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„Success in an entrepreneurial career: results from
a large scale survey in Germany“

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1 Introduction and Research Question

Although research interest in career success has been high for many years in Psychology and Social Sciences (e.g., Judge et al., 2001; Abele and Spurk, 2009a) it has largely ignored self-employment and Entrepreneurship in their analyses of careers (Carroll, 1987; Dyer, 1994).

While the career literature has clearly acknowledged the dichotomy of objective and subjective career success (e.g., Greenhaus and Callanan, 1994; Abele and Spurk, 2009b) studies in Entrepreneurship have rather adopted a limited view of success, focusing almost exclusively on business success and firm performance thereof (e.g., Kalleberg and Leicht, 1991; Chaganti and Schneer, 1994).

Thus, the present study – part of the research project “Dual-careers through self-employment?” funded by the Federal Ministry of Education and Research (BMBF) and the European Social Fund (ESF) – seeks to address several gaps: Based on a current ongoing quantitative survey targeted at 1,000 individuals we draw a more differentiated picture of entrepreneurial careers and success thereof. In this respect the present paper presents preliminary findings on how subjective career success (job satisfaction, perceived work-life conflict, and career satisfaction) is influenced by objective career success, employment status, and work motivation. Consequently, our study aims at contributing to a more holistic research attention on entrepreneurial career success: critical in understanding entrepreneurial careers.

2 Theoretical Background and Development of Hypotheses

An entrepreneurial career: success between subjective career success and firm performance

Career theory has broadened its view on organizational career success beyond purely objective criteria (Carlson and Rotondo, 2001). Careers nowadays are defined and formed more individually (Derr, 1986; Gunz and Heslin, 2005) and career success encompasses experiences and perceptions of achievements and satisfaction of individuals (Ballout, 2008). Although careers are increasingly concerned with personal self-fulfilment and satisfaction from his or her own career (Baruch, 2006), the career literature clearly acknowledges the dichotomy of objective and subjective career success (e.g., Greenhaus and Callanan, 1994; Abele and Spurk, 2009b).

Objective career success in the organizational context ‘[…] ‘is mostly concerned with observable, measurable and verifiable attainments such as pay, promotion and occupational status’ (Dries et al., 2008 p. 254).

Following Greenhaus et al. (1990) subjective career success encompasses job satisfaction, career satisfaction, and work-life balance. Job satisfaction refers to factors inherent in the job or occupation (Seibert and Kraimer, 2001). In contrast career satisfaction indicates satisfaction over a longer time frame and wider range of outcomes (Heslin, 2005).
Accordingly, career satisfaction measures the extent to which individuals believe their career progress is consistent with their personal goals, expectations, values, and preferences (e.g., Seibert and Kraimer, 2001; Erdogan et al., 2004). While work-life balance refers to the successful interplay of the private and professional sphere work-family conflict is ‘a form of inter-role conflict in which the role pressures from the work and family domains are mutually incompatible in some respect’ (Greenhaus and Beutell, 1985, p. 77). Moreover, Carlson (2003) differentiates work-family conflict between work interference with family and family interference with work which both manifest themselves internally (strain-based) and externally (time-based).

Consequently, organizational and entrepreneurial careers alike are comprised of objective and subjective elements. Apart from Frese and Schuler (1999) and Schenk (1998) pointing out that entrepreneurial success is comprised of subjective and objective elements several other researchers highlight that the Entrepreneurship literature has adopted a rather limited view of success, focusing almost exclusively on business success and firm performance thereof (e.g., Kalleberg and Leicht, 1991; Chaganti and Schneer, 1994).

Despite these academic intersections Entrepreneurship and career research have moved along parallel resulting in a lack of a comprehensive theoretical and empirical understanding of entrepreneurial careers (Carroll, 1987; Dyer, 1994). Thus, we aim at closing this gap by drawing a more holistic picture on success in an entrepreneurial career.

**Development of Hypotheses**

Self-employment is said to have several effects on subjective career success when it comes to job satisfaction, career satisfaction and work-life-balance.

Hundley (2001) shows that self-employed due exhibit higher job-satisfaction compared to employees. Self-employment is also seen as an option for higher autonomy and flexibility, and a better chance for self-realization (Marlow, 1997; Greer and Greene, 2003). Accordingly, we propose:

**H1a: Job satisfaction is higher for self-employed compared to employed individuals.**

**H1b: Career satisfaction is higher for self-employed individuals compared to employed individuals.**

Although entrepreneurs enjoy greater flexibility and autonomy than employees in meeting their professional and family roles their freedom is bounded by the responsibility for the economic success of their venture (Dyer, 1994). Thus, we propose:

**H1c: Strain based work-life conflict is higher for self-employed than their employed counterparts.**

**H1d: Time based work-life conflict is lower for self-employed than employed individuals.**

Creating a single index of overall subjective career success following Greenhaus et al. (1990) we expect self-employed to perceive subjectively higher success. Thus, we propose:
H1e: Subjective career success of self-employed is higher than of employed individuals.

Given the dichotomy of objective and subjective career success it is easily conceivable that objective success has an influence on how individuals subjectively experience their career success (e.g., Abele and Spurk, 2009a). Empirical research has in fact confirmed that objective success has an overall positive influence on job satisfaction (Judge et al., 1999; Cable and DeRue, 2002). Accordingly we propose:

H2: Objective career success and subjective career success correlate positively.

Success, however, does not come out of the blue. The link between motivation and behavioural achievement has already been pointed out by Ajzen (1991). Bretz and Judge (1994) empirically show positive relations between work motivation (hours worked per week) and objective career success. Hence we propose:

H3: Working hours and objective success correlate positively.

Although theorizing on the link between work motivation and subjective career success has been problematic for decades, Locke and Latham (1990) show the positive link between work motivation and satisfaction allowing us to propose:

H4a: Working hours and job satisfaction correlate positively.

H4b: Working hours and career satisfaction correlate positively.

Nevertheless, high working hours and especially overtime exert a negative impact on work-life balance because time for private and family life is reduced (Major et al., 2001; Jacobs and Gerson, 2004). In this respect we also expect an overall positive relation between working hours and subjective career success and we propose:

H4c: Working hours and work-life conflict correlate positively.

H4d: Working hours and subjective career success correlate positively.

3 Measures

In accordance with a recent review (Arthur, 2005) of career success studies we operationalized subjective career success including measures of career satisfaction and job satisfaction. Following Greenhaus et al. (1990) we also included work-life balance.

Subjective career success: job satisfaction was assessed by one item (“How satisfied are you with your current job?”) on a five-point Likert scale; work-life balance was operationalized by four items. Two measured time-based conflict: (e.g. “How often does your job or career keep you from spending the amount of time that you would like to spend with your family?” (time_wf)); another two items assessed strain-based conflict (e.g., “When you are at home, how often do you think about work related problems?” (strain_wf)) on a five-point Likert scale. Career satisfaction, i.e. individual career goals and their achievement were administered in two steps. Given a list of 11 items (e.g., “high income” (income), “self-realization” (self_real)) probands rated first the importance of their individual goals on a five-
point Likert scale before then in a second step rating on a five-point Likert scale in as far they have reached these goals.

Our index of subjective career success consists of three equally weighted parts (job satisfaction, work-life balance, career satisfaction).

*Objective career success:* In our current analysis we use income as a common measure for both employed and self-employed.

Along with Wayne (1999) we measured work motivation with the actual amount of hours worked per week.

## 4 Sample and Instrument

The current sample of our online survey consists of 506 individuals with 300 female and 181 male respondents, whereof 105 are employees and 298 are self-employed.

## 5 Preliminary results

According to our hypotheses H1a, H1b, and H1c our current data analysis shows significant differences for job satisfaction (t = -4.095), career satisfaction (t = -3.935), and strain based work to family conflict (t = -4.201) between self-employed and employed individuals. Our results however do not support H1d, i.e. the relation between time based work-life conflict and the employment status in general.

### Table 1: Subjective career success for self-employed and employed individuals

<table>
<thead>
<tr>
<th></th>
<th>Self-employed</th>
<th>employed</th>
<th>t</th>
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<tbody>
<tr>
<td>Job satisfaction (H1a)</td>
<td>3.98</td>
<td>3.40</td>
<td>-4.095**</td>
</tr>
<tr>
<td>Career goal achievement/ career satisfaction (H1b)</td>
<td>44.05</td>
<td>38.84</td>
<td>-3.935**</td>
</tr>
<tr>
<td>Strain_wf (H1c)</td>
<td>3.96</td>
<td>3.40</td>
<td>-4.201**</td>
</tr>
<tr>
<td>Strain-fw (H1c)</td>
<td>2.72</td>
<td>2.75</td>
<td>0.215</td>
</tr>
<tr>
<td>Time_wf (H1d)</td>
<td>3.44</td>
<td>3.50</td>
<td>0.503</td>
</tr>
<tr>
<td>Time-fw (H1d)</td>
<td>2.47</td>
<td>2.46</td>
<td>-0.102</td>
</tr>
<tr>
<td>Index subjective success (H1e)</td>
<td>10.26</td>
<td>9.46</td>
<td>-2.690**</td>
</tr>
</tbody>
</table>

*Note. n = 344 for H1a, 196 for H1b, 401 for H1c (wf), 398 for H1c (fw), 401 for H1d (wf), 400 for H1d (fw), and 397 for H1e; **p < .01*

Additionally we found support for H2 and H3. Objective career success correlates positively with our index for subjective career success (r = .158, p < .05) and working hours correlate positively with objective career success (r = .393, p < .01)

Currently we can also support H4a and H4b. Working hours correlate positively with job satisfaction (r = .114, p < .05) and career satisfaction (r = 143, p < .05).

Table 2 shows correlations of working hours and work family conflict and its single subfactors.
Concerning H4c our data does not reveal significant correlations for work-family conflict and working hours ($r = .061$). Thus, we additionally analyzed the single aspects of work-family conflict and found the following significant pattern: the higher the working hours, the higher the negative interference from work to family ($r = .409$; $r = .182$). For family to work interference the opposite seems to be true: the higher the working hours, the lower the family to work conflict ($r = -.295$; $r = -.134$).

Overall, the significant correlation between the index of subjective career success ($r = .160$, $p<0.05$) and working hours also allows to verify H4d.

### Table 2: Correlation between working hours and work-life conflict

<table>
<thead>
<tr>
<th>Pearson correlation</th>
<th>Index work-life</th>
<th>Time_wf</th>
<th>Time_fw</th>
<th>Strain_wf</th>
<th>Strain_fw</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working_hours</td>
<td>.061</td>
<td>.409**</td>
<td>-.295**</td>
<td>.182**</td>
<td>-.134**</td>
</tr>
</tbody>
</table>

Note. $n = 390$ for Index work-life, 393 for Time_wf, 392 for Time_fw, 393 for Strain_wf, 391 for Strain_fw; **$p < .01$

6 Conclusions and Research Implications

We found promising results for differences in subjective career success among self-employed and employed individuals. Although self-employed perceive a higher strain based work-life conflict they do not only experience higher job satisfaction and career satisfaction, but also overall a higher subjective career success. Moreover, we also found support for a positive relation between subjective and objective career success. Including the amount of working hours as an indication for work motivation, we also found positive correlations with objective and overall subjective career success.

Thus, our preliminary results indeed contribute to framing entrepreneurial careers more holistically accounting for several calls from the literature for a more differentiated view on entrepreneurial success. Nevertheless, our results are impaired by several limitations.

Currently we have not included any control variables. In cognizance of a vivid debate over differences between Entrepreneurship and self-employment our current subsample sizes are insufficient for differentiating this aspect in our analysis. Furthermore, the perception of subjective success might highly differ depending on the age of the venture while Dyer (1992) suggests that many entrepreneurs experience severe role conflicts by the age of their twenties and thirties, the time when they start to have children. Further data collection is ongoing in order to resolve this limitation and to conceptualize a model in which control variables (e.g., age, presence of children, age of venture) are included to get a more complex view of influences on subjective career success. These aspects will also be assessed more in depth in the following 30 qualitative interviews. We, however, encourage future research to apply longitudinal designs to capture how the perception of subjective aspects of career success might change over time.