Self-employed?

Those who are 50-plus are living and loving it

For Schaumburg's Fred Wilson, who started his own business at age 54, self-employment means the gratification of doing a good job. For Brett and Pam Nila of La Grange, who launched their own company at about the same age, self-employment is the joy of not having to justify their decisions to bosses.

For millions of other self-employed Americans 50 and older, going out on their own brings appealing flexibility and the chance to pursue their dreams.

All this leads to the next question: Is self-employment right for you?

A recent AARP survey called "Staying Ahead of the Curve 2013: AARP Multicultural Work and Career Study Snapshot of the Self-Employed" reported 15 percent of American workers 45 to 74 are self-employed.

Moreover, 10 percent of those who are current wage and salary workers say they plan to start a business once they retire. Nearly three-quarters (72 percent) of respondents said their businesses made a profit in 2011.

"This may explain why a full nine in ten self-employed older workers believe it is not likely they will have to give up working for themselves in the next year," AARP states.

Being self-employed appears a growing trend for older adults, says Jean Setzfand, financial security and workforce expert at AARP in Washington, D.C.

Over the past 15 years, the age bracket witnessing the largest growth in entrepreneurship has been the age 45 to 64 cohort.

"There's a positive growth trend in this age group," she says. "In all others, it's flat or negative."

What kinds of people tend to go the self-employment route? The self-employed and small business owners tend to be more risk loving than risk averse, Setzfand says. They're also OK with less regimen in their lives. "This is your life on the line," she observes. "Many small business owners are the 'chief everything officer.' There's less rigor and structure to their life and day."

Self-employed older people also tend to work beyond the age when most of their contemporaries retire. Many are the type who will never retire, Setzfand says. "Most of them are pursuing their life passion," she adds. "Job is an important part of who they are. They're not doing this for the money alone, and are less likely to say they are planning to retire in the next five years."

Un-retiring types

That lack of interest in watching sunsets from a rocking chair certainly characterizes Wilson and the Nilas. After working his way up from programmer to project manager with a legacy airline, and later for two insurance firms, Wilson started his company, MAKO Computer Consulting in 2000. "I had toyed with the idea of starting my own company, and knew I had the skills to do it," he says.

"But for years prior to that, I had been doing all my friends' computer work, and all my friends' business computer work, for free. When I started my own business, I told them it was no longer free. And they said, 'It's about time.'"

Today, he makes a bit less than he might in the corporate world, but enjoys his life far more. His reward, he says, "comes from doing a good job. A lot of times people are frustrated, and they've lived with problems for so long . . . Within an hour or two, I can go in and get

Fred Wilson of MAKO Computer Consulting works with his client Colleen Gallagher of Lifetime Treasures Photography. Wilson has been self-employed since 2000.

things working better."

Moreover, Wilson has no intention of quitting. "If I were to retire, I would probably be dead in six months, just from boredom," he says. "The reason I will never retire is you have to have something to do when you get up in the morning, and you have to have something to look forward to in the future."

Brett and Pam Nila were 55 and 52 respectively when they launched their Griswold Home Care business last summer. Both veterans who had lengthy careers in the U.S. Army, followed by stints in the corporate world. In running their home care placement agency, they meet with clients and determine what their needs are, then find the best match from their registry of caregivers.

"It's been gratifying in the sense that we are setting our own course in establishing priorities for ourselves and our business," Brett says. "We don't have to continue justifying our decisions to

someone else."

Those in their 50s have considerable life and work experience, adds Pam. "It's rewarding in that we have been able to take all the skills we've honed in our lives, and bring them together in one place," she says.

Keys to success

After 13 years on his own, Wilson isn't just a successful entrepreneur. He's also an expert in what it takes to make it as an older self-employed person.

"First of all, you've got to believe in yourself," he says. "There will be times when you think the sky is falling. If you don't have a high opinion of yourself, you are not going to be able to make it through those difficult times."

He says it's also crucial to keep learning on the job, and to convey to customers why you're worth what you're charging. "You may be the greatest at what you do, but if you can't sell yourself to customers, you won't make it."

For his part, Brett Nila feels there may be a type of older entrepreneur more likely to find success. "It's maybe a person who thinks young, and isn't anticipating the retirement hammock," he says. "You're not in pre-retirement."

Careful planning is also critical, Setzfand says. "There's a real element of running a business that needs to be thought through," she reports.

"Have you written a business plan? Do you know your market? Have you really thought through the source of funding to start your business?

"When you go through this process, you have to really understand what the revenue is, and what expenses the business is going to generate."

Many older folks report having done their homework and prepared for the leap, cutting the cord with the 9-to-5 world is fun and liberating.

Says Pam Nila: "We're having a blast." ∎