



Rationality of self-employment

B. Dieter

Department of Sociology, Alpen-Adria-University, Klagenfurt, Austria.

ABOUT THE STUDY

Talk about the rise and future of self-employment must be linked to the discussion about changes in the structure of occupations, labour markets and regulations. At the same time, all different items are embedded within the general trend of a growing knowledge and service society. A main reason for the growing relevance of self-employment can be identified in the employment shift from the industrial to the service sector. To a large extent, this sector is characterized by personnel-intensive or technologically innovative fields of work, often requiring flexible organizational arrangements. Thus, the service sector seems to be particularly suitable for self-employed activities.

In light of this, the more or less steady growth of the service sector mirrors changes within the category of self-employment. One of those fundamental changes is the increase in female solo-self-employment as there is prima facie evidence that the rise of self-employment is mostly a rise of micro-firms and solo-self-employment of which especially solo-self-employment is a female domain. But it is not clear, whether the development is primarily driven by necessity in order to take part in the labour market or if those activities reflect new modes of labour market integration revealing new opportunities and markets which are, in wide parts, especially due to the service and health care sector. However, those developments raise the question whether self-employment can be seen as a strategy for women to achieve work-life balance and whether these changes in the organization of work are leading to an improvement of the quality of (working) life and However, those developments raise the question whether self-employment can be seen as a strategy for women to achieve work-life balance and whether these changes in the organization of work are leading to an improvement of the quality of (working) life.

One of the most consistent findings in studies on women's labour force participation is the negative effect of the presence of young children on the probability of participation. It could be argued that difficulties in combining work and family enhance the transition or entry into self-employment.

Solo self-employment may deliver possibilities for women to use their strength to overcome weaknesses and it opens up opportunities helping to counter threats. In particular, solo-self-employment may deliver options that could lessen the constraints which family care places on women's employment. It may be the case that women place a higher value on nonwage aspects of self-employment than men do, and women with greater family responsibilities may trade earnings for the family-friendly aspects of self-employment. Therefore, self-employment may reflect the development of more or less successful strategies for coping with the conflicts arising from the difficult balance of self-employment and family life.

However, can female solo-self-employment be seen as a representation of a new paradigm of employment, which does not fit the well-known traditional type of self-employment? To get more reliable information, it is necessary to explore the relationship between self-employment, partner's employment, the household and children. We will examine the influence of personal characteristics, household and labour market characteristics for both mothers and fathers in a family context and their probability of being self-employed as compared to parents who have chosen formal, gainful employment.