

# Why Teaching Grandma and Grandpa to Code Isn't a **CRAZY IDEA**

By Vivek Wadhwa



**A**ccording to Ian Hathaway and Robert Litan of The Brookings Institution, American businesses are aging, as is the country, and this is bad for the economy. They report that the share of firms aged 16 years or more has increased from 23 percent in 1992 to 34 percent in 2011. Startups have become a smaller proportion of the economy, going from 15 percent to 8 percent. This is worrisome because young companies account for a disproportionate share of job growth and tend to be more innovative than older ones.

The best remedy may not be what most people think it should be. A common belief, at least among Silicon Valley venture capitalists, is that only the young can innovate and that, therefore, we need to encourage more students to start companies. A better strategy may be to motivate

and empower older entrepreneurs—the parents and maybe even grandparents of these students. They are actually the ones who are best equipped to solve big problems and create new industries.

In yesterday's era of social media and mobile apps, kids in dorm rooms built disruptive technologies. They understood these technologies better than anyone else and were not encumbered by the ways of the past. With today's exponential technologies, it is possible to solve bigger problems than simply finding a date or sharing a photo. We can address challenges related to health, hunger, energy, and clean water by taking advantage of advances in sensors, artificial intelligence, robotics, synthetic biology, and computing.

To solve the big and complex problems of humanity, entrepreneurs

need to have a wide world view and to be able to see the big picture. They need industry experience, knowledge of diverse social and scientific disciplines, and people-management skills. They need the ability to go beyond wishful thinking, to step into others' shoes, and to weigh likely outcomes of the options before them. Older, experienced workers usually have many of these skills. Yes, they may lack an understanding of mobile technologies and app development, but these can be learned. We must first get over the myth that older workers can't innovate. This leads to bias in press coverage and to investors favoring college dropouts in funding decisions.

Research that my teams at Duke and Harvard did in 2008 revealed that the average and median age of the founders of successful technology companies was 39. Twice as many

founders were older than 50 compared to those who were younger than 25. Likewise, there were twice as many over 60 compared to those who were under 20. In a follow-up project in 2009, we looked at the backgrounds of successful entrepreneurs in 12 high-growth industries. We found the average age of male founders to be 40 and female founders to be 41.

We learned that these entrepreneurs typically started companies for one of three reasons: they had ideas for solving real-world problems; they wanted to build wealth before they retired; or they had tired of working for others. There is an abundance of American workers who share these sentiments. To boost our economy, we need to unleash and enable them. Here are some ways to do that.

### **Teach entrepreneurship to the old as we do to the young.**

Most colleges have programs to teach students the basics of building a business: everything from validating and testing an idea, financing and managing a company, to creating exit strategies. There are also innovative new institutes that focus on training the young, such as Draper University, which Silicon Valley mogul Tim Draper established. This teaches entrepreneurs new ways of thinking and provides them with access to tech luminaries such as Elon Musk, Tony Hsieh, and Steve Jurvetson. If older entrepreneurs were provided with this type of training, their odds of success would be significantly higher. They

wouldn't need to be taught the basics of financial management and interacting with people. They would bring depth and breadth of experience.

### **Fund the startups from older entrepreneurs.**

Investors in Silicon Valley openly discuss their preference for the young. Older, first time, entrepreneurs are not even likely to have their e-mails returned by venture capitalists. Available data shows that, on average, venture-capital firms produce returns that are less than the stock market's. This may mean that the venture-capital system is putting its eggs in the wrong basket. It may be better off investing in more experienced managers.

### **Don't just incubate the young.**

Silicon Valley's most successful and best connected startup incubator is Y-Combinator. It was founded at a time when inspiring youth entrepreneurship was an uncommon mission. It still has the same focus—as do the many incubators that try to mimic it. These incubators provide valuable advantages to startups with funding, coaching, and connections. Why not create incubators for older entrepreneurs now?

### **Hold hackathons for Grandma and Grandpa.**

Day-long or weekend-long coding camps are held in high schools and universities nationwide. They teach the young how to write code, get them to come up with ideas for apps, and form

teams to build them. I can just imagine the great possibilities that would come from holding such camps for older workers, maybe even in retirement communities. Writing computer code isn't very hard to learn, and many can excel. The types of apps that older workers would develop would likely be more useful and appeal to a larger customer base than those of high schoolers.

### **Create drop-out-of-work scholarships.**

Silicon Valley billionaire Peter Theil pays children \$100,000 to drop out of college. His premise, when he announced this program four years ago, was that youth could spend time building world-changing companies rather than wasting their time at school and being burdened by "incredible amounts of debt." The experiment failed to produce any world changers. The program's purpose quietly became to provide an alternative education to children. The lesson here is that *there is no substitute for education and experience*. If we offered promising adults the same funding, mentoring, and opportunity as we do these children, we would likely get the world-changing successes.

An analysis of U.S. Census data by the Kauffman Foundation's Dane Stangler revealed that the average age of U.S. entrepreneurs is now rising, with the highest rate of entrepreneurial activity shifting to the 55–64 age group. Assisting this older group in founding businesses is likely to produce far greater dividends than assisting the young.

Regardless, it's not necessary, and not especially useful, to choose between helping older and helping younger entrepreneurs. What is best for the economy is to have the old and the young working together to solve big problems. The young can come up with the audacious ideas; the old can find sensible ways of implementing them. **N**

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