The Older Owner-Manager: Some Themes and Issues in Business Startup

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Abstract

As yet no firm conclusions or findings; this paper therefore presents some preliminary themes from work in progress. Empirical work consists of semi-structured informal interview, conversation and personal observation of those in my own personal network.

Currently, the looming pensions crisis is hitting headlines in the UK. Hutton speculates about a future in which many will have to work significantly longer than in the past. Furthermore we may have to forget the conventional aspiration by which we retire at the peak of our careers but instead have to make do with work that is perhaps much less rewarding financially or in terms of intellectual stimulation. Many activities are barred on grounds of age. At times like that, setting up in self employment may be seen as a more positive alternative. The existence of organisations such as PRIME underlines the likelihood that encouraging the mature, elderly, or even ‘chronologically gifted’ into various forms of self employment will be come increasingly likely,

Individuals decide to start trading for a variety of reasons(Carter and Jones-Evans 2000). However it is likely that motivation and business activities will vary somewhat depending on the age and life experience of the individuals concerned. Research questions therefore include:

- What are the special needs of the older person and how do they differ from someone who is younger?
- Is attitude to risk likely to be more cautious?
- Are there some areas of activity where advanced age is a perceived advantage?
- What particular obstacles are there and how can advice and assistance cope with these?

In this exploratory paper I will identify and explore some of the issues involved, largely through reference to case studies.

Moonlighting/Part Time Trading

Managing risk is a key issue. When young, the owner manager is perhaps more willing to take risks not least because through inexperience they may not be fully aware of the potential for problems. Furthermore, in middle years it is more difficult to make a come-back after a business failure. There is simply less time available.
What might be more attractive therefore is an approach that involves portfolio and transitional working: negotiating a transformation. There are many how-to books in this area but not much evident in academic writing. (Eyler 1989; Woodson 1997; Kimmel and Conway 2001)

The attitude of employers seems significant here. Some employers make this difficult in a variety of ways. Others are neutral or even encourage it.

Cases raise a number of issues:

Leon employed by a large retail chain decides to explore working for himself. He has already set up web sites for several friends and contacts and is wondering whether the market exists for his skills.

Dorothea, an academic with seven or eight years to work before retirement, chooses to train as a group therapist. This is work which has clear benefits to her teaching role both in providing insights into student-staff interaction and in her area of research. Her university provides some financial contribution towards the cost of her training though once qualified she may find that this activity develops as an income source on her retirement from full time teaching. Therapy and counselling activity is not known for its high financial rewards but is clearly an area in which in addition to professional training, age and life skills would normally be perceived as beneficial.

Jeannette sets up as a clairvoyant. She is trading successfully in her late seventies and comments that in her new trade it is a perceived advantage not just to be older than many of her competitors, age being associated partly with wisdom among her clientele, but to be female.

David, formerly a senior manager with a large blue chip multinational, sets out to offer a range of consultancy and other services. One of his implicit policies is to focus work on the activities where he can leverage his sales and marketing skills. He contracts out some of the lower level sales skills, arranging for others to conduct cold calling and setting up appointments for him with senior management.
REFERENCE


