



Navigating an invisible labyrinth: The effect of involuntary bogus self-employment on female Greek-Cypriot educators' job satisfaction and subjective well-being

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# **Navigating an invisible labyrinth: The effect of involuntary bogus self-employment on female Greek-Cypriot educators' job satisfaction and subjective well-being**

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The aim of this empirical study is to understand the impact of involuntary false self-employment on female educators' job satisfaction and well-being in the public educational sector in Cyprus and unravel the barriers that mothers with school age children still face. Through an online questionnaire and semi-structured interviews, data will be collected from 43 respondents. Drawing on the work and family conflict theory, this study reports that female educators still resort to bogus self-employment as the only means to support their families. Preliminary descriptive statistics and thematic analysis reveal that involuntary bogus self-employment has negatively impacted these women's health, family life and career prospects. 65% of the participants stated that they suffered from mental health issues and 59% reported their dissatisfaction with their life overall. Implications of the findings are discussed to unveil the gendered challenges that women with caregiving responsibilities still face in the workplace due to insufficient childcare and caregiving support.

**Key words:** involuntary bogus self-employment, female educators, Cyprus, well-being, work and family conflict theory, job satisfaction.

**Word Count:** 2.912 words (excluding tables and references)

## **Introduction**

A small but rapidly growing literature has indicated that many workers are being classified as self-employed by employers, although they often have many of the characteristics of dependent employees to evade labour laws (e.g., working time legislation), and reduce employer liabilities that apply to dependent employees (Eurofound, 2016a, b; Gialis et al., 2015; Hatfield, 2015). Researchers report that workers falsely classified as self-employed suffer worse working conditions than the rest of the workforce which has an impact on their personal job satisfaction (ILO, 2016; Thörnqvist, 2014).

Dependent self-employment covers employment relationships existing in the “grey zone” between pure dependent employment and genuine self-employment (Eichhorst et al., 2013; Jorens, 2009; Pedersini and Coletto, 2010). To denote the employment relationships in this “grey zone”, terms such as “dependent”, “bogus” and “false” have been extensively used by researchers (Mandrone et al., 2014; Pedersini and Coletto, 2010). For instance, the ILO (2016, p. 36) define dependent self-employment as those cases where “workers perform service for a business under a contract different from a contract of employment but depend on one or a small number of clients for their income and receive direct guidelines regarding how the work is done”. Employers tend to hire self-employed people to perform a specific task or assume a professional role rather than hire employees. A UK report states that hiring self-employed workers is at least 13.8 per cent cheaper for employers than hiring normal employees since they do not have to pay employer national insurance contributions (Taylor, 2017). Moreover, it also allows employers to evade minimum wage rates, holiday payments, and the right of an employee to be paid if sick and incapable of work. Therefore, most researchers regard false self-employment as “precarious” work because it is associated with diminished employment rights (e.g., unfair dismissal etc.), diminished social security entitlement and increased levels of risk, insecurity, long working hours, and atypical working times (Broughton et al., 2016; OECD, 2018).

Additionally, the literature indicates that work intensification is greater for bogus self-employment in terms of working to tight deadlines, the pace of work not being controllable and emotional demands (Eichhorst et al., 2013; Jansen, 2017). There is an agreement that the social environment in the workplace is poorer for the false self-employed, as they are more likely to confront adverse social behaviour (e.g., verbal abuse), and are less likely to receive help and social support from their peers (Cruz et al., 2017; Eurofound, 2018a, b; Williams and Lapeyre, 2017). Unfortunately, mental well-being is found to be lowest amongst the bogus self-employed (Eurofound, 2013). Moreover, research indicates that they often work under poorer working conditions in terms of the use of skills and their discretion, including a poorer cognitive dimension (e.g., solving unforeseen problems), less latitude for taking decisions (e.g., the ability to choose or change the order of tasks), and organisational participation (e.g., involvement in decision-making) (Eurofound, 2018a, b; ILO, 2016). There is also a perception that the job prospects of the false self-employed are poor relative to the rest of the workforce in terms of their career prospects and job security (Eurofound, 2013; Fehring, 2014). Finally, on the issue of whether they perceive their job prospects as poorer, the finding is that the dependent self-employed view themselves as having poorer job prospects in terms of career prospects, job security or the probability of the organisations downsizing in which they work. This confirms the findings of a previous study (Eurofound, 2013) which concluded that the false self-employed are rather less optimistic than workers, i.e., dependent employees, with respect to their prospects for career development.

Moreover, up to this moment, there have been very few studies assessing the impact of bogus self-employment on women and exploring its impact on their perceived (mental and physical) health and job satisfaction (Kösters and Smits, 2021; Williams and Horodnic, 2019). The work and family conflict theory implies that family status variables (in particular marital status and whether someone has children) will have stronger influence on self-employment decision among women. As stressed in seminal studies of Connelly (1992) and Carr (1996), in this theoretical framework, mothers with school aged children are more likely than the childless to be self-employed. Carr claims that: 'self-employment does not appear to be an option available to all mothers who are prevented from taking full-time salaried work, however; the additional advantages of advanced education and the benefits of a spouse's income provide the necessary capital for a woman' to pursue self-employment even if this is bogus (Carr, 1996, p.49). As indicated by Budig (2006) the work and family conflict theory explains well the self-employment decisions of women. Nevertheless, there is only mild evidence suggesting that women (relative to men) are being attracted to the self-employment sector by family concerns (see Allen and Curington, 2014).

To sum up, the notion of involuntary bogus self-employment has been used to refer to situations where the employer seeks increased flexibility and cost efficiency by 'pushing' former employees into new forms of precarious self-employment. This was the case in Cyprus, when the Ministry of Education suddenly decided to change the temporary contracts they offered to thousands of educators (4600 employees - most of them were women) who worked in various afternoon and night programmes of the Ministry of Education and Culture in Cyprus. These have been operating since the foundation of the Greek-Cypriot state covering various societal needs, promoting lifelong learning, helping people from various backgrounds, and offering equal opportunities for learning to children, adolescents, and adults. Although the value of these programmes has been recognised, female teachers who have been working for years on a contract basis and invested in public school education woke up one day in 2013 to find out that their contracts were invalid and that from that day onwards they would be classified as self-employed. This means that since 2013 these teachers have not been entitled to any state benefits (unemployment, holiday fund, sick pay, or maternity allowance). When teachers decided to fight this injustice legally, the Administrative Court ruled in their favour stating that the government's decision to change the working status of the afternoon state schoolteachers was illegal and unlawful. Yet, the ministry did not obey the court's ruling and while they decided to appeal the decision, they went on applying this unlawful practice to all schools which also operate during the morning school hours. Consequently, teachers working in the same school are currently being treated differently and are forced to work under a different status. In sum, the government in an obvious effort to promote privatisation in education, neglects court decisions and continues to violate teachers' working rights and employment conditions (Pitta, 2021).

This study intends to add to the literature on the impact of involuntary bogus self-employment on female workers' individual well-being and satisfaction. Feminist scholars argued that the gender dimension of quasi-self-employment needs to be developed (Lewis, 1992). The implication for gender equality is that women are deeply affected by atypical employment in the public educational sector in Cyprus and suffer the consequences of an increasingly precarious labour market. Bogus self-employment is growing among medium and highly skilled women (Maestripieri and León, 2019). To gain a deeper understanding of this issue, our analysis of the online survey data and the semi-structured interviews reveals that the impact on well-being can be attributed to their dissatisfaction with job security. This contribution to the literature is particularly relevant from a policy perspective, considering that contemporary

labour market policy reforms throughout Europe have focused on the goal of ‘flexicurity’, i.e., the combination of labour market policies and measures that aim to enhance both labour market and organizational flexibility and the employment security of individual employees (Berglund et al., 2014; Chadi and Hetschko, 2013).

### **Research Focus, Rationale and Questions**

The current study explored the effects of involuntary self-employment on female Greek-Cypriot educators’ well-being and job satisfaction. It aims to examine this relatively new phenomenon and how it relates to gender in a small European country, Cyprus. This type of involuntary bogus self-employment is common in higher education but not in secondary education, especially in the public sector (Carrasco and Hernanz, 2021). Very few studies have explored this phenomenon and its impact on women (Maestripieri and León, 2019). Based on the findings of this study, significant recommendations will be provided as to how all relevant stakeholders can support women who are in a way forced to live under this state by their employer, that is the Ministry of Education and Culture in Cyprus in this case. This is becoming increasingly more important as this type of employment enters various sectors and influences the life of the workers and their families.

The current study has utilized Goldberg and Williams’ (1988) General Health Questionnaire (GHQ: 12) and a list of related questions which are being used in the semi-structured interviews. It contributes to this literature by analysing the relationship between involuntary bogus self-employment status and four subjective well-being measures in Cyprus. These measures are frequently examined in related research and are meant to capture different concepts of well-being, namely the subjective (or self-assessed) health and the psychological (or mental) well-being of the workforce (Bardasi and Francesconi, 2004; Robone et al., 2011). They include psychological distress and life dissatisfaction (both closely related to the concept of psychological/mental well-being), anxiety/depression (capturing an explicit and probably diagnosed, long-term mental health condition), and poor general health (which refers to subjective general health status that includes physical health issues as well).

Our key contribution is not only to study the effects of involuntary bogus self-employment on subjective well-being, but to try to understand the mechanisms behind this relationship, with a particular focus on the mediating role of self-reported job satisfaction. In particular, a range of dimensions of job satisfaction are examined, including overall satisfaction with the job, satisfaction with job security, total pay, hours of work and the actual work itself. Job satisfaction measures can be quite informative in this respect as they capture the workers’ reactions and attitudes towards the array of job characteristics associated with bogus self-employment and, therefore, allow for a summary subjective evaluation of the consequences of involuntary bogus self-employment. It seems quite surprising that previous research has not investigated this mediating influence of job satisfaction, since a substantial body of research has focused on the tendency of those employees on involuntary bogus self-employment to report low satisfaction, especially in domains associated with job security (see, for example, Anxo and Ericson, 2019; Kösters and Smits, 2021; Williams et al., 2020).

### **Research Methods**

To explore the impact of bogus self-employment on female educators’ health and job satisfaction, 43 women (married with children) participated in a lengthy anonymous online survey which included both closed and open questions. The study utilized Goldberg and

Williams' (1988) General Health Questionnaire (GHQ: 12). This instrument was initially designed by Goldberg and his colleagues and has been widely used as an authentic tool for measuring mental health among adult population. Its popularity is evident from the fact that it has been used in more than 600 studies for assessing mental strain and associated illnesses (Boyd et al., 2011). The reliability and validity of this questionnaire has been determined as it demonstrated good psychometric properties following its administration among teachers in previous studies (Khan et al., 2013).

The overall aim of the current study was to explore how these women felt about bogus self-employment and what was its effect on their well-being and job satisfaction. They are then asked to participate in lengthy semi-structured interviews responding to pre-determined questions. These women have been working as educators for publicly funded educational institutions in Cyprus teaching a variety of subjects i.e., languages, Maths, IT skills to primary and secondary school children. Using opportunity and snowball sampling methods (Sharma, 2017), a small sample was deemed as sufficient for the current qualitative study (Vasileiou et al., 2018). Participants were found by tapping into the researcher's professional network.

Using a qualitative research design, the researcher asked educators to respond anonymously to an online survey through Google forms. They have then been asked to participate in online interviews through MS Teams. Participants provided their informed consent forms, and their interviews will be transcribed verbatim and thematically analysed (King and Brooks, 2018). To ensure reliability, two independent raters will code interviews into themes and subthemes. The level of agreement will be calculated using Cohen's Kappa (Landis and Koch, 1977).

The overall aim of the current study is to address the following research questions:

- What is the impact of involuntary bogus-self-employment on female educators' well-being?
- What is the influence of involuntary bogus-self-employment on female educators' job satisfaction?

### **Preliminary Analysis and Initial Results from First Phase**

During the first phase of the current study, part of the findings has been analysed using descriptive statistical methods and thematic analysis techniques. The emerging results revealed that at the time of the data collection:

- 75% of the participants have been able to concentrate less on whatever they were doing lately. They reported that they experienced a lot of stress during the school year and claimed that uncertainty in employment and lack of stability regarding income prevented concentration.
- 65% revealed that they lost their sleep over worry. They said that they used to wake up 2-3 times feeling stressed about the future.
- 67% felt that they were playing a less useful part in things. They said that they didn't feel they were as important as they could or wanted to be in their job.
- 59% felt that they were not capable of making decisions about things. They felt that almost everything concerning their work was imposed on them by their employer.

The findings of the current study support the work-family conflict theory. Female educators reported that due to the incompatibility of family responsibilities and private work settings for

educators in Cyprus, female educators with children have chosen bogus self-employment for the greater flexibility it affords and its compensating mother-friendly nature of self-employment. The ability to be available to children if working from home, the flexibility to arrange one's schedule to meet family commitments, and the savings from using less paid childcare could all act as compensating differentials for the lower earnings of these dependent self-employed mothers. Our study shows that since employers often fail to make work compatible with family responsibilities, bogus self-employment may provide women, who bear the brunt of these responsibilities, with a means to combine work and family; however, this help comes at the cost of lower earnings (Budig, 2006).

The current study further supports Philips (1962) claim that self-employment survives as a defence against unemployment and/or as a refuge for mothers with school age children. Our study adds that involuntary bogus self-employment is also prevalent among mother with young children as their only choice to support their families financially and look after their children. This is indeed an "escape route" for these women as they reported in the survey and the interviews confirming previous research (Silver, 1989, p. 108).

### **Discussion Point and Further Development**

The promotion of the idea of 'flexicurity' among policy circles has meant that labour market reforms undertaken throughout Europe in the last decades have as their main aim to increase both labour market flexibility (mainly through the promotion of flexible employment contracts and less strict job protection legislation) and the employment and income security of individuals (Chadi and Hetschko, 2013; Origo and Pagani, 2009). However, the results presented here show that although increased flexibility associated with self-employment contracts may offer reimbursements that are beneficial for individual well-being at the micro level, female workers on involuntary bogus self-employment in Cyprus suffer from a well-being penalty which also affects their personal lives and families. This means that the gains from flexibility, such as more flexible scheduling arrangements cannot outweigh the costs in terms of psychological well-being that are mainly the result of greater dissatisfaction with security among female workers with involuntary bogus self-employment contracts.

Moreover, some recent evidence also suggests that it is not at all certain that the costs in terms of well-being due to increased job insecurity can be effectively reimbursed by alternative policies that enhance employability and income security instead (Berglund et al., 2014). This in turn may have serious implications for the welfare state and the macro-economy (Burgoon and Dekker, 2010), through a greater political pressure for a more generous welfare state as the number of workers on bogus self-employment increases, and an accompanying increase in health care or other welfare state costs. These unfavourable developments can be prevented by a different policy approach that takes into account the importance of satisfaction with job security for the well-being of individual workers.

Finally, the present study also suggests that unequal distribution of caregiving forces many mothers with school age children to choose bogus self-employment due to the lack of support from employers who offer dependent employment. This remains a barrier for women at work as a culture of empathy and psychological safety for mothers with caregiving responsibilities is lacking. Women, even highly educated ones, often must pay a price for motherhood. Even nowadays, they opt for involuntary bogus self-employment to support their families and remain in the labour market. Women in our study have clearly indicated that society still makes it so difficult for women to have a healthy balance between their professional and personal lives.

These conventional societal norms still relegate the role of mothers to primarily care for their families (Ahl, 2007), which presents a big impediment for women trying to attain their own career goals.

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