



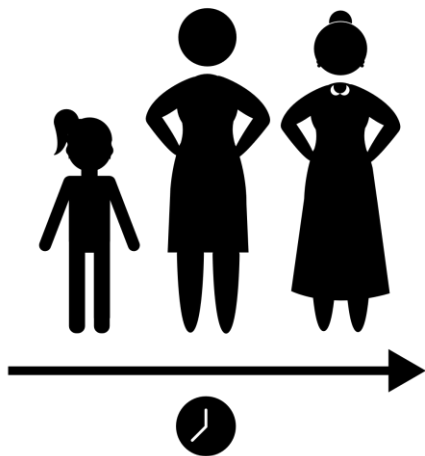
Senior Entrepreneurship – The Portuguese Case –

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AGEING



ENTREPRENEURSHIP



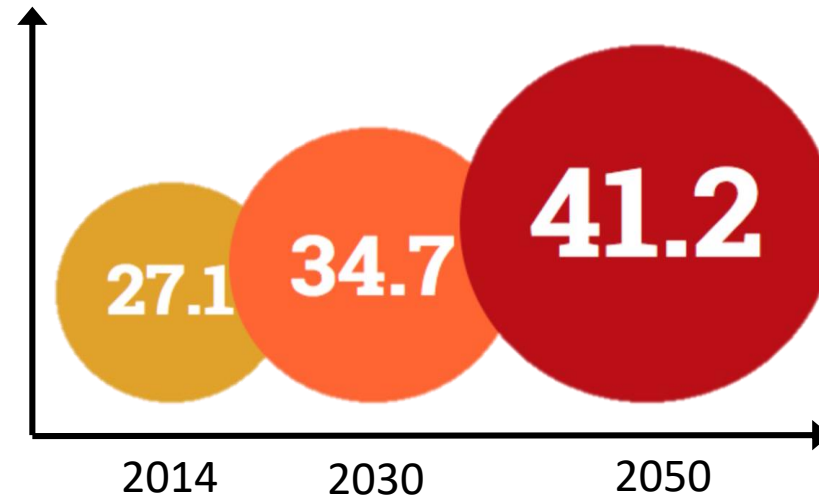
In 2016,

41%

of the Portuguese population aged 50 or over.
(Censos, 2011)



Percentage of the Portuguese population aged 60+



Source: <http://www.helpage.org>

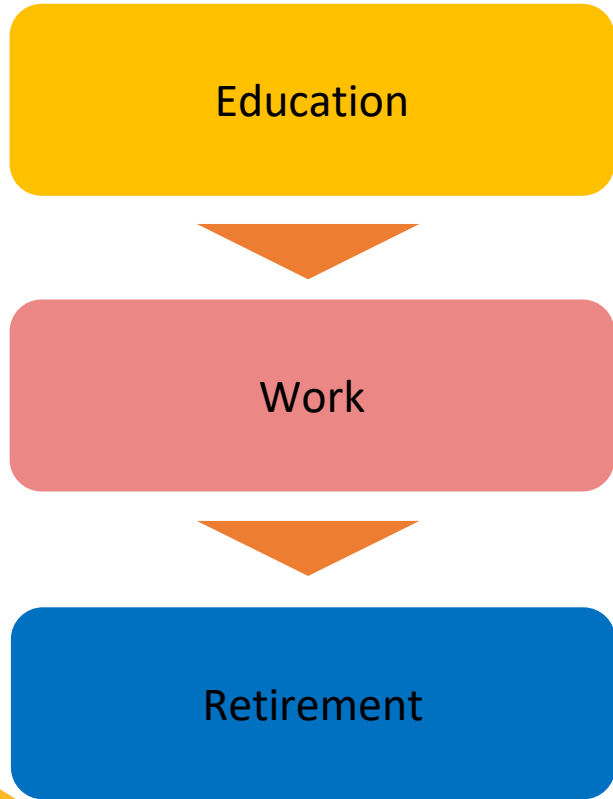


A new vision to deal with ageing is necessary:
one which provides opportunities for older people
to engage and participate.

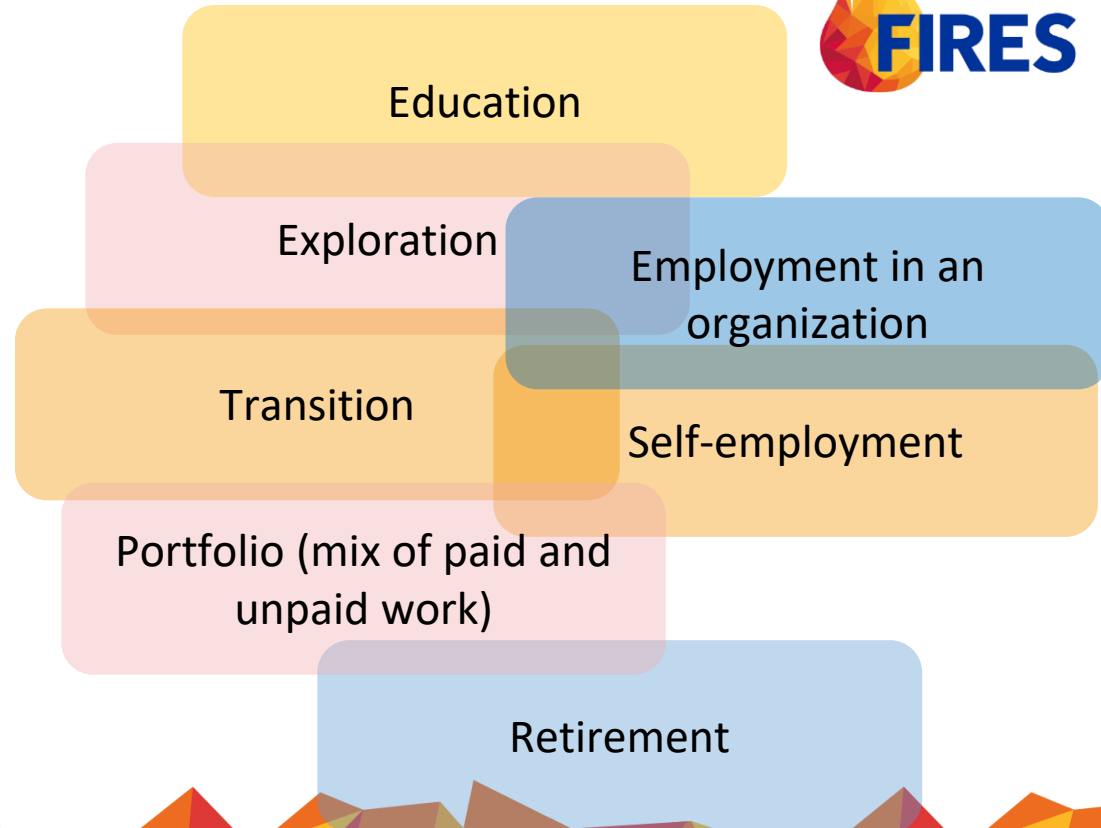
(Kuneva et al., 2010)



The Three-Stage Model



The Multistage Life



Source: Gratton & Scott, 2017



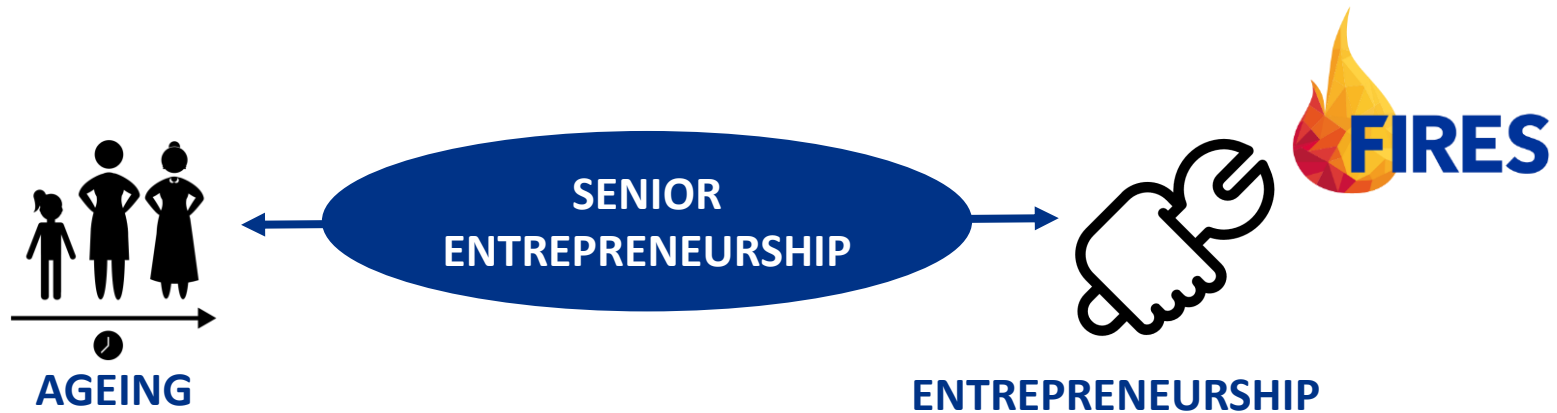


Entrepreneurship may represent a

bridge-job

between work and retirement.





Self-employment and entrepreneurship - **feasible occupational strategy for older individuals** (Kautonen & Minniti, 2014; Singh & DeNoble, 2003)

On average **21.1%** of individuals aged 55 to 64 are self-employed
vs **4.1%** of 15-24 years old
(Eurostat, Labor Force Survey 2000-2011)

What are the specificities of older people?



Accumulated **resources** (Parker, 2009)



Likelihood of having been **unemployed; out of work for longer periods** than younger individuals (OECD, 1998)



Potential decreasing ability to relate and understand more complex ideas VS a gain in knowledge and skills (Baltes et al., 1999)



Life goals might shift from knowledge to **emotionally oriented** (Carstensen, 2006; Carstensen, Isaacowitz, & Charles, 1999)

Definition



Senior entrepreneurship refers to individuals **aged 50 or over** who **intend, are in the process of, or have created a business** (Kautonen, 2013).

General aim

To gain a better understanding of the **scope and potential** of **senior entrepreneurship** with particular focus on the **Portuguese context**.



**Subjective
dimension**

E.g. Business satisfaction

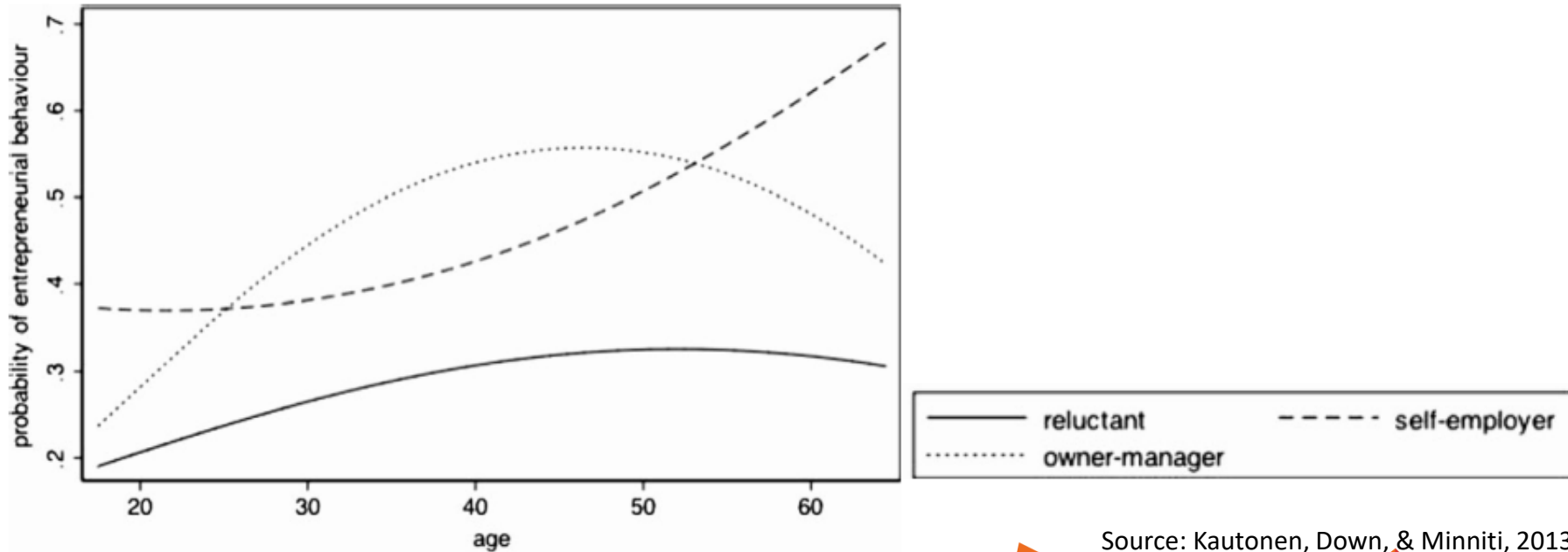
**Objective
dimension**

E.g. Sales, employment

ENTRY

PERFORMANCE

Age and the probability of entrepreneurial behaviour



Source: Kautonen, Down, & Minniti, 2013



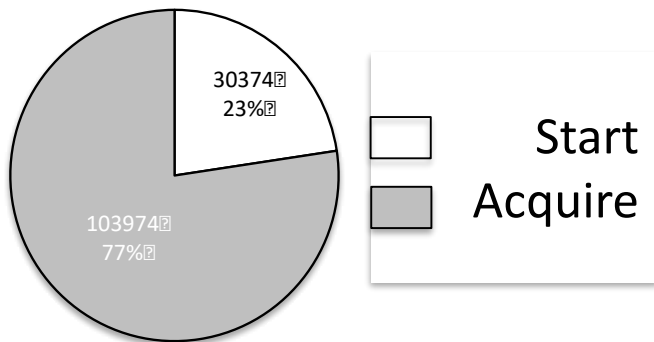
Entry

No. observations:
400.000
Quadros de Pessoal,
2000-2009

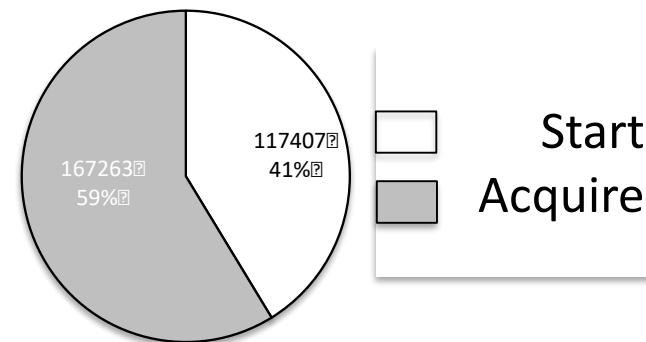


Sample: number of entrepreneurs, 2000-2009

FOUNDER AGE > 49



FOUNDER AGE < 50



Entry

No. observations:
400.000
Quadros de Pessoal,
2000-2009



Our key findings:

- Having **entrepreneurial experience** and
- the higher the number of years as **paid employee**

>>> **facilitate transition** to senior entrepreneurship



Why are they starting firms?



Questionnaire sent in 2015,
N=181, individuals who have
started or acquired their
company in 2004-2009 at the
minimum age of 50

Opportunity (51%) |
Necessity (29%)

Motivations:

Contribute to society (72%)

Remain active through work (82%)

Become an entrepreneur (76%)

Low pension (19%)

Dissatisfaction with previous work (25%)



Objective Performance



Age

Firm Financial
Performance

(Kok et al., 2010; Gielnik. et al, 2012; Li, 2015)

Quantitative research allowing
generalization needed

Our key findings:

Senior entrepreneurs underperform younger entrepreneurs in terms of employment growth.

No. observations: 400.000
Quadros de Pessoal, 2000-
2009



Subjective Performance



Older people who **move to self-employment** obtain an **increase in terms of quality of life** (and **decrease earnings**) compared to those who remain in the same W&S job or those who move to a different W&S job (Kautonen et al., 2017)

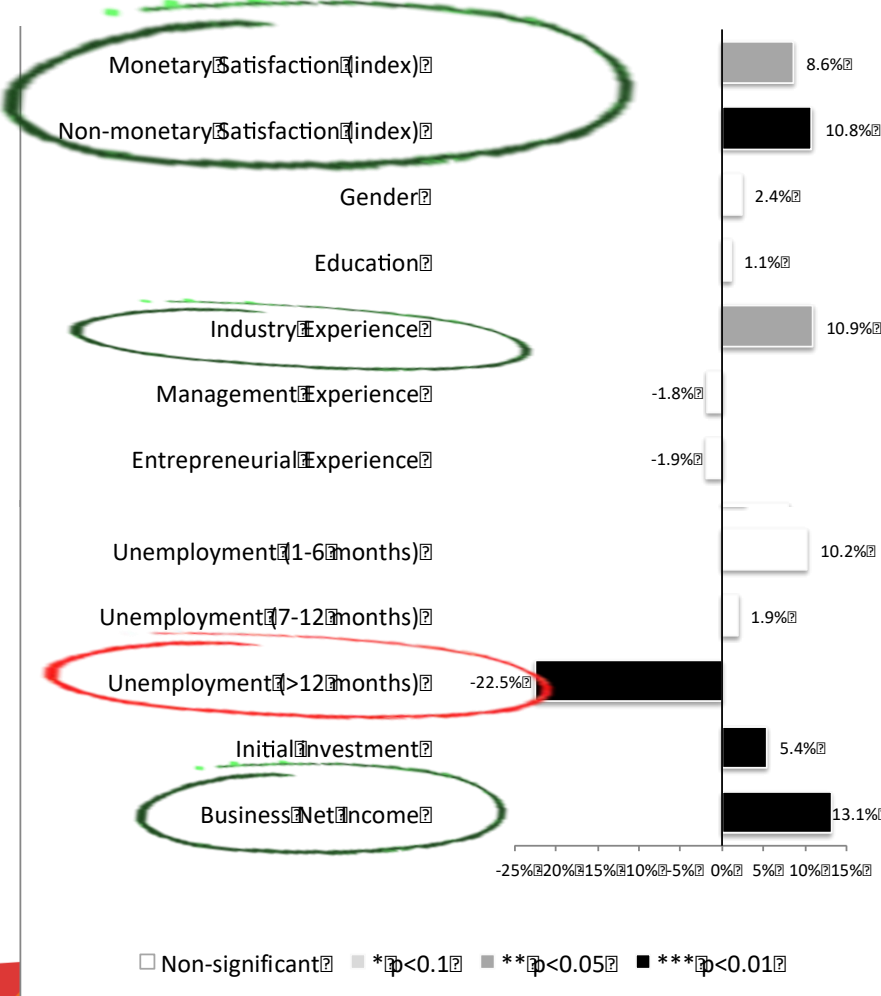
How satisfied are senior entrepreneurs with their businesses, which factors influences this?



Business satisfaction

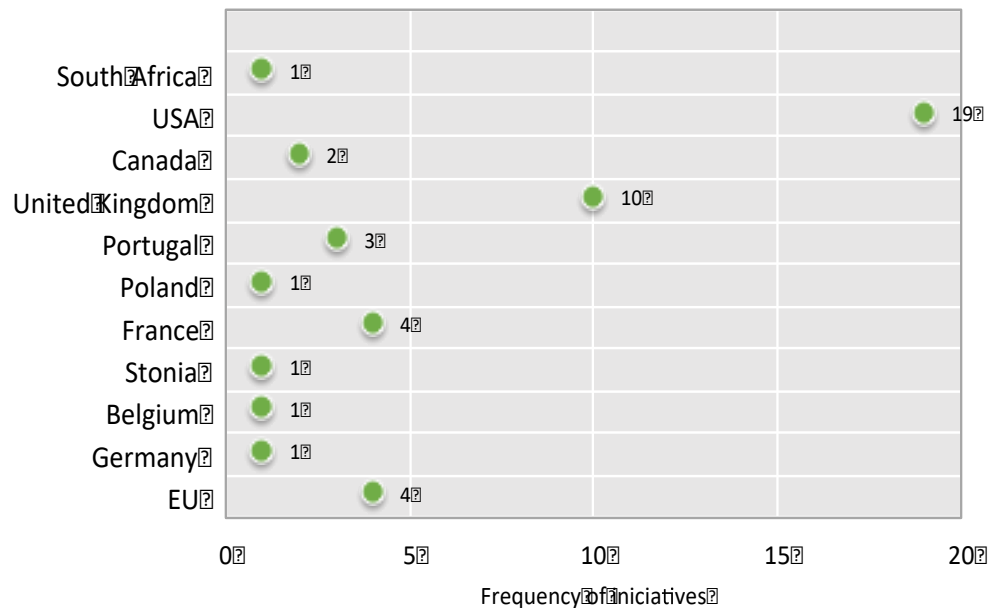
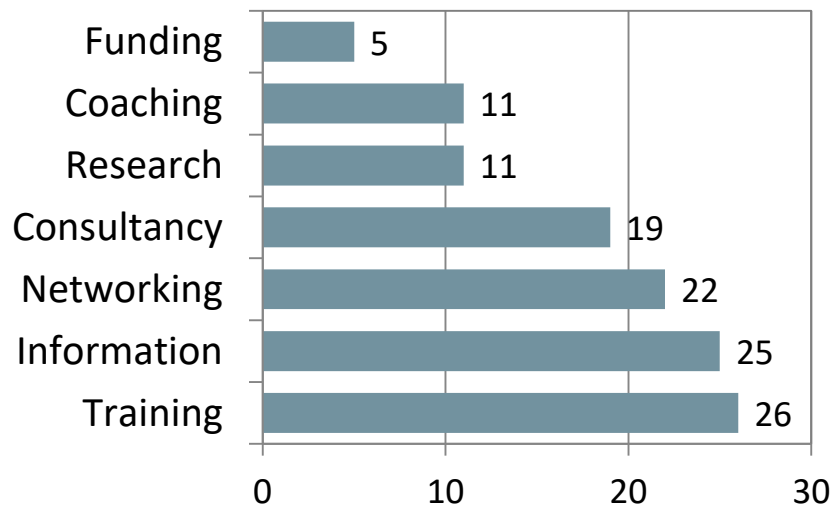
Questionnaire sent in 2015
N=141, individuals who have started or acquired their company in 2004-2009 at the minimum age of 50

How satisfied are you with your business?



Initiatives

Review done in 2017,
N=57, initiatives/ programs/
instruments supporting senior
entrepreneurship



Initiatives - Portugal



- *Empreender 4560*
(research & incubation - unemployed older individuals)
- *United at Work*
(research & incubation - intergenerational entrepreneurship)
- *Fundo Bem Comum*
(venture capital for unemployed 40+)



Some research contributions



Looking to **senior entrepreneurship** from its **objective performance** but also **subjective** one

Data is **useful for Portugal** and other countries because:

- Portugal is one of the country with the highest rate of aged population in the EU – Attention is needed!
- **Careers are changing.** Countries and companies will need to adapt to an older workforce – Opportunities at all ages.
- **Special attention** should be paid to **older individuals facing long-term unemployment.**



Limitations/ future research



Potential self-report bias (business satisfaction)



Caution in generalizing (181 firms)

Examine business satisfaction and wellbeing, among **stages of a business life cycle** (nascent and established) of senior entrepreneurs who started out of **unemployment and those who did not**, based on a larger database



Period under analysis (until 2009)

Reproduce the analysis with more recent data



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Programa Operacional Assistência Técnica (POAT) (co-funded by the European Social Fund) through the research project: “Too late to become an entrepreneur? – Entrepreneurship among Older Individuals” (Ref: 00082940/2013).

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