

Accepted Manuscript

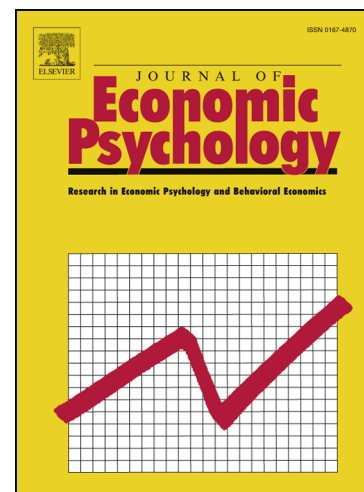
Self-employment and satisfaction with life, work, and leisure

Peter van der Zwan, Jolanda Hessels, Cornelius A. Rietveld

PII: S0167-4870(16)30085-X
DOI: <https://doi.org/10.1016/j.joep.2017.12.001>
Reference: JOEP 2048

To appear in: *Journal of Economic Psychology*

Received Date: 24 February 2016
Revised Date: 25 July 2017
Accepted Date: 13 December 2017



Please cite this article as: van der Zwan, P., Hessels, J., Rietveld, C.A., Self-employment and satisfaction with life, work, and leisure, *Journal of Economic Psychology* (2017), doi: <https://doi.org/10.1016/j.joep.2017.12.001>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Self-employment and satisfaction with life, work, and leisure

Peter van der Zwan^{a,b}, Jolanda Hessels^{b,c}, Cornelius A. Rietveld^{b,d}

^a Department of Business Studies, Institute of Tax Law and Economics, Leiden Law School, Leiden University, the Netherlands

^b Erasmus School of Economics, Erasmus University Rotterdam, Rotterdam, the Netherlands

^c Erasmus Happiness Economics Research Organisation (EHERO), Erasmus University Rotterdam, the Netherlands

^d Erasmus University Rotterdam Institute for Behavior and Biology (EURIBEB), Erasmus University Rotterdam, the Netherlands

Abstract: The aim of this study is to provide an explanation for the finding in earlier studies that the self-employed are, on average, more satisfied with their work than the paid employed are, although they are not more satisfied with their life in general. Fixed-effects regressions are performed with German Socio-Economic Panel data (1984-2012) to investigate how a labor market switch from paid employment to self-employment influences life, work, and leisure satisfaction. The results indicate that switching to self-employment benefits work satisfaction but not life satisfaction. The benefits for work satisfaction are pronounced and relatively persistent but accompany large and persistent decreases in leisure satisfaction. Life satisfaction for the switchers to self-employment is consequently on par with the life satisfaction of the non-switchers. Contrasting the switch to self-employment (out of paid employment) with the switch to paid employment (out of self-employment) shows that the detrimental effect on leisure satisfaction distinguishes a switch to self-employment from a switch to paid employment. In conclusion, the results explain why increases in life satisfaction are generally absent for individuals switching to self-employment and why undetermined evidence has been found in previous studies in terms of gains in life satisfaction.

Corresponding author: Peter van der Zwan, Department of Business Studies, Institute of Tax Law and Economics, Leiden Law School, Leiden University, the Netherlands, 2311 ES, Leiden, the Netherlands, p.w.van.der.zwan@law.leidenuniv.nl, tel.: +31795278560.

Keywords: Self-employment, Life satisfaction, Work satisfaction, Leisure satisfaction

JEL codes: I31, J24, J28, L26

Highlights:

- Longitudinal data (1984-2012) from the German Socio-Economic Panel are used.
- Wellbeing consequences of a switch from paid work to self-employment are analyzed.
- Switching to self-employment does not lead to changes in life satisfaction.
- Increases in work satisfaction (up to 5 years after switching) are observed.
- Switching leads to large and persistent decreases in leisure satisfaction.

Download English Version:

<https://daneshyari.com/en/article/7244090>

Download Persian Version:

<https://daneshyari.com/article/7244090>

[Daneshyari.com](https://daneshyari.com)