

**ZSUZSANNA HORVÁTH<sup>1</sup>****Training for self-employment and active citizenship  
to achieve life satisfaction**

*Forecasting the future of the world of work is difficult, dependent on multiple factors that are themselves unpredictable. The world of work is prone to transit from predominantly employee-based economies to entrepreneurial economies, involving the change in the work habits of individuals. The practical question arises: Are future generations ready to be entrepreneurial, and how to promote entrepreneurial education in the higher educational settings? The article below, beyond the purely economic rationale behind entrepreneurial education, tries to enumerate and examine the societal and psycho-social outcomes of self-employment such as life satisfaction and subjective well-being.*

**Introduction**

The European Union's initiative of Active Citizenship in 1998 was launched to make learners "proactive and more autonomous, prepared to renew their knowledge continuously and to respond constructively to the changing constellations of problems and contexts. The teacher's role becomes one of accompaniment, facilitation, mentoring, support and guidance in the service of learners' own efforts to access, use - and ultimately create - knowledge. This means that learners become active participants in their own learning processes, which they learn to negotiate and co-manage together with their teacher-guides and with their co-learners" (European Commission, 1998, p. 13).

The initiative is also a response to the altered expectations regarding the universities' role and function in society; resulting in a 'third task' assigned to universities – that goes beyond the preparation and engagement for active citizenship. University training should facilitate regional innovation and economic growth (Johanisova and Wolf, 2012). Universities in this role are supposed to "support and promote entrepreneurship, engage in spin-off activities, develop university-business-government partnerships and encourage technology transfer and commercialization of knowledge and research". Universities can also motivate and encourage graduates to engage in entrepreneurial activities by setting up facilities for them such as start-

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up hubs and centres, which would be germane to the self-employment efforts of students. In this way, the university would become a solid stepping stone on the way of the entrepreneurial activity, in a semi-protected setting, where educators assist students, thus facilitating their career decision-making.

The promotion of “factors that could increase well-being of the population—for example, how people are satisfied with their lives and their jobs—is progressively seen as essential objectives of policy” (Amorós and Bosma, 2014). Stiglitz et al. (2009) in their seminal work on the wealth of nations discuss how and why GDP cannot be viewed further as an appropriate means of assessing wealth and suggest others means such as the Human Development Index. In this same paper, they suggest that a novel approach would encompass considering the subjective well-being and this would involve the individuals’ capacity to be economically independent. In their view, entrepreneurial economies can empower individuals, which will ultimately lead to an increased level of subjective well-being.

### **Life Satisfaction and Subjective Well-being (SWB)**

The connection between self-employment or entrepreneurship has been a recurring topic in the academic literature in the recent years. There is a growing body of literature focusing on the connection between self-employment and subjective well-being, or flourishing (Huppert and So, 2013) . These authors see the locus of control, individual agency and proactive attitude as prerequisites of the state of flourishing. They state that an individual’s subjective well-being depends on a complex vector of factors, ranging from individual determinants (e.g., self-esteem, optimism or other personality traits) to socio-demographic (such as gender, age, education, or marital status), economic (such as income, status, or unemployment), situational (such as health, social relationships), and even institutional factors. Measures of subjective well-being are an alternative to the more indirect measures of welfare used in economic policy making. The conceptual framework below will facilitate the understanding of the connection.

#### *Life satisfaction*

Life satisfaction measures how people evaluate their life as a whole, rather than their current feelings. When asked to rate their general satisfaction with life on a scale from 0 to 10, people on average across the OECD gave it a 6.5 (OECD, 2016). Life satisfaction is not evenly shared across the OECD, however. Some countries – Greece, Hungary, Portugal and Turkey – have a

relatively low level of overall life satisfaction, with average scores of 5.5 or less. At the other end of the scale, scores reach 7.5 in Denmark, Finland, Iceland, Norway and Switzerland.

### *Subjective Well-being (SWB)*

It is in the oeuvre of Sen, the father of the Human Development Index, a novel indicator to grasp societal development (Stiglitz et al. 2009; Sen, 2005; Drèze and Sen, 2002) that the most perspicacious rationale of the subjective well-being (SWB) of nations can be found. His Capabilities Approach (CA) lists aptitudes such as political liberties, the freedom of association, the free choice of occupation, and a variety of economic and social rights, also referred to *inter alia* in the human rights movement. While the CA was equally instrumental in the elaboration of the human development paradigm, its impact on the 'entrepreneurial movement' was significant: governments came to the realization that the promotion of entrepreneurship as self-employment yields labour intensity and wage employment, thus creating social security, which in turn contributes to social justice. These capabilities, together with the freedom of choosing their occupation, will empower individuals to find their psychological well-being.

### *Subjective well-being (SWB) and psychological empowerment theory*

Subjective well-being (SWB) and psychological empowerment are both psychological concepts. Happiness, or subjective well-being, is defined as “*the presence of positive experiences and feelings, and/or the absence of negative experiences and feelings, or people’s positive evaluations of their lives, including pleasant emotions, fulfilment and life satisfaction. Psychological empowerment represents one facet of SWB – people’s beliefs that they have the resources, energy, and competence to accomplish important goals*”. Subjective well-being is necessary for the quality of life, but it is not sufficient for it. Diener and Biswas-Diener (2005) includes the following facets of SWB, : Life satisfaction; Satisfaction in specific domains, such as school, training program, work and health; Low levels of unpleasant effect; High levels of pleasant effect; Meaning and purpose, Engagement, Active participation in Communities/Democratic decision-making/Policy-making; Empowerment; Self-efficacy; Self-confidence; Mastery.

## **Employability**

In the wake of globalization and the subsequent adjustments in the world of work, individuals need to have a set of skills that are globally known or accepted. These came to be known as global employability skills and they refer to individual attributes and personality preferences – as they are the accompanying attributes of the proactive management of their career development (Potgieter and Coetzee, 2013). The presence of these skills is especially important in the case of graduates as they can associate their global employability (acquiring a job or any other form of ((self)) employment) with a sense of self-directedness or personal agency. This is also important on their way of identity creation in the emerging adulthood (Jensen and Arnett, 2012).

Youth aspiring to take up global careers must verify that they possess, past the technical and/or discipline-specific knowledge interpersonal and civic competencies, called global citizenship competencies (Brown et al., 2009). These comprise intellectual and social competencies associated with citizenship or civic-mindedness enabling active participation in a democratic society (Osler and Starkey, 2004). Value creation, management competencies, and global corporate citizenship can contribute significantly to global leadership and, thus, albeit indirectly, to global problem-solving (Jensen and Arnett, 2012) .

The institutional embeddedness of these competencies varies across different cultures and one of its manifestations is in the United States, where the *enGauge 21st-century Skills report* (NCREL, 2001) defined student competence in personal, social and civic responsibility as a basic skill (Print, 2007). *Partnership for 21st Century Skills* (2003) highlighted civic competence and civic literacy in its list of essential 21st-century subjects and topics. The European Union's Turing Project sets out a framework of general competencies designed to shape educational reform. Interpersonal competencies, which play a key role in civic competence as such, are the most highly rated by academics, employers and university graduates. In addition, in the *Recommendation of Key Competencies for Lifelong Learning* (Official Journal of the European Union, 2006), the European Parliament and the Council of Europe define eight key competences, one of which is social and civic competence (Print and Lange, 2012).

## Entrepreneurship and well-being

An exploratory study of Marcketti et al. (2006) examined the relationship between lifestyle entrepreneurship and life quality. In this particular research, lifestyle entrepreneurs were characterised by the ownership and operation of businesses “*closely aligned with their personal values, interests, and passions*”. Systems theory perspective was deployed to examine the role and impact lifestyle entrepreneurship exerts on the quality of life of business owners, their families and communities. Through 12 descriptive case studies, researchers examined characteristics of lifestyle entrepreneurs, their businesses, and their perceived life quality. Many of the entrepreneurs owned and operated businesses related to family and consumer sciences, including apparel retail, interiors, food service, and hospitality firms. Two common themes were observed: “*enhancement of business owners' quality of life as a result of the entrepreneurial venture and a perception of the entrepreneurial venture providing enhanced quality of life to employees, customers, and the community*”.

Dissatisfaction with society and with life in general also appears to be a strong determinant of entrepreneurship (Hofstede et al., 2004; Tominc and Rebernik, 2007), since individuals are often attracted to entrepreneurship by the expectation that it will provide bigger material and/or nonmaterial benefits, like social status and respect. The topic of the impact on entrepreneurial activity on subjective well-being has become part of the mainstream research on entrepreneurial activity and surveys such as the Global Entrepreneurship Monitor has started providing important insights in their report starting in 2013 (Amoros and Bosma, 2014). Findings in their report clearly demonstrate that entrepreneurs in general value their subjective well-being more favourably than individuals.

The significance of the area of inquiry is demonstrated by the fact that one of the most encompassing surveys on the intensity and regulatory framework - as well as societal conditions of entrepreneurial activity, GEM 2014's version - consecrated a separate section to the topic. The contributors' findings reveal initial evidence that “*involvement in entrepreneurial activities, both in the early-stage and established phases, is related to personal evaluation of higher subjective well-being, and this holds true for all countries regardless of their stage of economic development (factor-, efficiency- or innovation-driven economies)*” (Amoros and Bosma, 2014).

The effects of the entrepreneurial career option can also be negative or destructive, as posited by (Shepherd and Haynie, 2009): the distinctive quality of the entrepreneurial role often

leads to a sense of alienation from the sense of belongingness, and, ultimately, this can lead to a decrease in psychological well-being.

### **Importance of citizenship education in promoting employability and subjective well-being**

Print (2007, p. 330) identified three primary sources of influence on young people's learning about politics and democracy – *“the family, through role modelling, discussion, and media use; the media, mostly television and newspapers; and third, school experience providing knowledge, skills and values from non-partisan educators”*.

In the framework of active democratic citizenship education, young people should be enabled and supported in their learning how to “use knowledge, skills, values and attitudes that will help them sustain active and democratic citizenship behaviour throughout their lives”. To put it in other words, it is by incorporating democratic citizenship curriculum in the educational system that citizens, pillars of a democratic society, can be raised. Other authors argue that education should be used to engender social change and empower educational actors (Johnson, & Morris 2010). The IEA (International Association for the Evaluation of Educational Achievement) Civic Education Study (Torney-Purta et al., 1999) suggests that citizenship (or ‘civics’) education should be: *“... cross-disciplinary, participative, interactive, related to life, conducted in a non-authoritarian environment, cognizant of the challenges of societal diversity and co-constructed with parents and the community [...] as well as the school”* (Torney-Purta et al., 1999, p. 30).

### **Summary**

When the European Union's initiative of Active Citizenship in 1998 combined the training for active citizenship competencies with self-employment competencies, the authors had a firm understanding that active citizens with entrepreneurial skills and competencies (i.e., proactive attitude with locus of control, agency, future orientation and autonomy help satisfy the instrumental desire of states to strengthen their competitiveness in the global economy. The article attempted to provide a global perspective on the significance of the combination of training for employability and active citizenship and how they contribute to enhanced levels of subjective well-being.

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