

Gender Gap and Segregation in Self-Employment: On the Role of Field of Study and Apprenticeship Training

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Introduction

There are two phenomena in the field of female entrepreneurship that have not yet been adequately explained by previous research, namely (first) the “*gender gap*” in self-employment and (second) *gender-specific occupational and industrial segregation*, also in selfemployment.

The “*gender gap*” in self-employment refers to the phenomenon that despite increasing absolute numbers of self-employed women in most of the welfare states of Western Europe and North America, the women’s self-employment ratio, referring to the ratio of self-employed women among all working women, remains roughly half that of men’s self-employment ratio (Arum and Müller 2004, Leicht and Strohmeier 2005). This also holds true for Germany, where the chances to become self-employed are roughly twice as low for women than for men: after all, women comprise only 28% of all self-employed in Germany (Wagner 2005, Lauxen-Ulbrich and Leicht 2002). This arises the question why women are significantly less likely to become entrepreneurs than men.

Research speaks of *gender-based occupational segregation* (or *occupational sex segregation*), when occupations exist in which the share of workers of one sex is so high that they could be called either “male” or “female” occupations (Jonung 1996, Melkas and Anker 1997). Research argues that the tendency for women in dependent employment to enroll in “sex-typical occupations” is also true for self-employment. Confirming the results obtained for United Kingdom (Hakim 1998), a German study (Lauxen-Ulbrich and Leicht 2002: 49-53) and an Israeli (Kraus 2003:6-7) study show that the most common occupations for selfemployed women still refer to jobs that *are person- and service-oriented* and are performed either in female-dominated occupations (typically “female jobs” include nurses, salespersons, hairdressers, beauticians, doctor’s receptionist etc.) or integrated occupations (lawyers, consultants, economists, etc.). Instead, only a very small proportion of self-employed women (e.g. in Germany every fifth self-employed female, in Israel every tenth self-employed female) perform in male-dominated occupations, which mainly refer to traditional professions, craftsmen, as well as technicians and engineers.

By the same token, striking empirical evidence exists on *gender-based industrial segregation* which, analogous to occupational sex distribution, refers to the phenomenon that industries exist where the percentage of workers of one sex is so high that they could be called either “male-dominated” or “female-dominated” industries. Research argues that there is indeed an inter-industry variability in gender composition in self-employment: across most industrialized countries, women entrepreneurs tend to operate in relatively unrewarding female-typed sectors that revolve around highly female-typed personal and educational service industries (Kalleberg and Leicht 1991, Lohmann and Luber 2000) where goods or services are produced that are either functionally or symbolically similar to women’s traditional domestic roles (e.g. personal service industries, apparel or food).

However, prior research has failed to examine the causes of occupational and industrial sex segregation in self-employment. In other words, it has not provided an answer to the question *why* there is a tendency for self-employed women and men to work in different occupations and industries. What factors or mechanisms (individual or institutional) are responsible for women ending up in occupations and industries that are strongly person- and service-oriented but rather less technology and production-oriented? On the contrary, why have certain occupations always been the domain of male entrepreneurs?

Against the above background, this project sets out to explore the determinants of *two phenomena*, namely the gender gap in self-employment and the gender-specific differences in occupations and industries, while focusing especially on the role of “human capital”. The underlying assumption of this study is that the factor “human capital” has not been thoroughly investigated in previous research to explain the mechanisms that generate the gender-specific differences in self-employment rates as well as the gender-based variations in occupational and industrial segregation.