

Tell us in the Chat Box...



- ✓ **Where are you from?**
- ✓ **Are you self employed now?**
- ✓ **Are you thinking about self employment?**
- ✓ **Have you been self employed in the past?**
- ✓ **Do you have a question for us?**



Self Employment: Do's & Don'ts for People Over 50

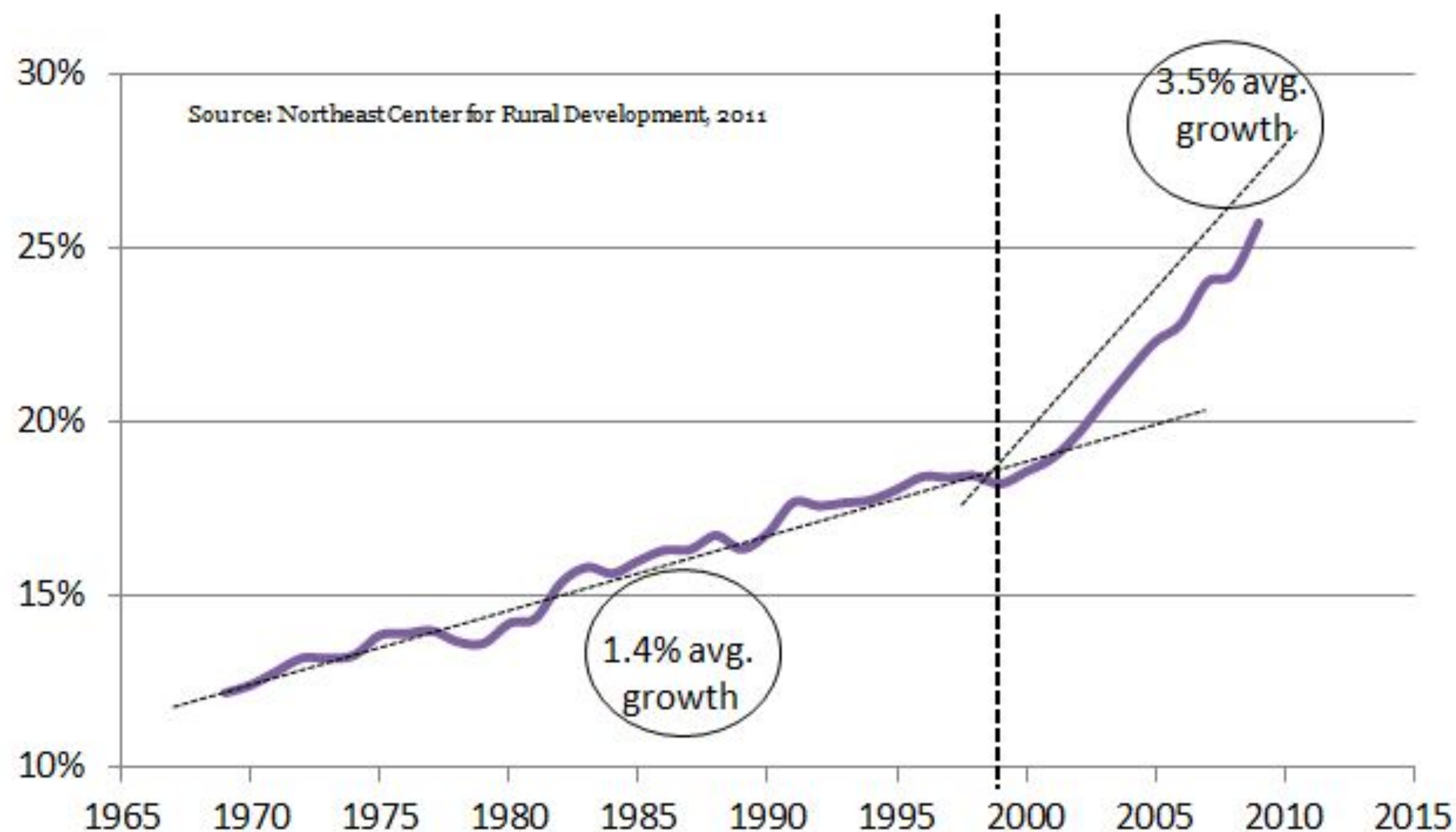
September 24, 2020



You're in good company...

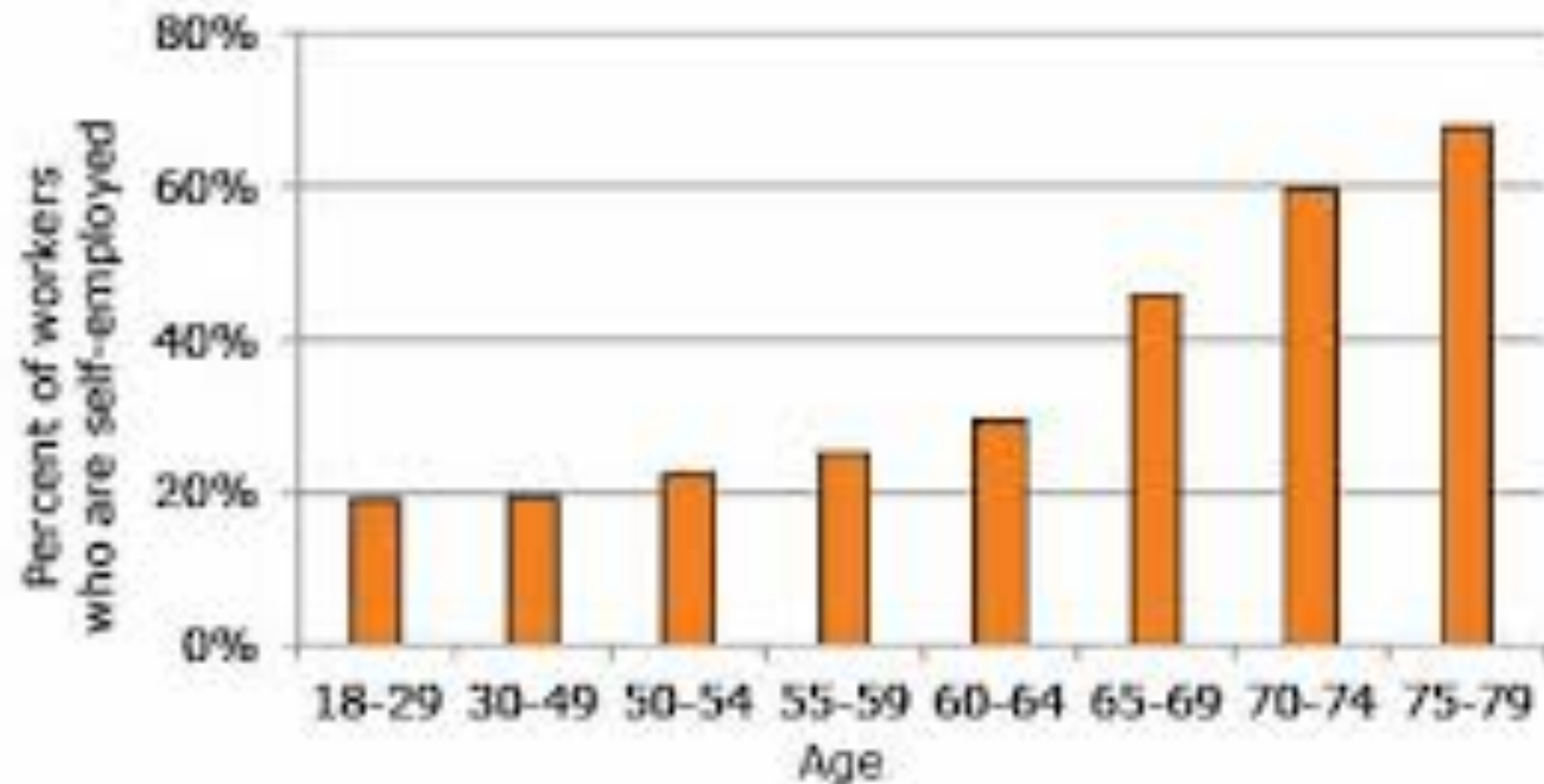
Self Employment is a Labor Market Trend

Share of Self-Employment as a Percent of
Wage-and-Salary Employment, 1969-2009



... especially if you're over 50

The Self-employed Labor Force

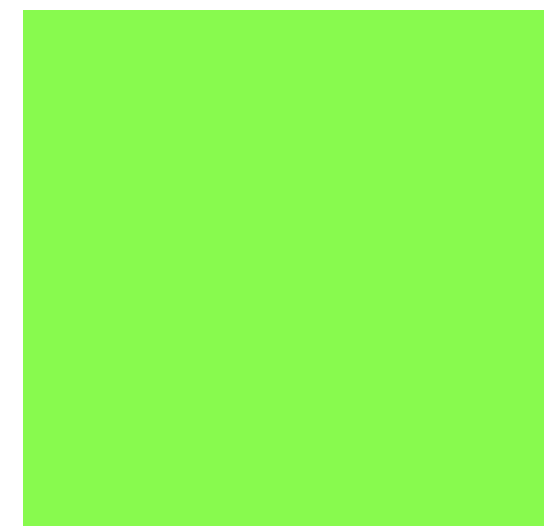


Source: The National Bureau of Economic Research

Success rate by age...

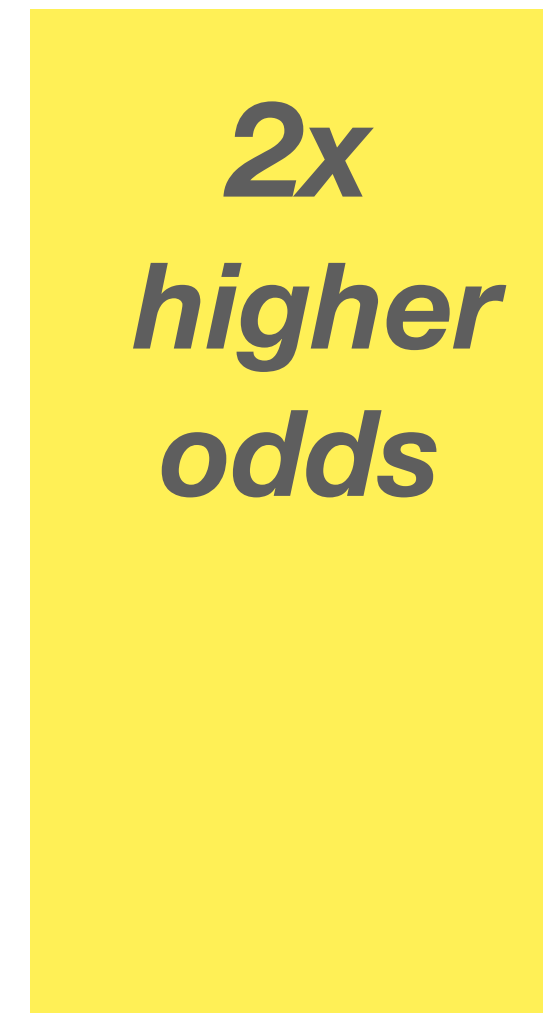
***“The longer you’ve been around,
the better your odds.”***

Age 30



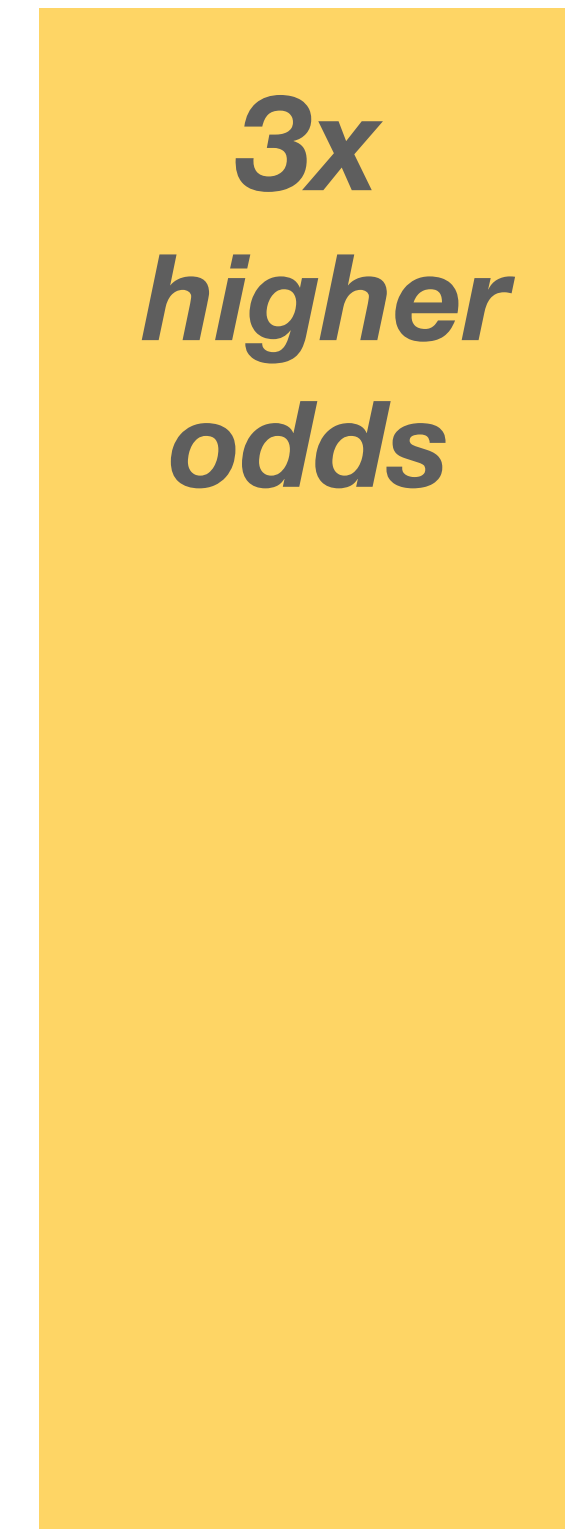
Age 50

**2x
higher
odds**



Age 60

**3x
higher
odds**



Why are people over 50 more successful?

Networks:

they know more people
who can help

Work experience:

they have relevant skills
that others value

Life stage:

they are more flexible &
have broader perspective

Funding:

they have greater access
to financial resources

Patience:

they know it takes time &
will put in the effort

Purpose:

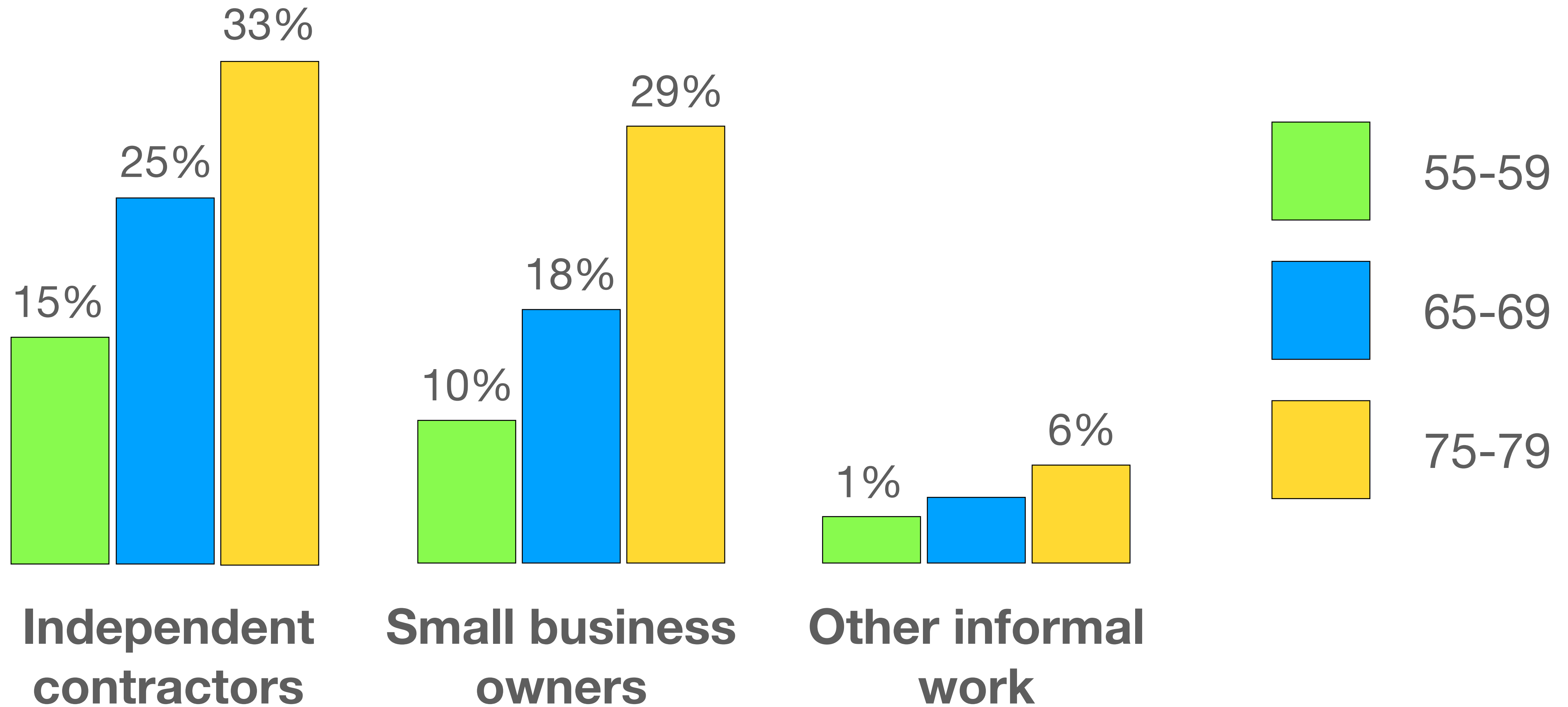
they are motivated by
clearer goals & interests

Who are self-employed people over 50?

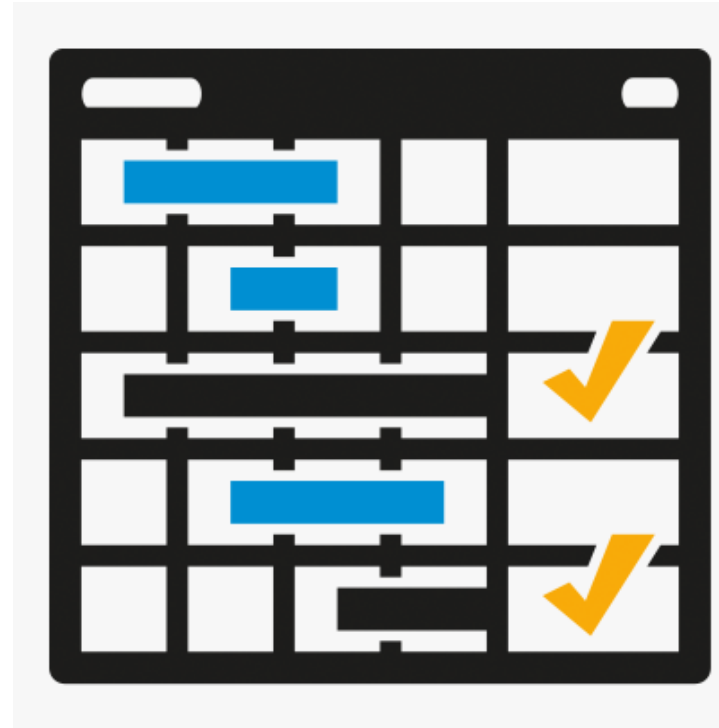
“Business owners who may have employees, independent contractors operating as sole proprietors, day laborers, online platform workers, and others who do informal work for pay. Self-employment is a full-time job for some, while for others it is part-time, casual, or intermittent.”

The National Bureau of Economic Research, Bulletin 2019, No. 3

What do self-employed people over 50 do?



Who are independent contractors?



**Contract
for projects**
(Contractor)



**Contract
for time**
(Free lance)



**Contract
for ideas**
(Consulting)



**Contract
for tasks**
(Gig)

Why are people over 50 self-employed?

- Use skills
- Connect with others
- Earn money
- Have flexibility
- Make own decisions
- Pursue interests
- Make a difference
- Stay active



Common self-employment jobs

Business services

- Marketing & sales
- Accounting
- Graphic design
- Web development
- Software development
- Copywriting
- Proofreading & editing
- Consulting

Sharing economy

- Driver
- Food delivery
- AirBNB-VRBO host
- Tasks & projects

Personal services

- Fitness
- Tutoring
- Coaching
- Advising
- Event planning
- Landscaping
- Cleaning & organizing
- Property manager
- Virtual assistant
- Child care
- Elder care
- Pet care

Business startups

- Storefront
- B2B
- Online (eBay/Etsy)
- Franchise
- Real estate
- Direct sales (Avon)
- Distributorship
- Nonprofit

Professional practices

- Photographer
- Artist-musician-actor
- Writer-author
- Interior design

Getting started...

INDEPENDENT CONTRACTING

Incorporation

- Not needed for most
- 60% not incorporated

Business planning

- Not needed for most
- 84% stay in same field

Taxes & insurance

- EIN, W-9, SEP or Keogh
- Personal tax & insurance

Marketing

- Previous employer 20%
- Network/word of mouth

Getting started...

SMALL BUSINESS

Incorporation

- LLC, S Corp, C Corp
- All are incorporated

Business planning

- Finance & tech support
- Costs, staffing, capital

Taxes & insurance

- Get EIN, register
- Get professional advice

Marketing

- Name, web, identity
- Value to customers

How much does startup cost?

INDEPENDENT CONTRACTING

Little to no expense beyond
professional fees, routine
equipment & supplies —
unless special equipment
is required

\$0-1000 for most

SMALL BUSINESS

33% — Less than \$5000

58% — Less than \$25,000

42% — More than \$25,000

Two-thirds started at home

**Half remain home-based,
keeping expenses low**

Two examples...

Amy Avergun

Amy Avergun & Associates

Instructional designer & facilitator

Kendra Mrozek

Online Business Manager

*One-stop technical support for
small businesses & entrepreneurs*

General skills you'll need...



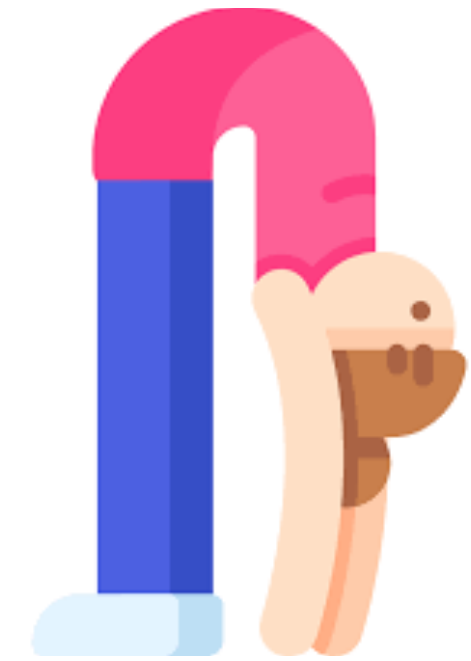
**Managing
your time**



**Customer
focus**



**Keeping
records/billing**



Flexibility



**Managing
relationships**



**Managing
adversity**



**Promoting
your skills**



**Taking the
long view**

Do's for the early going...

Check with your
acct or tax preparer
about setting up your
books & records

Craft your story
to explain WHY you're
in business and what
you have to offer

Create website,
one-pager or LinkedIn
profile to respond to
"Send me something"

Get a new email
address just for your
business use & put it
on business cards

Consult profes-
sionals who work
regularly with self
employed people

Don'ts for the early going...

Don't fall behind on
your record keeping
and billing — it's
hard to catch
up

Don't take on work
you don't want with
people you don't like
— learn to say
No

Don't be the only one
blowing your horn —
get others to vouch
for & praise your
ability

Don't allow yourself
to care more about
the work than your
clients do

Don't wait for things
to be perfect: jump in,
get started, and then
adjust!

Web-based resources



[aarp.org/work/
small-business](http://aarp.org/work/small-business)



Encore Entrepreneurs
score.org



Independent Contractors
Benefits Association

icbassociation.org



Encore Entrepreneurs
sba.gov

***Founders
Over 55 Club***

[agencytoinnovate.com/
founders-over-55](http://agencytoinnovate.com/founders-over-55)



ICBA Resources
45 Apps & Tools

Relevant books

