Maria Lauxen-Ulbrich / René Leicht (2004):

Second Statistical Overview – National Report on Women (Start-Up)Entrepreneurs and Female Self-Employment in Germany

Project: Statistics on Women (Start-up)Entrepreneurs and Self-Employed Women (Statistiken über Gründerinnen und selbständige Frauen)





The Small Business Research Institute (ifm) at the University of Mannheim is carrying out a project "Statistics on Start-up Entrepreneurs and Self-employed Women" which is a component of the EQUAL Development Partnership "Women Way of Entrepreneurship". Within the framework of the Community Initiative EQUAL the project is co-financed through the European Social Fund and the German Ministry of Economics and Labour.

Institut für Mittelstandsforschung, Universität Mannheim (ifm) 68131 Mannheim Tel. 0621-181-2788 Fax: 0621-181-2892 http://www.ifm.uni-mannheim.de

Project leaders: Dr. René Leicht Co-working: Maria Lauxen-Ulbrich, e-mail: lauxen@mail.ifm.uni-mannheim.de

Contents and Figures

Introduction	1	6
Chapter 1: (General Labour Market Information	8
Figure 1.1:	Basic Facts about the German Labour Market: Working Age 15-64 yrs	9
Figure 1.2:	Distribution of Employed Persons by Occupation and Gender in Germany 2003	9
Figure 1.3a:	Distribution of Employed Persons by Industrial Sector and Gender in Germany 2003 (in thousands)	10
Figure 1.3b:	Distribution of Employed Persons by Industrial Sector and Gender in Germany 2003 (in %)	10
Figure 1.4:	Full-Time and Part-Time Employment by Gender in Germany	11
Figure 1.5:	Economic Activity of Single Parent Households by Gender in Germany 2002	11
Figure 1.6:	Employed Persons by Marital Status and Gender in Germany 2002	11
Figure 1.7:	Employed Persons by Household Configuration and Gender in Germany	12
Chapter 2: S	Self-Employment and Start Ups in Germany	13
Self-Employ	ment	14
Figure 2.1a:	Absolute Development of Self-Employed Persons by Gender in Germany (1991-2003)	14
Figure 2.1b:	Relative Development of Self-Employed Persons by Gender in Germany (1991-2003)	14
Figure 2.2:	Self-Employed Persons in % of Workforce by Gender in Germany	15
Figure 2.3a:	Number of Self-Employed Persons in Federal States by Gender in Germany 2003	16
Figure 2.3b:	Self-Employed Persons in % of Workforce by Federal States and Gender in Germany 2003	16

Figure 2.4:	Distribution of Self-Employed Persons by Occupation and Gender in Germany 2002
Figure 2.5:	Distribution of Self-Employed Persons by Industrial Sector and Gender in Germany 2003
Figure 2.6a:	Self-Employed Persons by (International Standard Classification of) Education and Gender in Germany 2002
Figure 2.6b:	Self-Employed Persons by School Education and Gender in Germany 2003
Figure 2.6c:	Self-Employed Persons by Third Level Education and Gender in Germany 2003
Figure 2.7:	Distribution of Self-Employed Persons by Age and Gender in Germany 2003 19
Figure 2.8:	Self-Employed Persons and Employees by Marital Status and Gender in Germany 2002
Figure 2.9:	Distribution of Self-Employed Persons by Household Configuration and Gender in Germany
Figure 2.10:	Self-Employed Persons by Origin and Gender in Germany 2003 20
Figure 2.11:	Distribution of Self-Employed Persons by Hours Worked/Week and Gender in Germany 2003
Figure 2.12a:	Nonstandard Work Schedules of Self-Employed Women in Germany 2003
Figure 2.12b:	Nonstandard Work Schedules of Self-Employed Men in Germany 2003
Figure 2.13:	Self-Employed Persons with and without Employees by Gender in Germany 2003
Figure 2.14:	Self-Employed Persons by Number of Working Persons at the Workplace and Gender in Germany 2003
Start-ups	
Figure 2.15:	Start-ups
Figure 2.16:	Distribution of Start-ups by Industrial Sector and Gender in Germany

Chapter 3: S	elf-Employment in Certain EU-Countries	24
Figure 3.1:	Self-Employed Persons in % of Workforce by Gender in Certain EU-Countries 2003	25
Figure 3.2:	Self-Employed Persons in % of all Self-Employed in Certain EU-Countries 1996/2003	25
Figure 3.3:	Quota of Nascent Entrepreneurs by Gender in Certain EU-Countries 2003	26
Figure 3.4:	Total Entrepreneurial Activity (TEA) by Gender in Certain EU-Countries 2003	26

References

Introduction

Even though the number of self-employed women increased over the past two decades—in Germany as well as in many other European countries—entrepreneurship is nevertheless still male-dominated (OECD 2000a, 2000b; Lohmann 2001). The female share in self-employment varies between a quarter and a third. Furthermore, in Germany for a very long time women's self-employment rate (percentage of all working women) remains only half of the men's rate (Leicht/ Lauxen-Ulbrich 2004). In addition, comparative research across countries stated, that gender-specific differences in personal and business characteristics as well as business survival and performance did not change fundamentally over time (McManus 2001).

Starting from the assumption that behind the underrepresentation of women in selfemployment slumbers a great potential for new business creation and—from another point of view—the gender gap in self-employment gives reason to promote women's entrepreneurial activities, politicians, associations, chambers, and in particular consulting agencies, are looking for more information about the shape and characteristics of female entrepreneurship.

Despite of intensified research in female entrepreneurship especially in the US—but less in Germany—, one of the main recommendations of the 2nd OECD conference "Women Entrepreneurs in SMEs" in 2000 was to improve statistical knowledge about female self-employed and business owners in all countries, if possible in an internationally comparable way. Especially in Germany, there is a lack of gender-related data and research on business ownership and self-employment—at least in relation to other countries.

Therefore the project "Statistics on Women Start-up Entrepreneurs and Self-Employed Women",¹ (which is part of the Development Partnership "Women Way of Entrepreneurship") aims to identify, to gather and to analyse entrepreneurship- and gender-related data. Always looking up to the structure and development of female entrepreneurship and the questions, who are the (new) self-employed women, what are the special circumstances and factors that lead women to enter self-employment, and in which way do they differ from their male counterparts—or to make it clear: what characteristics could be seen as specific "women way" running an own business—, the project wants to point out and to document

- gender specific characteristics and trends in self-employment as well as in nascent entrepreneurship
- socio-demographic characteristics of self-employed women
- business characteristics of enterprises led by women or men and
- gender specific determinants of entry into self-employment.

That means data should come up to the demand that all information about self-employed women and female entrepreneurship must be comparable to their male counterparts and to women in wage-and-salary employment.

¹ In German: Teilprojekt "Statistiken über Gründerinnen und selbständige Frauen".

Annotations to the document on hand:

This document with tables and figures represent the second step towards a continuous report on self-employment and entrepreneurship of women. The information is based on a "**list of indicators and variables**" which are conceptualized by the transnational partners in the EQUAL Development Partnership WWOE (see <u>http://www.wwoe.org/html/deu/login/</u>index.html).² In addition, we enlarged that compulsory programme with further tables and figures.

Contents:

With a gender view the following comprises:

- Chapter 1 gives information about the German labour market in general
- Chapter 2 deals with information about self-employment and start-ups
- Chapter 3 attends to self-employment in certain EU-countries, especially that of the involved transnational project-partners.

Changes compared to First Statistical Overview (Lauxen-Ulbrich/ Leicht 2003)

Chapter 1: General Labour Market Information

• Part-time work increased again, while full-time work declined more among women than among men (fig. 1.4)

Chapter 2: Self-Employment and Start-ups in Germany

- Female self-employment increased more than male self-employment (fig. 2.1b)
- At the same time self-employment rates are growing slowly (fig. 2.2)
- There are lower female self-employment rates in East-Germany and higher female and male self-employment rates in urban service-centres (fig. 2.3a+b)
- Self-employed women as well as men show low growth by "upper secondary school" (fig. 2.6b)
- There are more self-employed women in the age of 15-24, 45-54 and 55-64 (fig. 2.7), men not that much
- Home-based work increased again for women and for men (fig. 2.12a+b)
- There are moderate decline from female start-ups in trade, moderate increase in business related services (fig. 2.16)

² In Sardinia the research subgroup discussed the aims of a cross-national comparison and what data / information should be gathered and commented by each project-partner. At the end their was a commitment about a list of indicators. Due to the recommendation of the steering committee (June 2003 in Sweden) the Belgian and German partners met together in Köln (on 15th July) to clarify which indicators and variables should be taken (and available) for the transnational comparison and national reports.

General Labour Market Information

0	1991		199	5	199	9	20	03
			Women					
		% of total opulation	in thou- sands	% of total population	in thou- sands	% of total population	in thou- sands	% of total population
Employed	15436	57,0 ²⁾	14983	55,1 ²⁾	15019	55,8 ²⁾	15963	60,0 ²⁾
Unemployed ¹⁾	1389	5,1	2042	7,5	1873	7,0	1985	7,5
= Labour force	16825	62,1 ³⁾	17025	62,6 ³⁾	16892	62,8 ³⁾	17948	67,5 ³⁾
Not in labour force	10254	37,9	10192	37,4	10008	37,2	8646	32,5
Total population	27079	100,0	27217	100,0	26900	100,0	26596	100,0
Unemployed ¹⁾ in % of labour force	8,3		12,	0	11,	1	11	,1
empl. women in % of all employees	41,6	6	41,	9	41,	7	44	,1
			Men					
Employed	21689	78,4 ²⁾	20744	73,9 ²⁾	20435	73,6 ²⁾	19622	70,5 ²⁾
Unemployed ¹⁾	1247	4,5	1986	7,1	2115	7,6	2620	9,4
= Labour force	22936	82,9 ³⁾	22730	81,0 ³⁾	22550	81,2 ³⁾	22242	79,9 ³⁾
Not in labour force	4727	17,1	5340	19,0	5214	18,8	4988	17,9
Total population	27663	100,0	28070	100,0	27764	100,0	27825	100,0
Unemployed ¹⁾ in % of labour force	5,4		8,7	7	9,4	1	11	,8

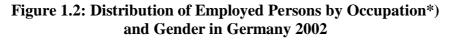
Figure 1.1: Basic Facts about the German Labour Market: Working Age 15-64 yrs

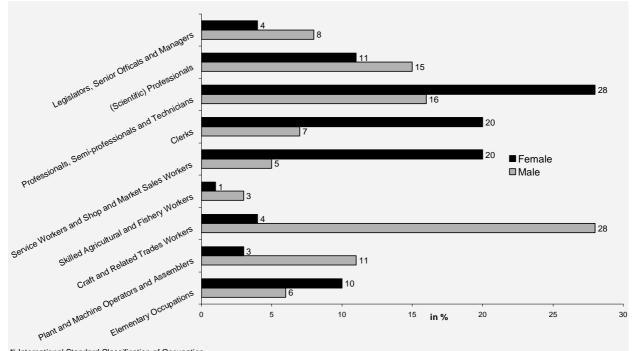
1) Unemployed persons are those who, during the refence week had actively sought employment at some time during the previous for weeks. In addition, unemployed persons include those who had no employment and had already found a job to start later.

2) Activity rate: wage and salary earners

3) Labour force participation rate

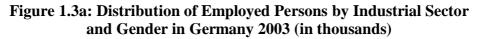
Source: Federal Statistical Office Germany (Microcensus), own calculations ifm University of Mannheim





*) International Standard Classification of Occupation.

Source: Eurostat (LFS), own calculations ifm University of Mannheim



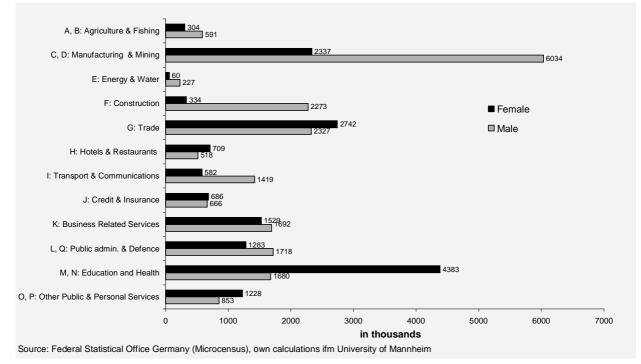


Figure 1.3b: Distribution of Employed Persons by Industrial Sector and Gender in Germany 2003 (in %)

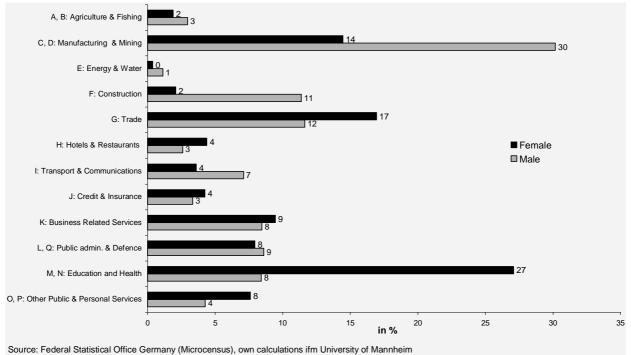


Figure 1.4: Full-Time¹⁾ and Part-Time Employment by Gender in Germany

	19	96	20	03			
Women							
	in thou- sands	column-%	in thou- sands	column-%			
Full-time	9945	65,1	9246	57,2			
Part-time	5331	34,9	6930	42,8			
	Men						
Full-time	19764	95,5	18554	92,8			
Part-time	942	4,5	1442	7,2			

1) Full-time is defined as more than 32 hours a week.

Source: Federal Statistical Office Germany (Microcensus),

own calculations ifm University of Mannheim

Figure 1.5: Economic Activity of Single Parent Households*) by Gender in Germany 2002

	Women		Men		Total	
	in thousands	column-%	in thousands	column-%	in thousands	column-%
Employed	1538	60,5	437	72,1	1975	62,7
Unemployed	309	12,2	58	9,6	367	11,7
Not in labour force	696	27,4	111	18,3	808	25,7
Total	2543	100,0	606	100,0	3149	100,0

*) Mothers and fathers with children of full age are also counted as single parent households - Including cohabinting Source: Federal Statistical Office Germany (Microcensus), own calculations ifm University of Mannheim

Figure 1.6: Employed Persons by Marital Status and Gender in Germany 2003

	Women		Men		Total	
	in thousands	column-%	in thousands	column-%	in thousands	column-%
Married	9519	58,8	11992	59,0	21510	58,9
Unmarried	6660	41,1	8004	39,4	14662	40,1
Total	16176	99,9	19996	98,3	36172	99,0

Figure 1.7: Employed Persons by Household Configuration and Gender in Germany

	Women	Men	Total
Single-Household ¹⁾	19	20	20
Single-Parent ²⁾	6	1	3
Couple without children ³⁾	42	41	41
Couple with children ⁴⁾	34	39	36
Total	100	100	100

1) Without child(ren) (under the age of 18) and without partner in the household

2) Single mother or father living with child(ren) (under the age 18) in the household

3) Cohabited and married couples in household without child(ren) (under the age of 18)

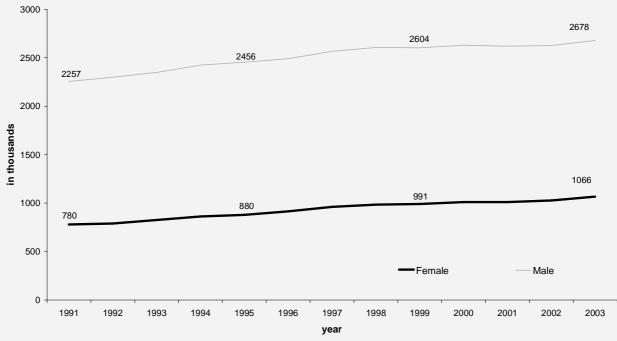
4) Cohabited and married couples in household with children (under the age of 18)

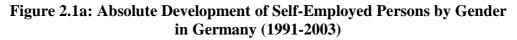
Source: Federal Statistical Office Germany (Microcensus 2000, 70%-

subsample), own calculations ifm University of Mannheim

Self-Employment and Start-Ups in Germany

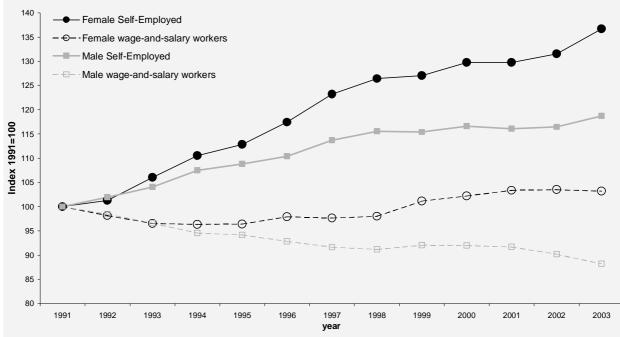
Self-Employment:





Source: Federal Statistical Office Germany (Microcensus), own calculations ifm University of Mannheim

Figure 2.1b: Relative Development of Self-Employed Persons by Gender in Germany (1991-2003)



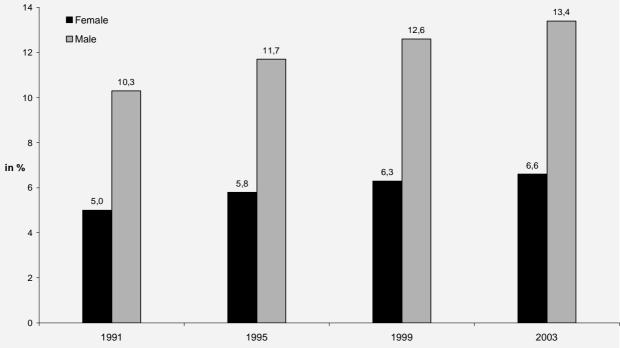


Figure 2.2: Self-Employed Persons in % of Workforce by Gender in Germany

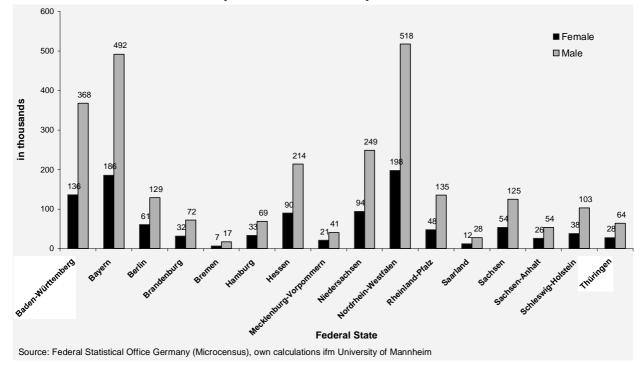
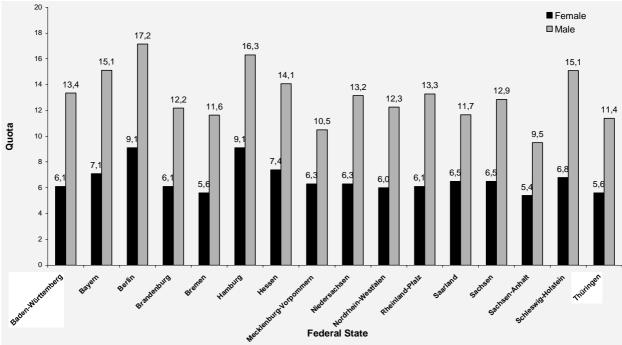


Figure 2.3a: Number of Self-Employed Persons in Federal States by Gender in Germany 2003

Figure 2.3b: Self-Employed Persons in % of Workforce by Federal States and Gender in Germany 2003



Source: Federal Statistical Office Germany (Microcensus), own calculations ifm University of Mannheim

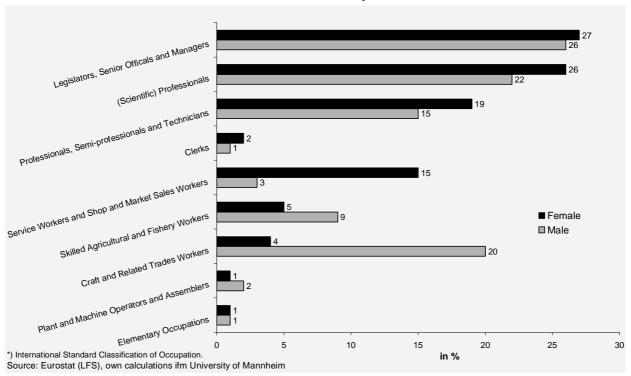




Figure 2.5: Distribution of Self-Employed Persons by Industrial Sector*) and Gender in Germany 2003

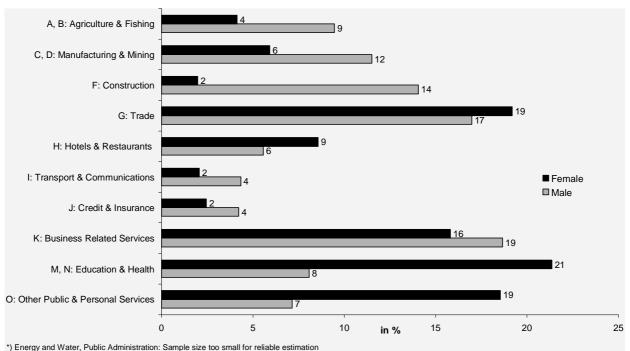


Figure 2.6a: Self-Employed Persons by (International Standard Classification of) Education and Gender in Germany 2002					
	High	Medium	Low	Not reported / no certificate	Total
Women	35	52	10	4	100
Men	43	46	7	4	100

Source: Eurostat (LFS), own calculations ifm University of Mannheim

Figure 2.6b: Self-Employed Persons by School Education and Gender in Germany 2003

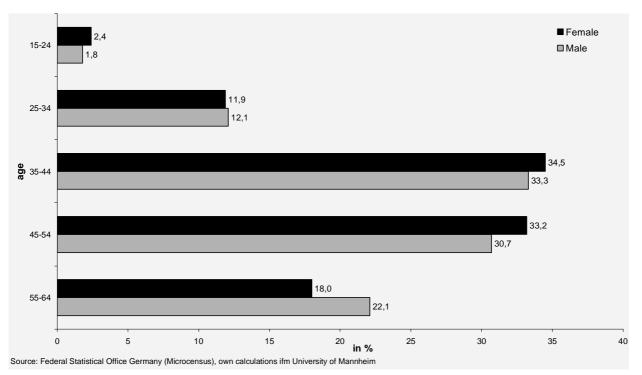
	Upper Secondary School*)	Intermediate leaving certificate	Lower Secondary School	Not reported / no certificate	Total
Women	40	30	24	6	100
Men	37	25	31	6	100

*) in German: Fachhochschul-/Hochschulreife Source: Federal Statistical Office Germany (Microcensus), own calculations ifm University of Mannheim

Figure 2.6c: Self-Employed Persons by Third Level Education and Gender in Germany 2003

	Third level education*)	All others	Not reported / no certificate	Total
Women	26	56	18	100
Men	26	59	15	100

*) in German: Fachhochschul-/Hochschulabschluss



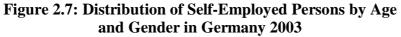


Figure 2.8: Self-Employed Persons and Employees by Marital Status and Gender in Germany 2003

	Womer	Women		Men		Total	
	Self-Employed	Employees	Self-Employed	Employees	Self-Employed	Employees	
			in thousands				
Unmarried	371	6256	813	7156	1184	13412	
Married	695	8562	1865	10069	2560	18631	
Total	1066	14818	2678	17225	3744	32043	
column-%							
Unmarried	34,8	42,2	30,4	41,5	31,6	31,6	
Married	65,2	57,8	69,6	58,5	68,4	68,4	
Total	100,0	100,0	100,0	100,0	100,0	100,0	

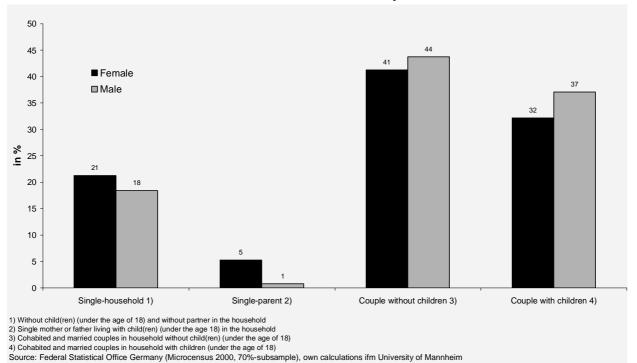
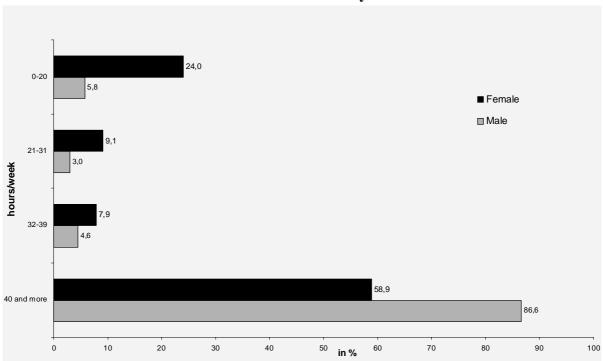
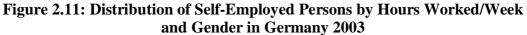


Figure 2.9: Distribution of Self-Employed Persons by Household Configuration and Gender in Germany

Figure 2.10: Self-Employed Persons by Origin and Gender in Germany 2003

	Women			Men			Total
	in thousands	in % of all self-empl.	column-%	in thousands	in % of all self-empl.	column-%	in thousands
German	991	28,7	93,0	2467	71,3	92,1	3458
EU-Origins	37	25,9	3,5	106	74,1	4,0	143
Other origins	38	26,6	3,6	105	73,4	3,9	143
Total	1066	28,5	100,0	2678	71,5	100,0	3744





Source: Federal Statistical Office (Microcensus), own calculations ifm University of Mannheim

not the case and not						
regular	casual reported*)		total			
work on Saturday						
13,5	25,3	34,4	100,0			
work on Sunday						
6,8	23,1	58,5	100,0			
work in the evening						
13,5	24,7	46,7	100,0			
work in the night						
1,6	8,1	87,8	100,0			
home-based work						
sometimes	never	not reported	total			
23,4	50,3	0,5	100,0			
	13,5 6,8 13,5 1,6 sometimes	work on S 13,5 25,3 work on S 6,8 23,1 work in the 13,5 24,7 work in the 13,5 24,7 work in the 1,6 8,1 home-bass sometimes never	regular casual reported*) work on Saturday 13,5 25,3 34,4 13,5 25,3 34,4 34,4 work on Sunday 58,5 34,4 34,4 6,8 23,1 58,5 34,4 13,5 24,7 46,7 34,7 13,5 24,7 46,7 34,7 1,6 8,1 87,8 34,8 home-based work 58,5 56,7 34,7			

*) We know from experience that "not reported" is nearly 1% in the last years. Source: Federal Statistical Office Germany (Labour Force Survey), own calculations ifm university of Mannheim

Figure 2.12b: Nonstandard Work Schedules of Self-Employed Men in Germany 2003

	not the case and not						
permanent	regular	casual reported*)		total			
	work on Saturday						
31,2	17,9	29,1	21,8	100,0			
	work on Sunday						
14,5	9,4	27,8	48,3	100,0			
work in the evening							
20,7	16,8	30,0	32,5	100,0			
work in the night							
4,0	2,5	12,3	81,2	100,0			
home-based work							
mainly	sometimes	never	not reported	total			
20,3	27,6	51,0	1,0	100,0			

*) We know from experience that "not reported" is nearly 1% in the last years. Source: Federal Statistical Office Germany (Labour Force Survey), own calculations ifm university of Mannheim

Figure 2.13: Self-Employed Persons with and without Employees by Gender in Germany 2003

	W	omen	Men		
	in %	in thousands	in %	in thousands	
without employees	61,5	656	48,7	1304	
with employees	38,5	410	51,3	1374	

Source: Federal Statistical Office Germany (Microcensus), own calculations ifm University of Mannheim

Figure 2.14: Self-Employed Persons by Number of Working Persons*) at the Workplace and Gender in Germany 2003

	Women	1	Men		Total			
with employees								
	in thousands	in%	in thousands	in%	in thousands	in%		
1-5	289	70,5	833	60,1	1121	62,4		
6-10	62	15,1	260	18,8	322	17,9		
11-19	27	6,6	135	9,7	162	9,0		
20-49	11	2,7	74	5,3	85	4,7		
50 and more	6	1,5	49	3,5	55	3,1		
not reported	14	3,4	35	2,5	49	2,7		
in thousands Number	410	100,0	1386	100,0	1796	100,0		

*) Working Persons are including family workers, partners or "marginal" part-time workers

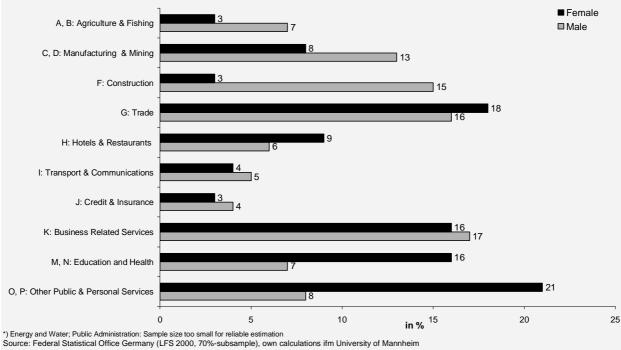
Start-ups:

Figure 2.15: Start-ups							
Women							
Proportion of	Proportion of Proportion of Women's Start Up-Quota						
Women's StartWomen's StartUp`s in % of allUp`s in % of allStart-UpsFemale Self- Employed		Start Up´s in % of all Working Women	Start Up`s in % of Women population				
35	22	1,3	0,7				
Men							
Proportion of	Proportion of	Women's St	art Up-Quota				
Men´s Start Up`s in % of all Start-Ups	Men's Start Up`s in % of all Male Self-Employed	Start Up`s in % of all Working Men	Start Up`s in % of Men population				
65	16	1,9	1,3				

Figure 2 15. Start-uns

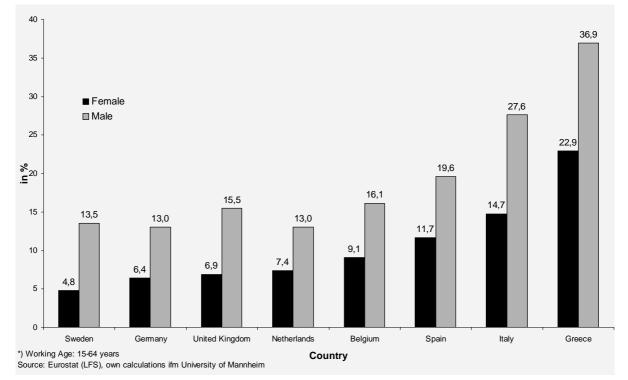
Source: Federal Statistical Office Germany (LFS 2000, 70%-subsample), own calculations ifm University of Mannheim





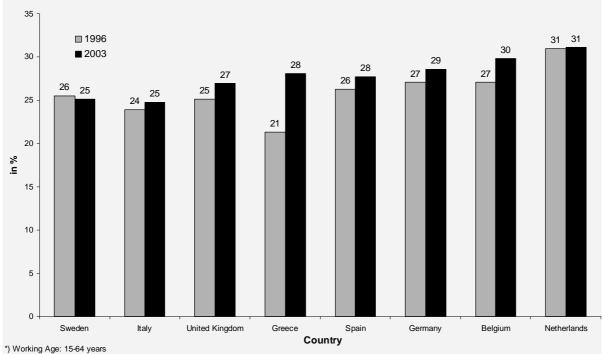
Self-Employment in Certain EU-Countries

Chapter 3: Self-Employment in Certain EU-Countries



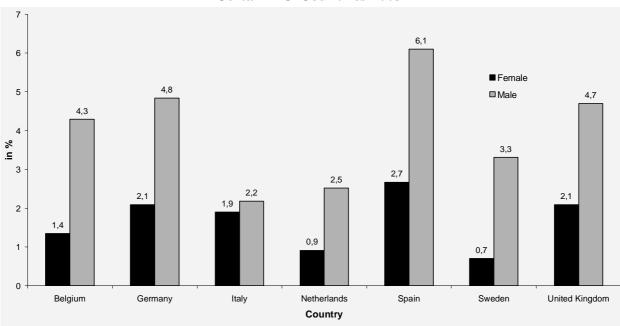






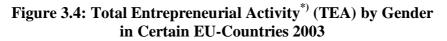
Source: Eurostat (LFS), own calculations ifm University of Mannheim

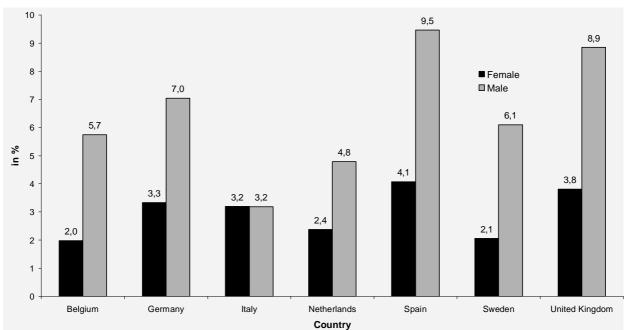
Chapter 3: Self-Employment in Certain EU-Countries





*) An individual may be considered a "nascent entrepreneur" under three conditions: first, if he or she has done something - taken some action - to create a new business in the past year; second, if he or she expects to share ownership of the new firm; and third, if the firm has paid salaries and wages for more than three months, (in % of population 18-64 yrs. old) Source: Global Entrepeneurship Monitor (GEM) 2003; chart ifm University of Mannheim





*) Total Entrepreneurial Activity defines entrepreneurial efforts that expect to create new niches, produce new jobs and export goods or services. The TEA Index reflects the prevalence rate of these activities which seem to be present - or absent - together (in % of population 18-64 yrs. old) Source: Global Entrepreneurship Monitor (GEM) 2003; chart ifm University of Mannheim

References

- Lauxen-Ulbrich, M. & Leicht, R. (2003): First Statistical Overview National Report on Women (Start-up)Entrepreneurs and Female Self-employment in Germany (http://www.ifm.uni-mannheim.de unter Forschungsprojekte "Women Way of Entrepreneurship").
- Leicht, R. & Lauxen-Ulbrich, M. (2004): Umfang und längerfristige Entwicklung selbstständiger Frauen, in: Leicht, R. & Welter, F.: Gründerinnen und selbstständige Frauen. Potenziale, Strukturen und Entwicklungen in Deutschland. Karlsruhe.
- Lohmann, H. (2001): Self-employed or employee, full-time or part-time? Gender differences in the determinants and conditions for self-employment in Europe and the U.S., Mannheimer Zentrum für Europäische Sozialforschung, working paper, No. 38.
- McManus, P.A. (2001): Women's Participation in Self-Employment in Western Industrialized Nations, in: International Journal of Sociology, Vol. 31, No. 2: 70-97.
- OECD (2000a): Employment Outlook 2000, Chapter 5: The partial Re-emergence of Self-Employment, Paris.

OECD (2000b): The OECD Small and Medium Enterprise Outlook, Paris.