

SELF-EMPLOYMENT: AN ANALYSIS OF GENERAL SOCIAL SURVEY

MEASURES OF EMPLOYMENT STATUS

by

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The GSSs contain two items that measure the self-employment status of workers. First, self-employment has always been asked as part of the occupation question for respondent, spouse, and father (See Table 1A). In earlier surveys (1972-1976) this part of the question was used only to assist in the proper coding of census occupation. The data from this question were not processed and did not become part of the data file. Starting in 1977, we began to code and process these data and they became variables (WRKSLF, SPWRKSLF, PAWRKSLF) in the data file. In order to complete the update of the data in 1980, we retrieved the self-employment codes from the 1972-1976 questionnaires and added them onto the cumulative data file. In addition, the GSSs have periodically (1972, 1973, 1974, 1976, 1977, 1980) asked a four-part question (WKSUB, WKSUBS, WKSUP, WKSUPS) on one's place in the work hierarchy (see Table 1B). These questions identify whether a respondent (or spouse, if respondent is not currently working) has a supervisor and/or whether he in turn supervises anyone. In this report we compare responses to the self-employment occupation question and the work supervisor question (WKSUB) in order to see whether these different items provide consistent and reliable measures of self-employment status and to study reasons for differences between the items.

Table 2 shows that there are a number of conflicts between the two measures. Among respondents .178 of those reported as self-employed were recorded as having a supervisor and .109 of those working for someone else were listed as not having a supervisor. For spouses the respective proportions were .018 and .102. To study these conflicts we made a case-by-case review of all conflicting cases in the 1980 survey and carried out a general statistical analysis of differences

in the self-employment and supervision variables on the 1972-1974, 1976, 1977, and 1980 surveys.

On cases involving the self-employed with supervisors we found that one-half of the cases represented borderline cases in which there was a blurring of self-employment and employment by others (Table 3A). These cases included people with a job that had both aspects such as a free lance model who depended on one agency for work and usually went where she was sent, a truckowner/operator who worked for one firm, a wife working in a family business with her husband, direct sales operating out of home for companies, etc. and people with two jobs, one self-employed and one as an employee. This mixture of statuses is mirrored in the statistical analysis where truck drivers, hucksters and peddlers, and real estate agents and brokers are the most overrepresented in the conflict group.

Most of the remaining cases represented miscodes. We suspected that several of these miscodes came from asking the work supervision question in terms of spouse instead of respondent. In Table 3A, for example, we see that for all of the cases in which work supervision was incorrectly coded, respondent had a spouse who worked for someone else. We checked this spouse confusion suspicion by examining whether this type of error occurred more frequently in cases where a spouse worked for someone else. We found that when there was no spouse who worked for someone else .141 of the self-employed respondents were coded as having a supervisor, but when there was a spouse who worked for someone else that .279 of the self-employed were coded as having a supervisor. We suspect that the errors come from three complementary sources: 1) the complex screening instructions and imbedded alternative wordings in the work supervision questions which lead to interviewer confusion,

2) the placement of the work supervision question immediately after the spouse occupation question which can create a false person of reference for interviewer and/or respondent, and 3) a tendency to ask the work supervision question in terms of the breadwinning husband even when an employed wife is the respondent. This last point is substantiated by the fact that when a husband was the respondent and there was a wife employed by someone else there were conflicts in .129 of the cases, but when the wife was the respondent and there was a husband employed by someone else there were conflicts in .289 of the cases. (This difference is however only significant at the .067 level.) We suspect that most of the miscodes (and probably some of the borderline cases as well) are the result of the incorrect substitution of spouse for respondent. Finally, we checked to see if the conflicts showed signs of being random variations by crosstabulating the supervisory status of the self-employed with several occupation-related variables. We found that the self-employed with supervisor group differed from the self-employed without supervisors by having lower prestige, lower job satisfaction, and various differences on the Dictionary of Occupational Titles codes for an occupation's relationship to people, data, and things. No difference was found on willingness to continue working if respondent became rich or on hours worked.

In the case of those working for someone else but reporting no supervisor, borderline cases account for about 1/4-1/3 of the conflicts. These include instances where there is a great deal of autonomy or discretion such as managers of branch offices or stores, professors (one of whom reported "I have superiors but not supervisors," while the other said "A professor is responsible only to his students," and for whom the interviewer added "R does not consider himself directly

responsible to the dean."), family employment, and servants and domestics who apparently are not counting their employer as a supervisor. This pattern is also observed in the general distribution of occupation where occupations with twice as many conflicts as the general averages include officials and administrators; restaurant, cafeteria, and bar managers; managers and administrators, n.e.c.; farm laborers; housekeepers; maids and servants; cleaners and charwomen; and insurance agents. There is, in addition, the problem of multiple jobs as mentioned above. For most cases, however, the respondent seems to clearly be an employee in a work hierarchy with a supervisor/boss. Apparently many of these respondents are interpreting the phrase "a supervisor on the job to whom you are directly responsible" in a very narrow frame to mean someone watching over and instructing. This is not an unreasonable interpretation of the question, but is different than its intent. The question was originally designed to locate a respondent (or spouse if respondent is not working) in "a work hierarchy or chain of command" (1977 interviewer specifications). In 1972-1974, one's supervisor on the job was broadly defined in the interviewer specifications as "boss, person in charge or person you report to" and, in 1976-1980 a supervisor was similarly defined as a "person in charge, person you report to." Instead of using this fairly broad definition of a supervisor, we suspect that many of these respondents used a more narrow definition and therefore perceived themselves as working without supervision. In addition we suspect that some of the error results from spouse substitution as above. We found that among husbands who had a self-employed wife .182 were coded as having no supervisor, but for wives who had a self-employed husband .455 showed conflict. While this factor was potentially a major explainer of self-employed people having bosses, it is not in this

situation since there were very few cases involving combinations of a respondent working for someone else and with no supervisor who had a self-employed spouse. In 1980, for example, only four of the 43 incorrectly coded as having no supervisor had a possible spouse who could have been substituted.

In addition, as above, we looked at the association between these conflicts and several job-related variables and found that the self-employed with supervisors had higher prestige, more part-time employment, more job satisfaction, and showed various differences on the DOT variables. These associations all indicate that differences do not reflect mere random error (guessing, misspeaking, mispunching, etc.), but are related, in part, to real and/or perceived differences in one's employment situation and occupation.

In sum, we found that the conflicts came from several sources 1) borderline cases that included elements of both self-employment and supervision, 2) answering the work supervision question in terms of spouse when respondent should have been the reference, 3) misinterpretation of the intent of the supervision question (rather than the self-employment question) and that most of this error came from spouse substitution and incorrectly applying too narrow a definition to the concept of "supervision." It should be possible for changes in context, instructions, and interviewer specifications to minimize these problems. In conclusion, we found a negligible amount of error on the self-employment question which seems to accurately measure one's employment status, but found higher error on the work supervision item indicating that it has less than optimum reliability.

TABLE 1

QUESTION WORDINGS

A. Self-Employment of Respondent

24. A. What kind of work do you (did you normally) do? That is, what (is/was) your job called?

OCCUPATION: \_\_\_\_\_

B. IF NOT ALREADY ANSWERED, ASK: What (do/did) you actually do in that job? Tell me, what (are/were) some of your main duties?

C. What kind of place (do/did) you work for?

INDUSTRY: \_\_\_\_\_

D. IF NOT ALREADY ANSWERED, ASK: What (do/did) you actually do)?


E. IF ALREADY ANSWERED, CODE WITHOUT ASKING: (Are/Were) you self-employed or (do/did) you work for someone else?

Self-employed .... 1

Someone else ..... 2

TABLE 1--Continued

B. Work Hierarchy of Respondent or Spouse

<p><u>IF R. IS CURRENTLY WORKING (INCLUDING THOSE ON VACATION, STRIKE, ILL, LAST WEEK)--ASK Q's. 20 AND 21 ABOUT R.</u></p> <p><u>IF R. IS MARRIED AND NOT WORKING--ASK Q's. 20 AND 21 ABOUT SPOUSE, IF SPOUSE IS WORKING.</u></p> <p><u>IF NEITHER R. NOR SPOUSE IS WORKING, SKIP TO Q. 22.</u></p>
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20. Do you (does your SPOUSE ) have a supervisor on (your/his/her) job to whom you are (he/she is) directly responsible?

- Yes ..... (ASK A) ..... 1
- No ..... 2
- Don't know ..... 8

A. IF YES: Does that person have a supervisor on the job to whom he or she is directly responsible?

- Yes ..... 1
- No ..... 2
- Don't know ..... 8

21. In your (SPOUSE'S) job, (do you/does he/she) supervise anyone who is directly responsible to (you/him/her)?

- Yes ..... (ASK A) ..... 1
- No ..... 2
- Don't know ..... 8

A. IF YES: Do any of those persons supervise anyone else?

- Yes ..... 1
- No ..... 2
- Don't know ..... 8



TABLE 2

SELF-EMPLOYMENT BY WORK HIERARCHY

Self-employment	Work Hierarchy		Total
	Supervisor	No supervisor	
<b>Respondent:</b>			
Works for self .....	82	382	464
Works for someone else .....	2,684	323	<u>3,007</u>
			3,471
<b>Spouse:</b>			
Works for self .....	4	229	233
Works for someone else .....	958	109	<u>1,007</u>
			1,300

TABLE 3

SUMMARY OF CONFLICTS ON 1980 GENERAL SOCIAL SURVEY

	Number of cases	Number of cases with possible spouse substitution
<b>A. Self-employed with supervisor:</b>		
Self-employment coded wrong:		
works for someone else .....	4	(2)
data missing should be "9" .....	3	(3)
Work supervision coded wrong;		
no supervisor .....	6	(6)
Borderline cases		
consulting .....	2	(0)
real estate/insurance agents .....	2	(2)
contract truckers .....	2	(1)**
free lance model .....	1	(1)***
direct sales (e.g. Avon) .....	3	(1)
contract worker .....	1	(1)
two jobs (self-employment and someone else) .....	4	(2)
works for husband .....	1	(0)
Other		
physician (no details) .....	1	(1)
not located .....	2	(1)
	<u>32</u>	<u>(21)</u>
<b>B. Works for Someone Else without Supervisor</b>		
Work supervision coded wrong:		
has supervisor .....	43	(4)
Borderline cases		
consulting .....	1	(0)
works for husband .....	1	(1)**
works for father .....	1	(0)
professors .....	2	(0)
direct sales .....	1	(1)**
managers .....	8	(0)
building superintendent .....	1	(0)
housekeeper/companion/domestic .....	5	(1)**
school crossing guard .....	1	(0)
two jobs (one self-employed; one someone else) .....	1	(0)
Other		
lawyer, stock broker, independent insurance agent (details lacking) .....	3	(0)
numerous "respondent errors" and changes on work supervision .....	2	(0)
data entry error on self-employ. .....	1	(0)
not located .....	7	(0)
	<u>78</u>	<u>(7)</u>

\*Number of cases where spouse self-employment agrees with WKSUB code.  
 \*\*Verbatim confirms work supervision answered in terms of respondent.  
 \*\*\*Verbatim confirms work supervision answered in terms of respondent for one case.