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WOMEN'S ENTRY INTO (NON-) PROFESSIONAL SELF-EMPLOYMENT: DOES FAMILY BACKGROUND MATTER? CROSS-COUNTRY COMPARISON IN WESTERN AND EASTERN EUROPE (SUMMARY)

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SUMMARY

WOMEN'S ENTRY INTO (NON-) PROFESSIONAL SELF-EMPLOYMENT: DOES FAMILY BACKGROUND MATTER? CROSS-COUNTRY COMPARISON IN WESTERN AND EASTERN EUROPE

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Principal Topic

Previous work has not explicitly considered the heterogeneity of women's self-employment when examining the effect of family characteristics (small children, partner's status) on the entry into entrepreneurship (Budig 2006). Instead, empirical studies have rather pooled all types of women's self-employment together, without considering the quality of their work.

An important question is whether family structure encourages women's self-employment both in professional and non-professional occupations to the same extent. Does the "family and work compatibility" (Brush 1992) factor impact the decision to become self-employed of both women entering highly-skilled and well-compensated occupations and those engaging in low-skilled and low-paid occupations? To answer this, we disaggregate women's self-employment by professional and managerial status and examine whether the effect of family on the entry into self-employment differs across occupational classes in Western and Eastern European countries with different political, economic and socio-cultural environments.

Method

The database is the *European Labor Force Survey* (2004). 85,000 self-employed women are analyzed in conservative, economically liberal, Mediterranean welfare states and Socialist type "dual-earner" countries. The ISCO-88 occupational classification is used to measure the *dependent variable* (professional vs. non-professional self-employment). Multinomial logit regressions are employed to examine micro-level determinants of entry into self-employment, when controlling for country-specific institutional arrangements.

Results and Implications

The central finding of our study is that the effect of family composition on women's inclination to become self-employed differs substantially across professional/managerial and non-professional occupations. More exactly, family responsibilities (raising children, supporting husband's business) affect women's decision to engage in non-professional occupations positively and strongly significantly, a result which is remarkably stable across all investigated countries in Western and Eastern Europe. Quite the contrary, women's entry into professional self-employment is not affected by family background but predominantly education (and work experience).

Self-employed women thus rather represent a strongly heterogeneous group. On the one hand, women highly embedded in the family context (children, partner) pursue self-employment to combine family and work responsibilities ("family-oriented" female self-employed). On the other hand, self-employment seems to be a job solution for highly qualified (and "career-oriented") women striving for relative autonomy and control of their working places and hours.

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