm when they attempt to evaluate the value of the experience gained by the founder in their time working in their startup. Lastly, we control for the size of the hiring firm as this may shift the relative importance of each new employee and thus the overall impact of the uncertainty in evaluating entrepreneurs independent of the gender dimension.

Below, we detail the construction of each of these variables.

Founded Firm Size. We measure the total number of employees that each startup founded by one of the entrepreneurs has founded. We then use this number to construct a dichotomous variable. If that startup had more than 10 employees, we set the variable to one and we set it to zero otherwise.

Re-Entry Firm Size. We measure the total number of workers employed by the firm which hired each entrepreneur re-entering traditional employment. We then construct a dichotomous variable which we set to one if the hiring firm has more than 200 employees and we set it to zero otherwise.

Industry of Re-Entry. At the firm level we control for firm industry using LinkedIn's set of 17 categories (e.g., Technology, Construction, Pharmaceuticals) because different industries might have different levels of receptivity to returning entrepreneurs and because certain industries are gendered.

Re-Entry Industry Same as Founded. A binary variable that is set to 1 if the returning entrepreneur enters the same industry as their startup.

Re-Entry Industry Same as Previously Employed. A binary variable that is set to 1 if the entrepreneur is rehired in the same industry they left.

Control Variables for Firm-Year-Level Regressions

In the firm-level analysis, we also include firm-level fixed effects which capture time-invariant characteristics of each firm which may impact hiring outcomes including the internal hierarchy of each firms. In addition, we control for the number of joining (*N. Employees Hired*) and leaving employees for each firm in each year (*N. Employees Leaving*). Together, these two measure the churn associated with a company as well as potential growth or decline that may be correlated with hiring or retention decisions (e.g., tight labor market or mass layoffs).

Appendix B: Robustness Checks and Sensitivity Analysis for Re-Entry Results

B.1. Tables: Ordered Logistic Regression Results

Table B.1.i. Regression Results for Likelihood of Outcome (Advance, Same Level Regress)
In First Job After Entrepreneurship by Level of Seniority Prior to Founding

	Outcome: Level of Seniority; Model: Ordered Logit							
Unit of Observation: <i>Founder Re-Entry Event (Sample restricted based on previous level of seniority)</i>	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Level of Seniority Prior to Founding							
	<i>CXO</i>		<i>Senior Mgmt.</i>		<i>Mid-Level</i>		<i>Entry</i>	
DV: <i>Seniority of Position Upon Re-Entering After Entrepreneurship</i>								
Levels: <i>Regress, Same Level, Advance</i>								
<i>Male</i>	1.22* (2.25)	1.34** (3.11)	1.22*** (3.92)	1.24*** (4.23)	1.23*** (5.35)	1.27*** (6.05)	1.20*** (4.30)	1.21*** (4.39)
CONTROLS								
<i>Year of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Cohort (Experience)</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Industry of Re-Entry</i>		Yes		Yes		Yes		Yes
<i>Re-Entry Firm Size</i>		Yes		Yes		Yes		Yes
<i>Re-Entry Industry</i>		Yes		Yes		Yes		Yes
<i>Same as Founded</i>								
<i>Re-Entry Industry</i>		Yes		Yes		Yes		Yes
<i>Same as</i>								
<i>Previously</i>								
<i>Employed</i>								
<i>N</i>	4569	4569	9200	9200	13760	13760	12511	12511
χ^2	88.27	547.36	287.04	818.49	663.0	1260.43	715.56	1032.46
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note. Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to re-enter in a more junior position than female founders. *t* statistics reported in parentheses as they are more easily interpretable alongside risk ratios. Significance levels: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

B.2. Tables: Gender Composition of Hiring Company / Role.

Table B.2.i Regression Results for Likelihood of Re-Entering by Level of Seniority
 [Split Sample Analysis based on Whether there is a Majority of Women Working at that level of seniority within a company]

		Outcome: Level of Seniority; Model: Multinomial Logit Unit of Observation: Founder Re-Entry Event (Sample of Founders based on previous level of seniority)							
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Level of Seniority Prior to Founding							
		CXO		Senior Mgmt.		Mid-Level		Entry	
		Share of Women in Seniority of Hiring Position (High > 50%; Low < 50%)							
		High	Low	High	Low	High	Low	High	Low
DV: Regress [Re-Enter in a More Junior Position]									
Baseline: Same Level [Re-Enter at Same Level of Seniority]									
Male		1.29 (1.33)	0.55** (-2.91)	1.20 (1.24)	1.07 (0.59)	1.10 (0.93)	1.16 (1.34)		
DV: Advance [Re-Enter in a More Senior Position]									
Baseline: Same Level [Re-Enter at Same Level of Seniority]									
Male				0.82 (-1.05)	1.61** (2.95)	0.93 (-0.66)	1.58*** (4.75)	0.95 (-0.63)	1.12 (1.38)
CONTROLS									
Year of Re-Entry		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cohort (Experience)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry of Re-Entry		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Re-Entry Firm Size		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Re-Entry Industry Same as Founded		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Re-Entry Industry Same as Previously Employed		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
N		701	1725	1183	3331	2369	5021	2757	4428
χ^2		95.50	173.59	148.53	224.36	189.2	226.45	113.70	89.93
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

t statistics in parentheses (* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

Note. Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to re-enter in a more junior position than female founders.

Table B.2.ii. Regression Results for Likelihood of Re-entering by Level of Seniority
 [Split Sample Analysis based on Whether there is a Above the Median of Women Working in that position within a company]

Outcome: *Level of Seniority*; **Model:** *Multinomial Logit*
Unit of Observation: Founder Re-Entry Event
 (Sample of Founders based on previous level of seniority)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Level of Seniority Prior to Founding							
	<i>CXO</i>		<i>Senior Mgmt.</i>		<i>Mid-Level</i>		<i>Entry</i>	
	Share of Women in Hiring Position (High > Above Median; Low < Below Median)							
	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>
DV: <i>Regress [Re-Enter in a More Junior Position]</i>								
Baseline: <i>Same Level [Re-Enter at Same Level of Seniority]</i>								
<i>Male</i>	1.29*	0.55**	0.90	0.97	0.91	0.97		
	(2.31)	(-2.88)	(-1.48)	(-0.21)	(-1.41)	(-0.25)		
<hr/>								
DV: <i>Advance [Re-Enter in a More Senior Position]</i>								
Baseline: <i>Same Level [Re-Enter at Same Level of Seniority]</i>								
<i>Male</i>			0.84	1.28	1.11	1.35**	1.19***	1.43***
			(-1.85)	(1.47)	(1.81)	(2.85)	(3.33)	(3.88)
<hr/>								
CONTROLS								
<i>Year of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Cohort (Experience)</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Industry of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Firm Size</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Founded</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Previously Employed</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<hr/> <i>N</i>	1981	2527	4676	4541	7016	6702	6467	5624
<i>χ²</i>	114.63	162.66	187.71	292.37	202.24	262.00	124.60	149.42
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

t statistics in parentheses (* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

Note. Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to re-enter in a more junior position than female founders.

B.3. Tables: Differences in Performance and Success of Entrepreneurial Venture

Table B.3.i. Regression Results for Likelihood of Re-Entering at Relative Level of Seniority, by Gender
[Split Sample Analysis for Founders That Had Long versus Short Duration of Entrepreneurship]

Outcome: Level of Seniority; Model: Multinomial Logit								
Unit of Observation: Founder Re-Entry Event								
(Sample of Founders based on previous level of seniority)								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Level of Seniority Prior to Founding								
	<i>CXO</i>		<i>Senior Mgmt.</i>		<i>Mid-Level</i>		<i>Entry</i>	
Duration of Entrepreneurship Prior to Re-Entry (Median = 3 Years)								
	<i>Above</i>	<i>Below</i>	<i>Above</i>	<i>Below</i>	<i>Above</i>	<i>Below</i>	<i>Above</i>	<i>Below</i>
	<i>Median</i>	<i>Media</i>	<i>Median</i>	<i>Median</i>	<i>Media</i>	<i>Median</i>	<i>Median</i>	<i>Median</i>
	<i>n</i>				<i>n</i>			
DV: Regress [Re-Enter in a More Junior Position]								
Baseline: Same Level [Re-Enter at Same Level of Seniority]								
<i>Male</i>	0.73*	0.76*	0.94	0.86	0.98	0.94		
	(-2.53)	(-2.07)	(-0.75)	(-1.78)	(-0.23)	(-0.70)		
DV: Advance [Re-Enter in a More Senior Position]								
Baseline: Same Level [Re-Enter at Same Level of Seniority]								
<i>Male</i>			1.43**	1.14	1.30***	1.28***	1.21***	1.24**
			(3.11)	(1.41)	(3.96)	(3.75)	(3.74)	(2.96)
CONTROLS								
<i>Year of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Cohort (Experience)</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Industry of Re-Entry</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Firm Size</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Founded</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>Re-Entry Industry Same as Previously Employed</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	2536	2324	4588	5235	7866	6845	8315	4961
<i>χ²</i>	182.87	84.08	333.43	228.05	526.26	333.33	427.33	170.79
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

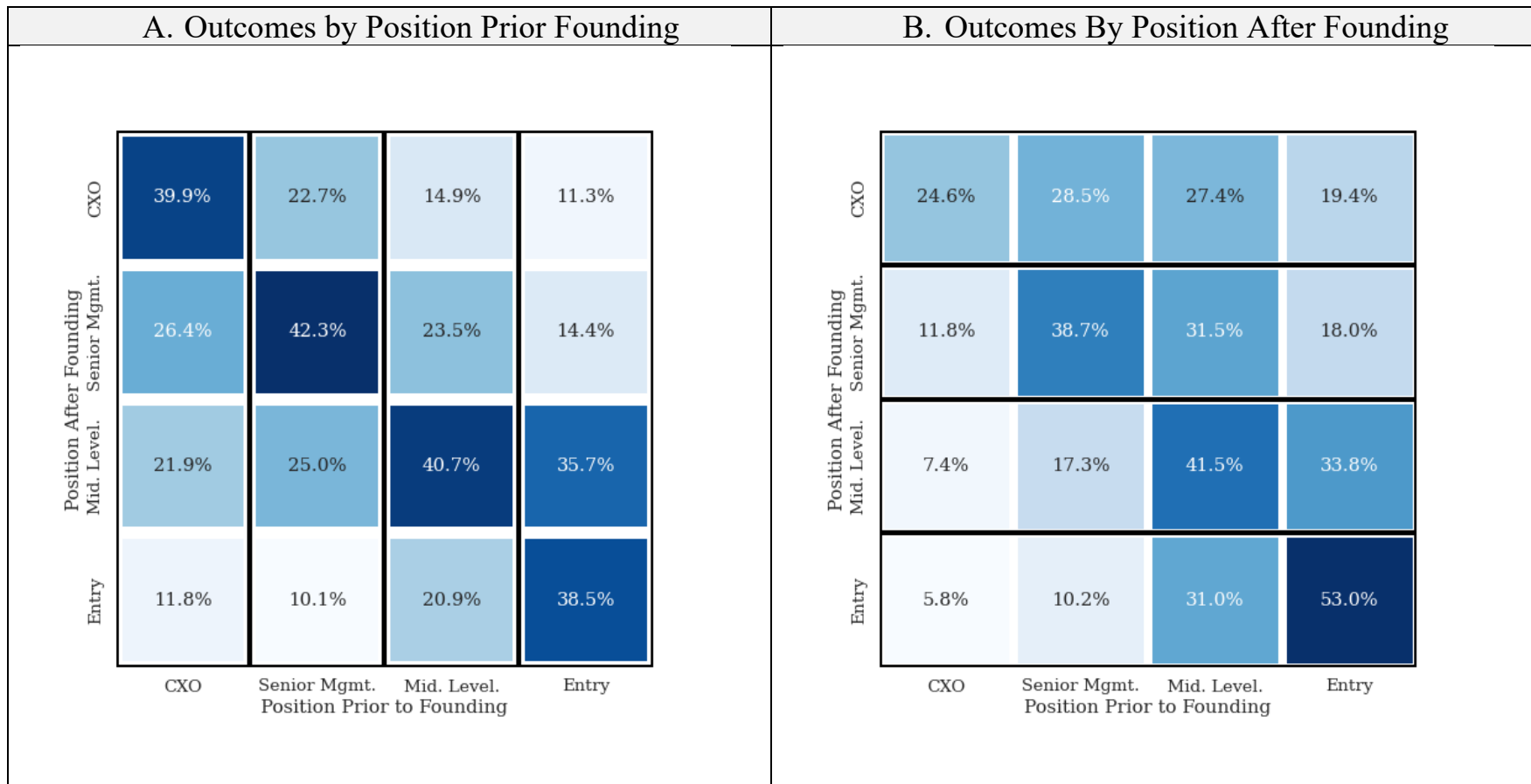
t statistics in parentheses (* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$)

Note. Exponentiated coefficients reported (relative risk ratios). For example, a coefficient value of 0.7 indicates that male founders are 30% less likely to re-enter in a more junior position than female founders.

Appendix C: Supplementary information and Figures

C.1. Figures: Supplementary Information

Figure C.1.i. Transition Matrix for Outcomes Upon Re-Entering After Entrepreneurship



Note. Based on sample [N = 37,599] founders that re-enter the workforce. Founders that established a company that founded ten or more employees. Left Panel (A) indicates the share of individuals that entered from a particular position, that ended up in a particular position (i.e., columns sum to 100). Right Panel (B) indicates the share of individuals that re-entered at a particular level of seniority, which came from a particular position (i.e., Rows sum to 100).

Figure C.1.ii. Average Marginal Effects for Likelihood of Advancement, Return to Same Level or Regress for Founders at Different Levels of Seniority

