



Retirement: Why Start a Business When You're Supposed to Stop?

Some individuals dream of the day when they can do absolutely nothing. To them, retirement is a euphoric future of sleeping in, lounging in the sun, being on perpetual vacation and thinking as little as possible for the rest of their lives.

Retirement is the perfect time for things like travel and exploring old passions; but it can also be a great time to start a business.

Why start a business after you retire? Here are 5 popular reasons some people pivot to self employment during retirement.

1. To earn money, keep sharp and pass on your skills

Starting a business after retirement is probably right for you if you've always longed to....



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- Be your own boss
- Do what you love full-time
- Help others directly
- Learn something totally new
- Build a business from absolutely nothing

Retirees have a number of advantages over younger founders, including years of experience learning on other people's money.

When you're retired, it can be difficult to find employers willing to hire you to work part-time, despite your experience and knowledge. Becoming your own boss takes care of that potential obstacle.

But starting a small business has become more possible than ever. Changes in the economy have led to more and more companies outsourcing services —making it the perfect time for small businesses to develop.

2. Your Work History Is an Advantage

You've likely accumulated an extensive base of knowledge throughout the course of your career. That's a great reason to start a business in retirement, too.

"Retirees have a number of advantages over younger founders, including years of experience learning on other people's money," says David Deeds, Schulze professor of entrepreneurship at the University of St. Thomas and executive editor of the EIX (Entrepreneurship and Innovation Exchange) Board. "They've observed what works and what doesn't, which should limit costly mistakes."

For example, retired professionals know how to give presentations, work with executives and build successful teams. All of these skills are valuable as you begin a



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business. You'll know how to connect with customers and sell yourself — two key characteristics for successful entrepreneurs.

3. You Have Established Finances

When you're starting out in your career, odds are you don't have much in savings to launch a business. But by the time you're retired, you may well have some kind of financial cushion. What's more, Deeds says, retirees "generally have lower monthly cash needs, since they are past kids and frequently have the house paid off."

This means starting a business can be less stressful financially. With consistent income and no full-time career to maintain, you can devote the time needed to build a successful business. This also allows you to be flexible as opportunities arise and fall, which is key as an entrepreneur at any age.

For Dillon, the ability to move around and try new things has been important in the learning process as a retiree turned successful business owner. He says: "Be flexible! And, find an area or industry that is underserved where you can add value...then go for it! Don't take no for an answer. If you meet with rejection, get up, brush yourself off, and try again." There is always more than one way to reach the goal.

4. You Have Niche Experience

Having experience in a specific niche means you can go embark on a business with knowledge and insights that many young entrepreneurs don't yet have. And that can set you up for greater success.

But your specialized experience gives you a better understanding of the market, what the customer needs and what potential competitors are doing. So, you're less likely to fall prey to the common startup challenges.



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5. You Can Revisit Your Passions

After a lifetime of work in your chosen career, retirement is the perfect time to revisit your passions and turn them into a business. Midlife is a great time to reconnect with yourself, try new things or circle back and pick up interests left behind when family and work responsibilities are at their peak.

Ultimately, though, you have choices with what to do with your expertise, time and money to pursue either an interest or a dream.

You're not over the hill, you're on top!