Are You Ready for a Life-Experienced Entrepreneur?
About AARP

- National membership of 36 million; over 795,000 Wisconsin members

- Wisconsin office located in Madison

- Non-profit, non-partisan social welfare organization.

- AARP does NOT contribute financial support or endorsements to candidates or political parties.

- AARP staff and volunteers are in community everyday working to help people get more out of life, right where they live.
About AARP Foundation

AARP Foundation serves vulnerable people 50 and older by creating and advancing effective solutions that help them secure the essentials.

Whether your self-employed, exploring self-employment or looking for work, AARP Foundation has a program that can help you reach your financial goals.
Approximately 116 million people in the nation are over 50, and they make up more than one-third of the U.S. population.

This number has grown significantly over the past two decades and will continue to do so as boomers age.

Over roughly the same time period, this group came to include the largest proportion of new entrepreneurs and the majority of business owners.
WHY CULTIVATE ENTREPRENEURS AGE 50 AND OLDER?
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<th>Overview: Economic impact of the 50-plus population</th>
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<td>2018</td>
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<td>Impact</td>
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<td>State GDP</td>
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<td>Jobs</td>
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<td>Wages and salaries</td>
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<td>State and local taxes</td>
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"% of total" refers to 50-plus impact as a percentage of each category.
ENTREPRENEURS AGED 50+ ... 

51% represent more than half of American business owners.12

74% plan to stick with their businesses for the next five years.13

2.8X as likely to establish a successful high-growth startup than a person who is 25.14

TOP FIVE INDUSTRIES
1. Construction
2. Personal care
3. Administrative
4. Waste management
5. Retail services
Work For Yourself@50+ Toolkit

Step 1 – Explore Your Options
Step 2 – Find Your Focus
Step 3 – Make a Plan
Step 4 – Watch Out for Trouble
Step 5 – Find Support

Taking Action

Resources

A Five Simple Steps to Get You Started Toolkit

Download at: workforyourself.aarpfoundation.org/download-toolkit
Things to Keep in Mind – Money

As your own boss, you’ll be responsible for your own benefits and taxes. Studies show that entrepreneurs should **set aside at least 30% of earnings** to cover expenses usually paid for by an employer (healthcare, taxes, etc.)

**Questions to ask yourself:**
1. How much do you need to make to cover your expenses?
2. How much work will it take for you to generate the income that you need?
3. Will it require you to work 7 days a week or can you comfortably earn that amount in fewer days?

**Need help?**
AARP offers a free online budget calculator:
Four Major Categories of Self-Employment

1. Part-Time Side Business
   *(aka second job, side job, side hustle, supplemental income)*
   Develop multiple sources of income than from a single job. You don’t “quit your day job” but add to your income.

2. Freelancing or Contracted Services
   *(aka gig work)*
   Freelancers and contractors are paid for the work that they perform either on an hourly or project basis.

3. Micro-Businesses
   Micro-business are self-owned businesses with five or fewer employees. Many are family businesses involving spouses or close relatives as employees.

4. Social Enterprises and Nonprofits
   Social enterprises are businesses with goals of generating profits and doing good in the community.
Things to Keep in Mind – Money

Example

Susan needs to earn $30,000 dollars are year to cover her basic expenses.

How much does Susan need to make in a year with her self-employment venture to cover her expenses?
Prioritizing Your Goals + Ideas

As you explore self-employment the challenge is usually not about finding the right idea, but narrowing your options down to the best idea.

Look at your list of self-employment opportunities, then think about the following questions:

Which idea...
- Excites you the most? Why?
- Would be the cheapest or easiest to get started? Why?
- Would be the hardest or most expensive to get started? Why?
- Aligns best with your current lifestyle? Why?
- Will your family most likely support?
- Would most disrupt you current lifestyle?
### Breaking Down Strategic Planning: SWOT Analysis

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<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
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<td>Things your company does well</td>
<td>Things your company lacks</td>
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<td>What separates you from competitors</td>
<td>What do your competitors do better than you</td>
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<td>Internal resources</td>
<td>Resources limitations</td>
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<td>Tangible assets such as intellectual property capital, technology</td>
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<th><strong>Opportunities</strong></th>
<th><strong>Threats</strong></th>
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<td>Areas to be improved in your company</td>
<td>Potential external problems your business might face</td>
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<td>What trends or conditions may positively impact</td>
<td>Emerging competitors</td>
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<tr>
<td>Emerging need for product or service</td>
<td>Regulatory changes</td>
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<td>Few competitors in your area</td>
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<td>Underserved markets</td>
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What Do Entrepreneurs Need?

According to the Association for Enterprise Opportunity there are four key elements that microbusinesses need to be successful:

**Capacity**
Ability to grow one’s business

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**Capital**
Access to funding, micro-lending and materials

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**Confidence**
Feeling well prepared and optimistic about chance of success

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**Connections**
Knowing who to turn to for support and to build client base

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Capital – A Quick Guide to Financing Your Business

The amount of money you need to get started will vary based on the type of self-employment you want to pursue. Some options like contracting or freelancing may require less cash than business that physical space or goods

So where does the money come from?

**Personal Investments**
- Personal Funds
- Friends and Family

**External Financing Sources**
- Loans

**Crowdsourcing**
- Crowdfunding websites
- Crowdlending websites

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**Fun Fact**
While financing may seem like a huge barrier to getting started, it’s important to remember that 80% of startups never need external funding

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AARP Foundation
For a future without senior poverty.
Self-Employment and Your Taxes

Taxes to keep in mind:

**Income Tax:** You will need to pay income tax. Depending where you live, you may also have to pay state and local taxes.

**Self-Employment Tax:** Small business owners may have to pay this tax to cover Social Security and Medicare costs.

**Sales Tax:** Retail operations may have to pay sales tax to their local and state jurisdictions.

Be sure to keep careful records of income and expenses. Seek advice about which receipts and documents you should hold on to. Don’t go it alone.
Find Support

Just because you’re working for yourself does not mean you are alone. You do not have to “go it alone”
Additional Resources
Join the Online Work for Yourself@50+ Community on Hello Alice

Hello Alice is a multichannel platform that helps businesses to launch and grow. With a community of more than 100,000 companies across the country, Hello Alice provides a space for entrepreneurs to network and obtain necessary resources, including grants.

The Work for Yourself@50+ Community on Hello Alice is a place where you can network with other older entrepreneurs and Work for Yourself@50+ program partner organizations, share resources, learn and, ultimately, achieve your business goals – for free!
Also Check Out..

**AARP Foundation**: Resources include: information for job searching, working at 50+, career coaching | [http://aarpfoundation.org](http://aarpfoundation.org)

**Small Business Resource Center for the 50+**: Resources, stories, workshops and information about grants for small business owners: [https://www.smallbizrc.org/](https://www.smallbizrc.org/)

**Global Institute for Experienced Entrepreneurship**: Global advocacy, policy, and research organization: [https://experieneurship.com/](https://experieneurship.com/)

**AARP WI Small Dollar, Big Impact**: Small community grants of up to $1,000 that are simple, short-term, low-cost solutions that could have remarkable impacts on the shaping of neighborhoods and cities: [www.aarp.org/WIsdbi](http://www.aarp.org/WIsdbi)

**AARP Community Challenge Grant**: Quick-action grants to help communities become more livable for people of all ages: [https://www.aarp.org/livable-communities/community-challenge/](https://www.aarp.org/livable-communities/community-challenge/)
Questions?
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