

9 The lifelong freelance career

One of our central arguments is that the career world of regular employees is slowly but steadily moving towards the career world of the independent professional. An entrepreneurial stance is becoming more and more important for all employees. Networking and developing a marketable skill set is increasingly crucial in an open entrepreneurial knowledge society, and is essential to all knowledge employees.

At the same time the average employee age is increasing. As Western society increasingly leans on older individuals, it becomes vital that older individuals stay productive and remain innovative members of society. Therefore it is interesting to see how the career of the freelancer is evolving across the life stages. It is particularly important to enhance our understanding of the career challenges of older freelancers. Are older freelancers able to remain productive and innovative until high age? If so, this might reassure us: If not, it is essential that we gain a better understanding of the challenges that age poses for independent professionals.

9.1 Age and career success factors

9.1.1 Age, experience, and human capital

Measuring human capital across various professions is not that easy. It should be noted that the crude measures used in this study might not show all the subtleties of the relationship between age and human capital. Table 85 shows a negative correlation between educational level and age. This is probably a cohort effect as the older generations in The Netherlands did not attend university as much as the younger generations. The correlations between recent training and age are not significant. Mapping recent training effort to age shows no clear pattern, but a cloud of data points. This suggests that older independent professionals invest as much in (formal) skill development as their younger counterparts do. There is therefore no evidence of skill obsolescence in our human capital factors.

The human capital experience concentration hypothesis of Thijsen (1996) is not supported by the data. The experience concentration hypothesis suggests that there is a negative relationship between age and training in new skills. But this is not the case. There is a small but significant, and negative relationship between training in adjacent skills and freelance experience. This is probably caused by the fact that adjacent skills (e.g. administration skills, personal effectiveness,

presentation and communication skills) are learned in the beginning of the freelance career, as one needs to understand tax, legal and social security rules and regulations. All in all, no support is found for human capital skill obsolescence or human capital experience concentration.

Table 81: Age, experience, and human capital

Age and HC	Correlation with age	Correlation with flexperience
Education – University	-0.084**	-0.005
Education – HBO	0.034	-0.029
Sum of recent training days	0.021	-0.047
Recent training – Core profession	0.039	-0.046
Recent training – New profession	0.024	-0.006
Recent training – Adjacent skills	-0.022	-0.058*

* = significant at 5% level, ** = significant at 1% level

9.1.2 Age, experience, and social capital

In Table 82 the correlations between age, experience and social capital are given. There are 2 interesting observations. Firstly, there are strong negative correlations between experience with freelancing, and social capital. Experienced freelancers invest less in networking, coaching, and employment agencies than inexperienced freelancers do. This is probably to do with the fact that one needs to invest in the beginning of a new venture to establish brand name and visibility. Secondly, a clear relationship between age and social capital is lacking. Curiously enough, partner support decreases with age, suggesting that older freelancers receive less support from their partners. The fact that membership of social virtual networks (e.g. Xing, Linked In) is lower with age seems only logical, given generational effects.

Table 82: Age, experience, and social capital

Age and SC	Correlation with age	Correlation with flexperience
Business Club Member	0.025	-0.037
Managing the Agent	-0.047	-0.132**
Size of Network	-0.046	0.008
Network activity score	0.013	-0.093**
Partner Support	-0.100**	-0.041
Time invested in networking	0.052*	-0.093**
Social Virtual Networks	-0.250**	-0.209**
Career Coach	-0.033	-0.065*

* = significant at 5% level, ** = significant at 1% level

Networking characteristics are affected by both age, as well as by freelance experience (see Table 83). The network expands with more experience. With age and with experience the number of senior executives in the network rises. The number of new contacts (refreshment) slowly diminishes with age and experience. It is perhaps the case that experienced independent professionals, tend to be introduced to almost all relevant actors in an industry and therefore do

not need to refresh and expand their network anymore. The time invested in networking also increases with age, but interestingly enough decreases with experience.

Table 83: Age, experience, and networking

Age and Networking	Age		Freelance experience	
	≤ 50 years	> 50 years	≤ 10 years	> 10 years
Size of Network	58	61	57	69*
Friends and Family (strong links)	7	5**	6	6
Senior Management level or higher	23	26*	23	29*
New contacts in last two years	21	19*	21	16**
Time networking (hours/week)	4	5*	5	4*

* = significant at 5% level, ** = significant at 1% level

Evidence for skill obsolescence seems to be lacking. The size of the network and the seniority level of contacts both increase with freelance age. In the beginning of a freelance career, the investments in networking are somewhat higher than at the end of the career, but this is only natural. There is some evidence for experience concentration. With age, and freelance experience the number of new network contacts is diminishing. This indicates a tendency for older, experienced individuals to remain with the “old boys network”. It is however very much the question whether this tendency of experience concentration is powerful enough to explain the diminishing revenue of older freelancers. The number of new network contacts of experienced freelancers is 16 (in the last two years), only slightly less than the 21 new contacts of less experienced freelancers.

9.1.3 Age, experience, and personality

Table 84 turns to the relationship between age, experience and personality traits. From meta-studies (see Chapter 3) it is clear that personality traits remain quite stable over the life stages. A small positive correlation between the personality characteristics and experience might be observed, as personality characteristics should positively influence success.

Table 84: Age, experience, and personality capital

Age and Personality	Correlation age	Correlation flexperience
Pro-activeness	-0.025	-0.067**
Openness	-0.015	-0.049
Career Insight	0.034	-0.124**

* = significant at 5% level, ** = significant at 1% level

As expected, the correlations between age and personality were almost zero and not significant. But surprisingly, the correlations between freelance experience, and the personality characteristics were significantly negative. This suggests that our personality traits do not support success, but may even hamper success.

Table 85: Age, experience, and motivational capital

Age and Motivation	Correlation age	Correlation flexperience
Motivated by Autonomy and Professionalism	-0.06*	0.022
Motivated by Challenge and Money	-0.133**	-0.157**
Motivated by Work-life Balance and Flexibility	-0.186**	-0.069*

* = significant at 5% level, ** = significant at 1% level

Table 85 shows that both age and freelance experience are negatively correlated with the observed motivational factors. Older independent professionals report much more often (25%) than younger independent professionals (10%) that they started a freelance career because they had no choice, and that they simply needed an income.

9.1.4 Age, experience, and strategy capital

There is a positive relation between age, experience as a freelancer, and having an innovative and/or differentiating firm strategy (Table 86). Of all younger freelancers (under 55 years of age) 34.1% judged their firm strategy to be very differentiating (score 6 or 7), and 31.8% was of the opinion that their firm strategy was based on innovative products and services. Of the older freelancers 41.0% judged their firm strategy to be very differentiating, and 36.6% thought that innovation was unique to their strategy. This, however, may only be reflecting perception instead of real changes.

Table 86: Age, experience, and strategy capital

Age and Strategy	Correlation age	Correlation flexperience
Better service or low cost strategy	0.013	0.044
Innovative and different strategy	0.202**	0.187**
Industry specialization	0.013	-0.067*
Broad product range	0.002	-0.058*
Perceived level of Authority	0.229**	0.206**

Looking at all the various success factors, there is no single success factor that shows a strong linkage with age or experience. There is no significant relation between age and any of the measures of human capital. Contrary to our skill obsolescence hypothesis, older freelancers maintain their investment levels in training. Moreover, they invest as much as younger freelancers do in formal training and development. So there is no direct support for skill obsolescence or experience concentration of human capital. The relationship between age, experience, and social capital is not so simple. There is a tendency for experienced freelancers to economize on networking, but the absolute differences between experienced and not so experienced professionals are small.

On the one hand it is true that experienced freelancers invest less in networking (3.7 hours per week, instead of 4.7 hours) and that the refreshment rate of the network is much lower (23% versus 38%). On the other hand, the size of the network and the number of senior level managers in the network tend to increase with age and experience. Even though there is support to accept the experience concentration hypothesis (i.e. the tendency of growing an *Old Boys Network*), there are no reasons to suggest that the total value of the social capital of older, experienced independent, is lower than that of younger freelancers. The personality traits are rather stable, as expected. Only career insight (which, it could be argued, is not a personality trait), decreases with experience.

Overseeing all groups of capital sources (human, social, motivational, personality, motivational, and strategy capital), one cannot state that experienced freelancers have less resources. Indeed, most of the measured freelance success factors show no relationship with age. No clear support is therefore found for **hypothesis 10 and 11**. However, our used indicators show strong (negative) correlations with freelance experience. These correlations indicate that experienced freelancers have a high risk of experience concentration.

9.2 The impact of age and experience on freelance career success

In the section above the relationship between age, experience, and the various career success factors, are analyzed. But perhaps there are also other effects of age or experience on career success, that do not work through the 5 established groups of success drivers. To capture these effects we have included age as an independent variable in our revenue regression. In Table 87 below, various objective measures of freelance career success are shown with their correlations with age. There is no simple one-way relation between age and revenue. A closer look at the data shows that there is a negative correlation between age and utilization rate, and a positive correlation between age and professional fee.

Table 87: Age, experience, and career success

Age and Performance	Correlation age	Correlation flexperience
Revenue (logarithm)	0.029	0.045
Utilization rate	-0.073*	0.040
Professional Fee – hourly rates	0.173**	0.021
Professional Fee – daily rates	0.250**	0.240**
Demand for services	-0.198**	-0.139**
Subjective career success	0.024	0.032

* = significant at 5% level, ** = significant at 1% level

From the survey it is not clear whether the utilization of older professionals is perhaps lower, because of involuntary reasons (e.g. lack of investment in recent skills or loss of network contacts due to retirement), as Platman (2005) argues, or that utilization is lower by choice, perhaps because older independent professionals voluntarily scale back to enjoy the fruits of life (e.g. second house in France, grandchildren).

In the survey respondents were asked how the demand for their services had developed in the last two years. Respondents could give a score between 1 and 7, where a score of 1 represented significantly less demand for their services, a score of 4 represented no change in the demand for their services, and a score of 7 represented significantly more demand for their services. Older independent professionals are significantly more pessimistic than younger freelancers, reflected in a significant and negative correlation of -0.198. In Table 88, one sees that respondents who are negative about the demand for their services (score 1-3) are on average much older than respondents that are positive about the demand for their services (score 5-7).

Table 88: Age and demand for services

Change in Demand last two years	Mean age of respondents
Score 1: Significantly less demand	56 year
Score 2	55 year
Score 3	51 year
Score 4: No change in demand	47 year
Score 5	45 year
Score 6	46 year
Score 7: Significantly more demand	44 year

Using the equations that were estimated in Chapter 8, we can separate the influence of age and freelance experience on revenue. Although both variables are significantly correlated (0.42), they capture different constructs. More than 25% of all older freelancers (defined as 50 years or older) have less than two years of freelancing experience. From the estimates of our career success model, it looks if age has a parabolic influence on revenue, as revenue first increases until the age of 44 and then decreases. Freelance experience has a positive influence on revenue, but this positive effect slowly declines with increasing experience. The added value of the first years of freelance experience (e.g. from 1 year to 2 years of freelance experience), is worth more than the added value of the later years of freelance experience (e.g. from 20 years to 21 years of freelance experience).

As a career is the combined effect of age and experience, it is clear that at a relatively young age (say 30 years of age) revenue grows rather fast as freelance experience and age are both positive. Later in the career (say 50 years of age) the expected revenue grows very slowly, or even declines, as freelance experience is marginally positive and age is negative. It is easy to show that the age in which a freelancer earns his/her highest revenue depends on the freelance starting age.

In Table 89 the relation between freelance starting age and highest revenue is portrayed. When you start freelancing at age 25, you will be able to increase freelance revenue until the age of 48, after which the combined effect of experience and age becomes negative. But when you start freelancing at the age of, say, 55, your revenue will only increase marginally until you are 60, after which it declines. This is not a rosy picture of the freelance career. More than 50% of independent professionals start their freelance career between 34 and 46 years of age, suggesting that their revenue is highest between 49 years (when one started freelancing at 34) and 54 years (when one started freelancing at 46).

Table 89: Age, experience, and highest revenue

Freelance Starting age	Highest revenue age	% of top revenue	% of top revenue
<i>If you start freelancing at age...</i>	<i>Then you earn your highest revenue at age..</i>	<i>..and your revenue at 50 is</i>	<i>..and at 60 is..</i>
25 years	48 years (after 23 years)	99.4%	84.8%
30 years	48 years (after 18 years)	99.7%	85.9%
35 years	49 years (after 14 years)	100.0%	87.5%
40 years	51 years (after 11 years)	99.8%	89.7%
45 years	53 years (after 8 years)	97.4%	92.2%
50 years	56 years (after 6 years)	N.A.	96.9%
55 years	60 years (after 5 years)	N.A.	100.0%
60 years	64 years (after 4 years)	N.A.	N.A.

Freelance revenue is thus an inverse U-shaped function of age, and this U-shaped function is primarily caused by an inverse U-shaped function between utilization rate and age, not by decreases in fee level.

Table 90: Age and inequality

Model	< 29	30-39	40-49	50-59	60 >
Observations	28	399	628	447	80
Mean revenue	€ 42,246	€ 74,894	€ 79,876	€ 79,054	€ 72,222
Median revenue	€ 22,500	€ 61,875	€ 65,000	€ 65,000	€ 52,813
20% revenue	€ 6,100	€ 15,000	€ 22,500	€ 19,988	€ 13,550
80% revenue	€ 63,800	€ 123,750	€ 137,500	€ 133,375	€ 110,250
20/80 Ratio	10.5	8.3	6.1	6.7	8.1

The inequality of the revenue distribution across different life stages in Table 90, might indicate that the whole group of independent professionals is scaling back in utilization and revenue, or that there are clear ‘winners’ and ‘losers’ in the market. As the preferred measure of inequality, the 80/20 measure was created by dividing the revenue of the first quintile by the last quintile. Overall, this measure was 7.5. At first independent professionals’ inequality decreases with age, perhaps because those independent professionals who are not fit for the profession return to a regular job and the remaining professionals are more alike. But after the age of 49 the inequality increases somewhat. This suggests that after the age of 49 clear ‘winners’ are emerging, but the evidence is not conclusive.

It is not only interesting to see the pattern of careers of all independent professionals, but also to have a somewhat deeper look into the careers of various subgroups (Table 91). Interim managers and trainer/coaches are the professions with the highest “starting” ages. Most interim managers start freelancing between 38 and 48 years of age, and most trainer/coaches start between the ages of 37 and 48. Journalists have the lowest starting age: they typically start freelancing between 31 and 41 years. The impact of age and experience on revenue is remarkably different across the various professions.

Table 91: Age, experience, and highest revenue for various professions

	Interim managers	Interim professionals	Journalist	Trainer/Coach	Technical/Construction	Other Free Agents
<i>Age</i>	0.050209	0.115652**	0.166328**	0.030513	0.072385	0.155992*
<i>Age squared</i>	-0.00061	-0.0013**	-0.00178**	-0.00036	-0.00097	-0.00171*
<i>Flexperience</i>	0.160698**	0.151998**	0.002202	0.215239**	-0.04472	0.22501**
<i>Starting age (years)</i>	38-48	35-47	31-41	37-48	36-48	31-42

* = significant at 5% level, ** = significant at 1% level,

For **interim managers** and **trainer/coaches**, age does not seem to be an important determinant of revenue, but freelance experience is. In these professions an independent professional can be successful until quite a high age. For **technical professionals**, no significant relation was found between age, freelance experience and revenue. This is perhaps due to the relative limited number of observations. For **interim professionals**, **journalists** and **other free agents**, the typical inverted U-shape relation between age, experience and revenue is present. An interim professional who starts freelancing at 35, is paid the highest revenue at the age of 49, and earns about 82 percent of his highest revenue at age 60. The inverted U-shape relation is strongest for journalists. A journalist who starts freelancing at 35 makes his/her highest revenue at the age of 49, and makes less than 75% of his highest revenue when he is 60 years of age.

It is important to note that this typical U-shape career pattern is found for men, but not for women. For women a significant relationship between age and revenue could not be established. The same is true for part-timers. It could be that the lack of age effects for women and part-timers is caused by survivorship bias. When these individuals are not successful anymore, they retreat from the market for independent professionals. Perhaps they return to a regular job, or perhaps they retire.

9.3 The success factors of older professionals

In Table 92, our career success model is shown for older individuals (age ≥ 55). The partner support variable was excluded (after being checked that it was not significant), to maximize the number of observations. The regression shows lower significance levels across the board (which is logical with a substantial drop in the number of observations). But there are some interesting observations. First, age seemed not be that important, suggesting that when you are over 55, your income may stay roughly the same. This result can be caused by the relatively low number of variables, and the still rather wide distribution of revenue for older individuals. Gender is important, which shows that older women are still earning less than older men. Of the human capital variables, educational level is not important, but freelance experience is an important success factor for older freelancers.

Two variables stood out, as their significance levels increased versus the earlier results reported in Chapter 8, despite the limited number of observations: business club membership and motivation by challenge and money. Firstly, older freelancers who are members of business clubs or business networks have significant higher incomes, suggesting that membership of a business club, such as: Rotary and Lions helps when you are older, but not when you are younger. Secondly, older individuals who are motivated by challenge and money have lower revenues, suggesting that doing it for the money does not help your revenue at later ages ($p = 0.08$).

Table 92: Determinants of objective success of older individuals

Factor	Coefficient	Std. Error	z-statistic
Constant	3.354549	10.42497	0.32
Age	0.2175215	0.3403295	0.64
Age Squared	-0.0020371	0.0027762	-0.73
Gender	0.3087789	0.1335667	2.31*
Health (Self Assessment)	0.0132587	0.0627906	0.21
Living In Randstad Area (Randstad = 1)	0.0761243	0.1077935	0.71
Receiving Other Income (e.g. regular job)	-0.4079503	0.1173895	-3.48**
Interim manager (dummy)	0.5582771	0.1436422	3.89**
Interim professional (dummy)	0.0808441	0.1260604	0.64
Journalist or Media Professional (dummy)	-0.5321053	0.1799656	-2.96**
Technical Professional (dummy)	-0.0107407	0.206196	-0.05
Trainer or Coach (dummy)	-0.0821326	0.1219566	-0.67
Other free agents (dummy)	-0.4553895	0.1660694	-2.74**
University Education (dummy)	0.2519129	0.1465933	1.72†
HBO Education (dummy)	-0.1836806	0.1469677	-1.25
Experience as a Free Agent (log)	0.1430263	0.0480842	2.97**
Sum of recent training	-0.0089601	0.0052974	-1.69†
Motivated by Autonomy and Professionalism	0.0353859	0.0573901	0.62
Motivated by Challenge and Money	-0.0960322	0.0556453	-1.73†
Motivated by Work-life Balance and Flexibility	-0.0495862	0.0585923	-0.85
Insight in Career (sum)	0.0086727	0.0157563	0.55
Open Personality (sum)	-0.019526	0.0142027	-1.37
Pro-active Personality (sum)	-0.0254998	0.0193986	-1.31
Business Club Member	0.1237205	0.057935	2.14*
Managing the Agent	0.0614091	0.0597384	1.03
Size of Network	0.0637051	0.0559095	1.14
Network activity (sum)	0.0283562	0.0160539	1.77†
Partner Support (sum)	N.A.	N.A.	N.A.
Better service or low cost strategy	-0.0540558	0.053351	-1.01
Innovative and different strategy	0.0218095	0.0607906	0.36
Industry specialization	-0.0272717	0.0536548	-0.51
Broad product range	0.0834076	0.0541941	1.54
Subjective Career Success (sum)	0.0453376	0.0085698	5.29**
Adjusted R-squared	-375.0876536	Est. Method	ML (robust)
F-statistic	2.678208	Observations (n)	304

† = significant at 10% level, * = significant at 5% level, ** = significant at 1% level

9.4 Utilization and cognitive capabilities

The study by Kanfer and Ackerman (2004) that was discussed in Chapter 4, suggests that the intellectual requirements of the job impacts the potential performance, and influences retirement decisions of individuals. Their theory says that the need for Fluid and Crystallized Intellectual in a job is a key determinant of retirement age.

Table 93: Utilization, age, and Fluid Intellect

Profession	Representative O-Net occupation	Fluid Intellect score
Financial professional	13-2011.01 - Accountants	12
HRM professional	11-3040.00 - Human Resources Managers	2
Legal professional	23-1011.00 – Lawyers	3
IT professional	15-1031.00 - Computer Software Engineers	14
Technical professional	17-3027.00 - Mechanical Engineering Technicians	8
Management consultant	13-1111.00 - Management Analysts	6
Interim manager	11-1021.00 - General and Operations Managers	3
Trainer	13-1073.00 - Training and Development Specialists	3
Coach	21-1012.00 - Educational, and Vocational Counselors	3
Journalist	27-3022.00 - Reporters and Correspondents	3
Health care	29-1111.00 - Registered Nurses	2
Facility worker	43-6011.00 - Executive Secretaries and Assistants	2
Artist	27-1013.00 - Fine Artists, Including Painters, Sculptors	2
Media professional	27-3031.00 - Public Relations Specialists	5
Construction worker	47-2061.00 - Construction Laborers	2
Translator	27-3091.00 - Interpreters and Translators	1

To assess the need for Fluid Intellect per profession, a similar approach as Faust (2004) was used. For every freelance profession a representative occupation was found at O-net (Table 93). O-net (www.onetcenter.org) is one of the most important sources of occupational information in the US. Based on the O-net dataset, points for certain skills and abilities were given. For the following 5 skills were points awarded: 1) Mathematics, 2) Critical Thinking, 3) Active Learning, 4) Programming, and 5) Complex Problem Solving. For the following 5 abilities were points awarded: 1) Deductive Reasoning, 2) Inductive Reasoning, 3) Mathematical Reasoning, 4) Critical Thinking, and 5) Fluency of Ideas. When one of the above skills or abilities was mentioned in the first place, 4 points were awarded, 3 points for a second place, and 2 points for a third place. When one of the above skills or abilities was mentioned, but not within the top 3 skills or abilities of a certain occupation, a single point was awarded. This resulted in a Fluid Intellect score per profession. This score indicates how important Fluid Intellect is for that profession.

After that, 3 groups were created: a first group with a high need for Fluid Intellect (i.e. score higher than 10), a second group with a medium need for Fluid Intellect (i.e. score between 6 and 10), and a third group with a low need for Fluid Intellect (i.e. score lower than 6).

Table 94: Utilization, age, and Fluid Intellect

	High Fluid Intellect		Medium Fluid Intellect		Low Fluid Intellect	
	Coefficient	z-statistic	Coefficient	z-statistic	Coefficient	z-statistic
Age	0,0478393	2,11	0,0103055	0,55	-0,0025481	-0,19
Age squared	-0,0005737	-2,33	-0,0001618	-0,84	-0,0000242	-0,16

* = significant at 5% level, ** = significant at 1% level, ML estimations, n = 1592

Using this data, the freelance career success model was estimated with utilization rate as an independent variable. From the results in Table 94, it becomes clear that professions with a high Need of Fluid Intellect (i.e. financial and IT professionals) indeed show a significant negative relationship between age and utilization. The professions with a medium Need of Fluid Intellect (i.e. technical professionals and management consultants), and professions with a low Need of Fluid Intellect (all other freelancers), show no negative relationship between age and utilization.

All in all, the above results provide evidence for an inverse U-shaped relationship between age and freelance career success for high Fluid Intellect occupations. Such a relationship seems absent for occupations low on Fluid Intellect. Consequently hypothesis 14a and 14b are accepted.

9.5 Decreasing utilization rates – a focus group discussion

As our data is cross-sectional, there is no possibility in the data to assess the potential causes of the decreasing revenue and utilization rate of older freelancers. Is this voluntary, perhaps because older individuals prefer leisure and feel that they have saved enough money? Or is this phenomenon involuntary? Is it because the skills and networks of older professionals become obsolete, as Platman suggests? To answer these questions, a focus group session was held with older freelancers. From our respondents approximately 400 representatives are above 55 years. From this population we drew randomly a selection of 100 older freelancers. Six weeks before the focus group, we send an email to these 100 selected respondents, with an invitation of the focus group, explaining purpose, date, location, and duration of the meeting. Fourteen older freelancers accepted the invitation. Two older freelancers excused themselves from the focus group a couple of days before the session, and another 2 freelancers excused themselves from the focus group on the day the focus group session was held (both because of important assignments). This resulted in a focus group in which 10 older freelancers (all between 55 and 64 years of age) participated. The focus group consisted of 6 men and 4 women. All sorts of professionals were represented: 2 interim managers, 2 coaches, 1 translator, 1 artist, 2 IT professionals, 1 journalist, and 1 trainer.

The focus group started with a short discussion of the main finding of the study regarding the relationship between age and utilization rate, and then presented the 2 main questions of the focus group discussion:

- 1. Do older freelancers face different challenges and dilemma's than younger freelancers and if so which?*

2. *Do you recognize the phenomenon of the falling utilization rate for older freelancer and if so what are the potential reasons?*

For both questions every individual freelancer was asked to write down his/her own answer on a piece of paper. Then we first discussed the individual answers of the freelancers, and then held a group discussion of 20 minutes to collectively determine the relative importance of all the various challenges and dilemmas which were mentioned by each individual. Of course all discussions were carefully written down by academic experts.

Table 95: The effects of aging on freelancers

Positive effects of aging	Negative effects of aging
<ol style="list-style-type: none"> 1. Increased self-confidence about ones' skills and abilities, and the requirements of sponsors. 2. Financial independence (partly because the children have left the home) which enables the freelancer to refrain from political intrigues, and increase focus on content. 3. More time for work after the children have left the house or when they need less parenting. This applies more to women than to men. 4. Stereotyping (grey image) helps if the freelancer wants an assignment that fits with this image of wisdom and precision. 	<ol style="list-style-type: none"> 1. Age discrimination and stereotyping (grey image). 2. Skill obsolescence (not being able to keep up with the latest changes or technology). 3. Dwindling networks and increasingly younger sponsors, implying that older freelancers need to renew their network and sometimes even have to reinvent themselves.

In general, the freelancers were on balance very positive on the effects of aging (see Table 95 for an overview). The experience that comes with aging made all freelancers more self-assured. They felt more confident and relaxed with projects, project teams, and sponsors, as they were genuine experts who have seen and dealt with many of the potential professional issues. They have a firm understanding of their professional strengths and weaknesses, and they are very conscious of them. They feel that they are much more conscious of their business decisions and the consequences. They believe that their choices, for instance regarding business strategy, are better.

As children often have left the family home at this stage in the career and are no longer financially dependent on their parents, money is often less of an issue. Here also the excellent pension schemes in The Netherlands play an important role. Most freelancers have a long history of working within a large organization, and were thus obliged to save large sums of money for their retirement. This, together with the increase in property value, has created a generation that is relatively well off, and does not have to work beyond 65 years of age. For many of these

individuals, working is an option of choice. Making money is less important than enjoying work, feeling valued, and having social contacts. This is in line with findings of several researchers (e.g. Lord, 2002), who show that intrinsic motivation is more important than extrinsic motivation for older professionals.

The social environment does change, however, and working freelancers are often confronted with the fact that other individuals of their generation are already enjoying retirement. This leads to some social pressures (“why are you still working?”), and provide an incentive to stop working. Especially when someone’s partner retires, there is a strong incentive to stop working, and enjoy the fruits of leisure together with the partner. In any case, the solid self-confidence in combination with financial independence, and the attractions of leisure (with or without the pressure of the social environment), has made it possible for the older freelancer to be more critical towards potential assignments.

It is remarkable that the women in the focus group reported that they in fact increased their capacity utilization when they grew older. As children grow older, parenting is much less of a full-time job. This enabled the women to scale up their efforts between the ages of 40 and 50. This explains why the career pattern of women is therefore different than that of men, and why the negative relationship between utilization and age is not found for women. But also men report that they have more time for their profession (e.g. innovation), when the children have left the family home.

Age discrimination and stereotyping are important issues for older freelancers. The public (grey) image of older individuals is sometimes helping them, and sometimes preventing them to obtain assignments. The grey image favors older freelancers in management, administration, and governance where stability, good judgment, prudence, and precision are important. But this grey image hinders older freelancers, who want to be innovative and on the cutting edge of their profession. For certain roles they are not considered anymore. This implies that some freelancers need to adapt to new roles when they grow older, seeking assignments in which their age is considered a plus instead of an obstacle. Some freelancers are therefore forced to reinvent themselves, and build a new proposition with a new set of clients. This reinventing of oneself can be time consuming, and becomes harder when one grows older.

Another issue is that some sponsors are retiring when you grow older. This means that older freelancers need to maintain their networking efforts. This should not be a problem as most

networks have the tendency to renew themselves regularly. However, the opportunity to renew a network largely depends on the profession and the environment in which a freelancer operates. If a freelancer works in an environment where one does not meet new contacts very easily, it is harder to renew the network. Renewing the network sometimes requires some extra effort and a determined attitude as the new sponsors are often of a much younger age.

Some older freelancers found it harder to keep up with the latest developments in their profession, but most freelancers indicated that they had no big problems with the new and fast moving developments in their profession. They said that they had plenty of time to keep up with the latest changes. However, this positive view of skill obsolescence may partly reflect the more coaching and managerial role most freelancers take on when they grow older. Older freelancers also mentioned that they had lower energy levels with age, and that smaller health issues start arising. This may have also influenced the overall diminished utilization rates.

All in all, the focus group meeting does not lead to a definitive and conclusive answer on our set of questions. A complex set of sometimes countervailing forces and decisions seem to be at the heart of the matter. But we can say that freelancers are in general pretty positive about the consequences of aging. Older freelancers are especially self-confident about their professional skills and abilities, and they are often financially independent. Nevertheless, stereotyping, dwindling networks, and skill obsolescence are still potential problems for older freelancers. But when these issues arise, most freelancers have the opportunity to withdraw from the profession and retire, or to reinvent themselves to adapt to the changing environment. In any case, in retro respect, the freelancers report being happy with their decision. Much of the observed decrease in utilization may therefore be voluntary. Whether cognitive dissonance is important here cannot be determined of course.

Conclusions of Chapter 9:

1. An inverse u-shaped relationship between age and freelance revenue was found. The revenue of freelancers first grows with age, and then starts to drop after a certain age. This moment arises between the ages of 50 and 55 when the positive effect of experience is overruled by the negative effects of aging.
2. A closer look showed that freelance revenue does not decrease with age due to lower fees, but due to lower utilization rates. While professional fees remain roughly constant at high age, utilization rates are starting to drop from age 40 onwards.
3. The negative relation between age and utilization rate is especially relevant for freelancers in high Fluid Intellect occupations (e.g. IT professionals). Freelancers with high Crystallized Intellect occupations (e.g. coaches, trainers and interim managers) are able to work until high age.
4. No relation between age and utilization rate was found for women. This is probably because women tend to increase their working hours in their 40s and 50s, when children demand less care.
5. Freelancers are in general pretty positive about the consequences of aging. Older freelancers are especially self-confident about their professional skills and abilities and they are often financially independent. Nevertheless, stereotyping, dwindling networks and skill obsolescence are potential problems for older freelancers, but the diminishing utilization rate seems to be more voluntary than involuntary.
6. Weak evidence was found for experience concentration. Experienced freelancers invest less in networking, coaching and contacts with employment agencies than inexperienced freelancers do. Therefore, the number of new contacts in freelancers' networks slowly diminishes with age and experience. On balance, this suggests that more experienced freelancers have a tendency to "*use old toys with old boys*".