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**ABSTRACT** Resulting from a project designed to demonstrate that entrepreneurship can be a realistic choice for persons aged 55 years and older, this instructor handbook offers assistance in preparing and teaching courses for older adults on starting a small business. Introductory remarks provide background on the project and explain the use of the guide. The next section explores some of the financial and emotional concerns of older adults, and offers suggestions for teaching this group of students. Next, information is presented on the companion course guide for students and guidance is provided on the use of handouts as teaching tools; means of maintaining student interest; the use of guest speakers, films, and overhead transparencies; ways to offer students additional help; and the use of tests, quizzes, and other evaluation methods. A final section offers suggestions for making presentations by outside resource people more effective classroom experiences, considering steps such as determining behavioral objectives, drawing up a contract with the outside resource person, and providing needed information for the guest speaker. (LAL)

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# **SMALL BUSINESS**

## **Course for Older Americans**

**American Association of Community and Junior Colleges  
One Dupont Circle N.W., Suite 410, Washington, D.C. 20036**

**DALE PARNELL, PUBLISHER**

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**Small Business Course**

**Instructor's Guide**

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## FOREWORD

America's older citizens are healthier, better educated, and longer lived than ever before. There are more of them than ever before. By the year 2000 demographers predict the population older than 65 will increase by 25 percent — every sixth American will be at least 65. These men and women have greater expectations for continued independent living. They urgently need to use their wealth of knowledge and experiences to remain productive, and the nation needs them, too.

In response to those needs, the American Association of Community and Junior Colleges, with funding from the Administration on Aging of the U.S. Department of Health and Human Services, conducted a project from September 1980 to May 1982 to demonstrate that entrepreneurship can be a realistic choice for persons aged 55 years and older who want continued involvement in economic activities after retirement. Ten community colleges in five states participated in the project by offering training and support services to older persons interested in exploring small business opportunities.

This publication and the companion Student Guidebook were developed for use in the project. These now are available to help instructors and students of any age to better understand self-employment and small business ownership as a career option, or as a source of supplemental income beyond pension provisions and Social Security.

America's community, technical, and junior colleges, with a tradition of community service for citizens of all ages, are ideally situated to provide instruction and guidance to individuals challenged by the opportunities our society offers to those with initiative, energy, and the foresight to acquire adequate preparation before launching into new activities. We hope that this information will help both instructors and students, and we wish to all who undertake new ventures a sense of personal fulfillment as well as material success.

AACJC gratefully acknowledges the assistance of many colleges and individuals in preparing this publication, notably Margaret (Peg) Kinnison, AACJC project director; Wendy Paxton, project secretary; Marcia Wilkins, project officer, Administration on Aging; and the following program coordinators at each of the college demonstration sites:

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Dale Parnell  
President and Chief Executive Officer  
American Association of Community and  
Junior Colleges

## USING THE GUIDE

The Instructor's Guide for the program has been designed to help you prepare and teach courses for older persons who want to know how to start a small business.

Included in the Student Guidebook instructional materials are learning objectives for your students, suggested instructional activities, and sample materials to use. As you plan each session in the course, we suggest that you use your own resources to gather samples of local business activities operated by older persons, identify regulatory policy and tax information, locate guest speakers, develop case studies, and prepare examples to illustrate key points.

Your students will come to the course with different goals and needs. Some will have a good idea of the rewards and risks of going into business on their own as well as a tentative idea about the businesses they plan to undertake. Some may have begun to perceive their own relevant strengths and weaknesses and may come seeking help to overcome these drawbacks. Other students, however, will feel they need a thorough introductory course; they want immersion in the whole subject of business operations. Still others simply may want to practice a craft or offer a service. They envision a small-scale operation and a correspondingly limited income that will satisfy a creative instinct or bring them into contact with people without growing beyond the point at which they can personally manage the business operation.

The Instructor's Guide and Student Guidebook are flexible. They are meant to accommodate these many learning objectives and to guide the student's learning rather than provide a rigid map of specific procedures and requirements. Many of the details have purposely been left up to you so that you can adapt the course to your teaching style and to the particular community from which your students come.

A basic list of materials is presented for each session in the Student Guidebook. The booklets, checklists, sample forms, case problems, etc., provide resources for each session. We trust that as the instructor, you will draw upon other resources, such as the writing of Steinhoff or Siropolis and other business texts, to round out the student's home and class activities. Most texts contain case studies that can be used or modified for the specific topic being covered. Case studies can be an important teaching tool because they allow students to apply their learning to a practical situation and gain confidence in confronting "real life" problems. Rather than burden this text with an overabundance of case studies, however, we have chosen to indicate those topics for which case studies are most appropriate and have left it to your discretion to select examples.

The course will acquaint students with the real requirements of developing and operating a small business. With this knowledge, some students may decide not to go further. Others will have a better chance for

success. Whether a student goes into business or not, the value of the course will have been in coming to understand, in advance, the challenge of investing money and resources.

Another goal of the Small Business Course is to impress upon students the need for a lifelong learning approach to developing the skills they must have to run a small business. They should be made aware of other community resources that can help them continue to learn.

Two of the major objectives of this Small Business Course are:

- (1) Each student develop a reasonable business plan.
- (2) Each student develop an adequate and well-prepared loan package.

The planning effort will help students to sort out their values and objectives, and will ensure that they have anticipated many of the potential obstacles in the path to a successful business. A realistic loan application package will help students to present themselves in the most favorable light to a loan officer. With these in place, the student will embark on his or her business venture with a sound foundation.



## RELATING TO THE OLDER STUDENT

Older people in America increasingly are restive about retirement, and they are challenging commonly held stereotypes about the interests, capacities, and preferences of older people.

Continued high rates of inflation over many years have caused many older people to doubt whether they have accumulated or still could accumulate enough retirement income to support themselves and their spouses in their retirement years. Many now fear that they will outlast their resources and become a charge upon their children or the public welfare. Linked to this concern is the fact that older people are living longer and are in better physical and mental health than was the case with their parents' generation.

These factors are causing many older people, ages 50-70 (and even older), and some policy-makers in the public and private sectors, to re-examine their thinking about the roles of older people in society. It is clear that the subject of age in relation to work and retirement is coming alive as an issue for the 1980's and beyond. In partial response to the issue, Congress outlawed forced retirement before age 70 in private, state, and local employment; the federal government and some state and local governments have removed all age-based retirement requirements.

Some older people link the fact of longer life expectancy to steadily rising living costs and see the combination producing calamity for them. They envision added years of retirement and idleness leading to growing financial dependency. Others link added years and better health and see the combination producing for them the opportunity to continue active lives. They regard extra years as time to gain more retirement income resources that could help them avoid, delay, or reduce financial dependency. Growing numbers of those who see the opportunity side of longer life are scouting ideas for staying productive and enlarging their income. Some are simply not retiring from their current jobs; others, already retired, are looking for full- or part-time jobs. Still others want to be their own boss. They are wondering about small business opportunities as sole proprietors, as members of partnerships, or as investors.

It is important to recognize that exploring small business opportunities is just that -- exploring. Some older people are looking for a sound small business idea, or they already are clear about what they want to do. Before starting, however, they feel they need to learn more about what such an initiative will require. Still others in their early fifties and not yet retired may be restless in their current jobs or careers and may have the idea of commencing a search for an alternative future through a small business. Some, after exploring the matter, will decide not to proceed, possibly because the capital they have is insufficient, or because they conclude that the requirements of starting and running a business are too much for them to handle.

You will find great unevenness in the capacities and experience of your older students. The first fact about older people is that they do not readily fit into convenient, generalized categories. While they are often the subject of negative stereotypes, even simple observations discredit such crude generalizations. In learning capacity, in willingness to try new things, in energy levels, and in their ability to get along with others, older people are spread along every point in the spectrum. Similarly, their experiences in business affairs range widely. Some appear perky and quite lively; others may seem dull. Some of those who appear dull may simply be afraid or worried about what they have gotten themselves into. You must draw them out without frightening them or focusing too much individual attention on them. That could embarrass them and cause them to give up.

One generalization about older people does seem to have validity. After years of being in the hard business of living and surviving, they often can see through someone who is bluffing or trying to operate beyond his or her depth. If an instructor is unprepared, is using poor examples, or does not respond forthrightly to valid questions, older students will spot this quickly. Moreover, they will likely be blunt in describing such deception when it is practiced on them. Also, remember that these are people who regard themselves as chancetakers. Having signed up for the Small Business Course, they are serious in their hopes to obtain worthwhile results from their investment of time and money. This quality about older people is important to you as instructor, not only in terms of your own performance, but also as a guide to you in the types of people you bring in as experts and the credibility you and they project.

As in the case of younger students, older students need to be kept focused. They must not be allowed to bluff you. Some will try. Some will attempt to parade knowledge or experience. Sometimes their experiences may be valuable and should be shared with the other students, in other cases, their experiences may be interesting but not relevant to the particular class project on which you are trying to focus everyone's attention. You will make the critical choices in these matters, and you will do so with authority to establish your credibility for the future.

Also, as in the case of younger students, older students need to be paced so that they stretch their intellectual capacities and performance. It is especially important that they prove to themselves that they are capable of moving progressively through all of the successive challenges of the course. Remember, most of these people have not been in school or under disciplined study requirements for many years. They will be subject to strong self-doubts and perhaps fears of incapacity and failure both in class and later in business.

One final point: the older people you have as your students clearly will be working against great odds. Some of them will have been subject to discouragement from their families or friends in the matters of going into business, risking savings and other assets, and going back to school. Even fellow students, unthinkingly, may treat each other in the context of the

negative stereotypes commonly used to characterize older people. Sometimes, the older students may come back from homework assignments discouraged, or they may have had their ideas put down by lending agencies or others to whom they have gone for advice or support. You, as instructor, are going to be a critical factor in helping them decide whether to proceed. You will need to help them put their experiences into a proper perspective. Most important of all, you must try to get them to understand that confronting problems and working to solve them is the key thing they will do if they become small business operators. Their recognition of this basic requirement and their development of a healthy response to it is the chief thing you can teach them.

## INFORMATION FOR PLANNING AND TEACHING

To help you get the most out of the Instructor's Guide, we have put together the following information to help you plan and teach the best course possible.

The Student Guidebook is designed to reinforce and supplement the student's classroom learning. It also can serve as a valuable reference when the student has completed the course. Each of the Guidebook units includes:

1. **The purpose and objectives statements.** The statements explain the focus of the unit and what should be learned from it.
2. **The unit summary.** This is the substantive part of the Guidebook. It highlights important topics in the unit.

The Guidebook also includes supplemental information sheets emphasizing important subtopics and assignment sheets for the student to complete to reinforce class materials. Some of the assignments may be done during class; others can be done at home.

### **Handouts as Teaching Tools**

The use of handouts or printed materials that students can take with them is very important. You can develop simple worksheets and checklists that capture key points you want to make and help students collect and organize the information they need for decision-making. Worksheets and checklists also can help you plan your classes to be sure each session focuses on practical, application-oriented details. You may find it helpful to make copies of documents you are working from and hand them out to students in advance. This technique will help them see exactly what you are referring to and provides a convenient place to take notes.

### **Maintaining Interest**

Many of the students taking the course will be highly motivated because they want all the help they can get to successfully start and maintain their small businesses. Some will have had prior business experience and will be taking the course either to see what is new by way of requirements or to brush up skills that have gone long unused. In addition, the very nature of the audience — older persons — means that many of your students will have had a lifetime of experiences useful to the small business manager. To maintain the initial high motivation your students bring to class, you should provide frequent opportunities for them to compare and

contrast their life experiences with the new tasks confronting them. Even during lectures, seek their input and participation often. You also can provide adequate time and situations for students to express their fears, concerns, and questions -- and to get some answers before they have to start out on their own.

Allowing for student input is important but not the only way to keep motivation high. Focus your class sessions on practical, application-oriented details rather than theory. Whenever possible, have people from the community who have had successful track records in small businesses available in class to discuss, highlight, clarify, translate, and evaluate content.

You also should ensure that all activities in each session of your Small Business Course have clearly stated purposes that are directed toward helping the student succeed in small business.

While enrichment activities may be enjoyable to present, with the short time available for the course, it is important to make certain that students can readily relate each activity to making them successful in their own situation.

### **Guest Speakers**

Guest speakers or panels of guest speakers can be of great help in making the course a meaningful experience for your students. As an instructor in a community college, you cannot overlook the linking with and wise use of community resources. Local business or professional groups can recommend qualified persons to speak on taxes, zoning, marketing, and other topics related to entrepreneurship and small business. Other faculty members are a good source of ideas for guest speakers. Often your best guest speakers will be from the businesses you deal with everyday. While the owner of a particular business may be reluctant to speak to your class, a short discussion with that person might give you good examples for your own class lectures or lead you to another person in small business who will do an excellent job for you.

For additional information on arranging for guest speakers see the section entitled, "Using Outside Resource People."

### **Films**

Films are another way of making the class experience both interesting and valuable for your students. You can use films instead of a lecture to communicate information, to illustrate, or to develop attitudes. You may have certain films you especially like and other faculty at your college may know of excellent films. You also can get help from your college library or media center.

### **Overhead Transparencies**

You should plan to make and use overhead transparencies with this Small Business Course. Using transparencies allows you to prepare your visuals in advance, to keep your notes and illustrations for future reference or repetition in class, and to face the class at the same time you are writing or pointing out some specific point — all of which are difficult to do when using a chalkboard. You can even write lecture notes on the cardboard frame around the transparency for your personal reference. Overhead transparencies are an excellent way of making sure your students are focusing attention where you want it. Contact your college audiovisual staff for help with audiovisual aids.

### **Offering Students More Help**

Throughout the Small Business Course, you are likely to find students who want additional help. You may be able to help some of these students simply by adding a little extra content during the next class session or in a brief meeting after class. Others will require more help than you have time to give or will need help in areas outside your expertise. You should be prepared to refer these individuals to appropriate local resources such as other faculty, counseling centers, SCORE/ACE, SBA, Chamber of Commerce, senior citizens groups, Economic Development Authority, and others.

It also is important that you emphasize checkpoints that the students can use after the course is completed to prevent them from getting in over their heads financially, emotionally, or physically. You can help them to evaluate realistically the demands and rewards of going into small businesses, to identify strategies for overcoming their weaknesses before those weaknesses seriously hurt their businesses (for instance, adding a partner, hiring professional services, limiting their businesses), and to make sure they are aware of local services available to help small business people.

You even may want to make plans to bring the students together from time to time or to communicate with them through a newsletter after the course is completed. This will keep them from feeling isolated and may encourage them to ask questions or seek help before they run into serious problems with their business ventures. Also, you may get feedback from them that will help you reshape the course content or validate what you are offering.

### **Tests and Quizzes**

There are no formal tests and quizzes designed for this course. Tests and quizzes can be very threatening to the older student and can create an atmosphere of fear. Actually, one of the best tests of what a person has learned from the training is evidence of success as a small business owner. However, students do need ways of evaluating how they are doing as they proceed through the course. One way of providing this is for you to pre-

pare short self-quizzes that the student can attempt at home. Do not collect the quizzes and let students have the answers to check their work as soon as they have finished the assignment. If students have difficulty, they will feel more comfortable asking you for help because they are not being threatened by a "grade." You can make up the questions for these quizzes directly from the learning objectives.

Another evaluation tool you can use is the assignment to prepare part of the business plan. Encourage your students to do a thorough and careful job with these assignments. Ask them to demonstrate all they have learned in the course sessions. You can ask them to voluntarily turn them in for your comments. Once students know you will not be giving grades, most will welcome the chance for feedback. By looking at these business plans as they develop, you will be able to get a very good idea of how well your students are mastering the learning objectives.

## USING OUTSIDE RESOURCE PEOPLE

Using outside resource people requires careful advance planning. The following steps and activities may make presentations by outside resource people more effective classroom experiences.

### **I. Determine Behavioral Objectives.**

- A. The instructor should determine the objectives for the unit to ensure that needs of the students are taken into account. Sometimes the instructor may work with the outside resource person to determine the objectives jointly.
- B. The objectives of the unit should be developed to meet the needs of the students, not the interests of the outside resource person.
- C. New objectives and related curriculum materials need not be developed; instructors can select objectives, content, and materials from the existing curriculum.

### **II. Agree on a Contract With the Outside Resource Person.**

- A. Formally agree on a contract, including appropriate signatures, to ensure that there is a clear agreement on expectations and obligations of all parties.
- B. The contract should specify at least the following:
  - 1. The topics and behavioral objectives to be addressed.
  - 2. The resources available or needed.
  - 3. Any special requirements for lesson plans, testing, or handouts.
  - 4. The place, time, and date of the session(s).
  - 5. Responsibility (including financial obligations) for printing of materials, preparation of audiovisuals, and provision of needed equipment.
  - 6. Any honoraria for the outside resource person.
  - 7. Reimbursement for any expenses incurred by the outside resource person.



### III. Helping the Outside Resource Person.

- A. The outside resource person can make a more meaningful presentation if you provide information about your students. He or she needs to know:
  - 1. How the information to be presented fits into the students' other learnings or work experiences.
  - 2. How this specific presentation will be used by the students.
  - 3. Number of students who will attend the presentation and a general profile of the group (i.e., retired, former business owners, particular group dynamics, etc.).
- B. Discuss in advance the Small Business Training Course and make sure the outside resource person understands the course goals and objectives.
- C. Work with the outside resource person to develop examples that are meaningful for your students.
- D. Before the scheduled presentation, work with your students to develop a list of questions to which the class would like the outside resource person to respond. Make sure the outside resource person has time to plan responses to the questions.
- E. Provide the outside resource person with clear instructions about where the presentation will be held, where to park, time needed to travel to the site, any special details about the room in which the presentation will be held, etc.