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**EVALUATING THE DETERMINANTS OF
SUBJECTIVE WELL-BEING AMONG SELF-
EMPLOYED**

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Abstract

Entrepreneurship has historically been regarded as crucial to the expansion of the economy and wealth creation. Notwithstanding, being an entrepreneur is a challenging undertaking, which begs the issue of whether entrepreneurs manage to preserve their well-being while pursuing their entrepreneurial endeavors, and what factors influence it. The role of well-being in the context of entrepreneurship is so great that its absence can lead to entrepreneurial burnout and affect business existence, however, understanding of the determinants of the well-being of the self-employed is still deficient. Therefore, the purpose of this study is to assess the subjective well-being of the self-employed, in the form of life satisfaction. This study presents a multi-level analysis approach that explains the relationship between individual-level variables (demographics, developed personal characteristics, and domain satisfactions) and country-level institutional variables (political stability, corruption perception index, paying tax regulatory, business freedom, and GDP) with self-employed subjective well-being. The model is tested with data from the Life in Transition Survey (LiTS III) for 34 countries using multilevel mixed-effects logistic regression analysis. Findings show that both individual and governing factors play a significant role in shaping entrepreneurs' SWB. The most significant factors driving self-employed life satisfaction on an individual level are job satisfaction, financial situation, generalized trust, optimism, and social standing. On the institutional level, business freedom and political stability were shown to be the most instrumental, followed by the corruption perception index and paying tax regulatory. GDP, on the other side, showed no significance in this regard.

Overall, this research enhances comprehension regarding SWB within the entrepreneurship domain, yielding significant implications for entrepreneurship theory and practice within the well-being framework, along with providing pertinent recommendations for policymakers.

Keywords: entrepreneurship, self-employed, subjective well-being, life satisfaction, individual-and-country level variables