

The Role of Work-Life Balance and Sense of Community for Entrepreneurial Wellbeing

Authors

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Abstract

The role of work-life balance and wellbeing has received great interest during the pandemic. There is support for research in entrepreneurship focused on this area, but it has predominantly been addressed based on hedonic aspects of wellbeing (e.g., life satisfaction). In contrast, we focus on eudaimonic wellbeing, which includes psychological functioning, e.g., purpose in life, autonomy, etc. This study examines how several factors (work-life enhancement, personal life interference with work, and sense of community) affect the wellbeing of self-employed women and men. The wellbeing model is tested using structural equation modelling with data from the Canadian Index of Wellbeing. Our research shows how the interaction of work, family, and community enable or constrain entrepreneurs' ability to fulfill their eudaimonic wellbeing.

Keywords: wellbeing, work-life balance, sense of community, women entrepreneurs

Introduction

Entrepreneurial wellbeing has received heightened attention during the COVID-19 pandemic, as many entrepreneurs have struggled to keep their businesses afloat, which has resulted in a variety of stressors. Wellbeing is an important outcome variable of entrepreneurial activity (Wiklund et al., 2019), and has been suggested to lead to resilience and resolve to overcome challenges and work towards implementing innovations that ultimately contribute to societal wellbeing (Foo et al., 2009; Wiklund et al., 2019). Yet, little is known about gendered aspects of entrepreneurial wellbeing (Georgellis & Yusuf 2016), even though it is recognized that many women venture into entrepreneurship with work-life balance considerations in mind (Xheneti et al., 2019). At the same time, women entrepreneurs tend to be disproportionately affected by critical events such as the pandemic (Manolova et al., 2020), and juggling multiple demands (e.g., family and business) can undermine women entrepreneurs' wellbeing (Parasuraman & Simmers, 2001). Correspondingly, the purpose of this study is to examine how several factors (work-life enhancement, personal life interference with work, and sense of community) affect the wellbeing of self-employed women and men.

The theoretical underpinnings of entrepreneurial wellbeing can be found in two general approaches: hedonic and eudaimonic wellbeing (Ryan & Deci, 2001). Hedonic wellbeing is associated with positive affect (emotions), absence of negative affect (emotions), and life satisfaction (Diener, 1984). By contrast, the eudaimonic approach postulates that wellbeing is associated with realizing one's full potential. It includes personal growth, autonomy, purpose in life, self-acceptance, mastery, and relationships with others (Ryff, 2019; Shir & Ryff, 2021). While the eudaimonic approach is more aligned to entrepreneurial pursuits and entrepreneurs' desire for self-realization, most of the entrepreneurship literature to date focuses on hedonic wellbeing. There is limited research in entrepreneurship considering work-life balance and eudaimonic wellbeing (Ryff, 2019). Thus, we specifically focus on addressing this gap in our research.

Conceptual Framework and Hypotheses Development

Work-life balance is the state of perceived similarity achieved in work and life roles such that success in one area bolsters success in the other area (Greenhaus & Powell, 2006). The *Work/Personal Life Enhancement* construct explains how work and personal life enhance each other (Hayman, 2009). Work-family enhancement can induce a set of social activities and tasks that improve functioning, produce more energy, and increase commitment and wellbeing (Grzywacz & Marks, 2000). Boz Sermeçi and Volery (2019) found that one of the mechanisms underlying the emotional stability and mental health process is the improvement of work-to-family enhancement over time. Best and Chinta's (2021) results showed that work-life balance was important in predicting life satisfaction for self-employed business owners.

Personal Life Interference with Work assesses the toll of people's personal lives negatively impacting their work (Hayman, 2005), and has been found to negatively impact relations with others and purpose in life dimensions of eudaimonic wellbeing (Soni & Bakhru, 2019). A substantial body of work has found a negative impact of work-family interference on mental health (Frone et al., 1992; Losoncz & Bortoiotto, 2009). Furthermore, individuals' job, family and life satisfaction levels are also found to be negatively associated with work-family interference (Frye & Breugh, 2004). Thus, we hypothesize:

H1: *Work/Personal life enhancement* positively affects wellbeing.

H2: *Personal life interference with work* negatively affects wellbeing.

Achieving work-life balance is the highest cited motivation for women entrepreneurs (Xheneti et al., 2019; Yousafzai et al., 2019), and the ability to achieve balance between work and family roles is a major contributor to psychological health and wellbeing (Greenhaus & Allen, 2011). Gendered socialization and role theories postulate that social norms and expectations determine which roles (e.g., family vs. work) should be prioritized (Bem, 1981; Eddleston & Powell, 2012). Women oftentimes have difficulties securing the support of their spouse for their venture (McGowan et al., 2012). Adisa et al.

(2019) discuss the “unmarried, single, and divorced syndrome” explaining how women entrepreneurs’ marriage breakdowns were attributed to lack of time for their families and bringing work home. In contrast, male entrepreneurs receive more emotional support and relief from household responsibilities (Parasuraman et al., 1996), and dedication to their work conforms to male gender roles. Thus:

H3a: The positive effect of *work/personal life enhancement* on wellbeing is stronger for self-employed men compared to self-employed women.

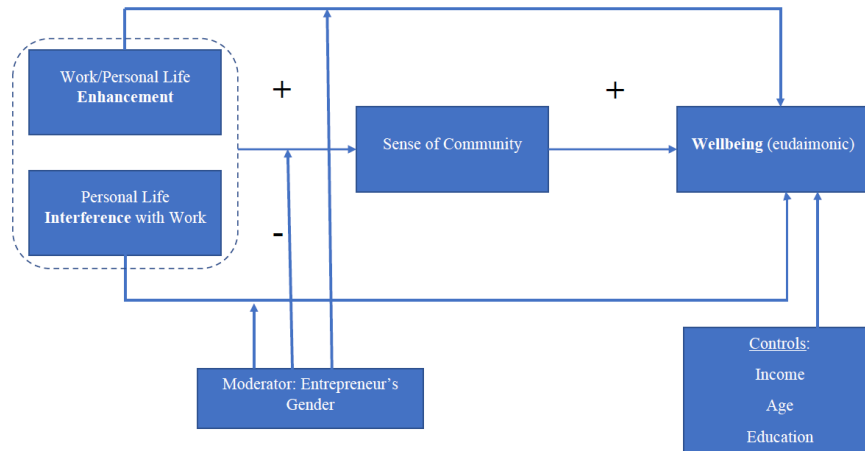
H3b: The negative effect of *personal life interference with work* on wellbeing is stronger for self-employed women compared to self-employed men.

Ryff’s (2019) wellbeing conceptualization and Ryan and Deci’s (2000) self-determination theory consider that positive relationships with others can significantly affect eudaimonic wellbeing. Relationships are important throughout different stages of the entrepreneurial journey, from envisioning to planning and implementation (Shir & Ryff, 2021). We focus here on entrepreneur’s sense of community as an indicator of the importance of relatedness for wellbeing and position it as a mediator between work-life enhancement / personal life interference with work, and wellbeing. With increased sense of community, individuals experience better wellbeing and thus engage more regularly in their environment for its betterment (Albanesi et al., 2007; Jason et al., 2016; Prezza & Costantini, 1998). Role theories and gendered socialization (Bem, 1981) suggest that female entrepreneurs place more emphasis on stereotypically feminine traits such as relationships and community building, compared to male entrepreneurs (Eddleston & Powell, 2012). Thus:

H4a: *Sense of community* mediates the relationship between work-life enhancement / work-life interference and wellbeing.

H4b: The mediation effect of sense of community is stronger for self-employed women compared to self-employed men.

Figure 1: Conceptual Model



Method

To test the proposed model, we used data from the Canadian Index of Wellbeing (CIW), specifically a representative sample of the population of the province of Nova Scotia. The Nova Scotia Quality of Life Initiative was launched in the spring of 2019 with two principal approaches to encourage residents of the province to participate. Residents who were 16 years of age or older were invited to participate in the survey through: (1) a personalized letter to approximately 80,000 randomly selected households, proportionately stratified from across 10 relatively distinct regions covering the entire province; and (2) a targeted outreach to specific populations who might not typically have the same opportunity to complete a questionnaire using traditional survey approaches (i.e., lower income residents; younger residents; people living with disabilities; immigrants/refugees; older adults). Potential participants were then directed to an online survey site hosted by the CIW at the University of Waterloo and provided with a unique 5-digit code to access the survey. If they preferred, participants could request a paper version of the questionnaire, which could be returned anonymously to the CIW in a postage pre-paid envelope. Close to 14,000 questionnaires were initially submitted by Nova Scotians, of which a total of 12,826 were assessed to be usable. For purposes of our research, we focused on those who identified

themselves as self-employed (n=727) as their main occupational activity. After accounting for missing data, our final sample is n=656.

Construct measurements were based on previous research (see appendix A). Wellbeing measures included proxies for Ryff's eudaimonic wellbeing conceptualization indicating satisfaction with relationships, doing things that are worthwhile and the ability of entrepreneurs to control the way they spend their time (indicative of autonomy). The moderator variable (gender) is measured as sex at birth. Control variables included household income, entrepreneur's age, and education.

Confirmatory factor analysis indicated good model fit (RMSEA=.052; CFI=.972; TLI=.965). Factor loadings, construct reliability and AVE were all within norm (see appendix A). The evidence supports the convergent validity of the model. All AVE estimates of the constructs are greater than the corresponding interconstruct-squared correlation estimates (shown in Appendix B). Therefore, discriminant validity for the CFA model is established. The hypotheses were tested with structural equation modelling (CFI=.928; TLI=.912) using multi-group analysis to compare the women and men sub-samples (see appendix C).

Results

The results indicate the importance of work-life balance and sense of community for entrepreneurial wellbeing. Both work-life balance constructs (Work/Personal life enhancement and Personal life interference with work) have direct and indirect effects (via the mediation of sense of community) on eudaimonic wellbeing. Our multigroup analysis indicates that sense of community is essential to both women and men entrepreneurs. Contrary to stereotypes, which position the importance of community and relationships as an aspect primarily linked to women, the achievement of eudaimonic wellbeing seems to be enhanced by sense of community for all entrepreneurs.

However, our findings also indicate subtle differences between the female and male subgroups. While *personal life interference with work* had a significant negative effect on the mediator (sense of community) for women entrepreneurs, this was not the case for their male counterparts. The results point

to how gendered arrangements related to managing multiple responsibilities undermine the ability of women entrepreneurs to achieve sense of connectedness in their community, which subsequently affects their wellbeing. Since eudaimonic wellbeing is conceptually linked to entrepreneurial aspirations such as autonomy and purpose in life (Ryff, 2019), our findings have important implications for women's entrepreneurial journeys. The results of our study point to the importance of assessing how the interplay of work, family and community enable or constrain women entrepreneurs' ability to fulfill eudaimonic wellbeing.

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Appendix A: Confirmatory factor analysis results

Construct	Factor Loading	AVE	Construct Reliability
Work/Personal life enhancement (Source: Hayman, 2005)		0.606	0.819
My personal life gives me energy for my job	0.775		
I am in a better mood at work because of my personal life	0.906		
I am in a better mood generally because of my job	0.629		
Personal life interference with work (Source: Hayman, 2005)		0.767	0.929
My personal life drains me of energy for work	0.817		
I am too tired to be effective at work	0.846		
My work suffers because of my personal life	0.939		
It is hard to work because of personal matters	0.896		
Sense of community (Source: Prezza et al., 2009)		0.539	0.777
I have good friends in this community	0.704		
I feel at ease with the people in this community	0.808		
People are sociable here	0.685		
Eudaimonic Wellbeing (Source: OECD, 2013 / UK Office of National Statistics, 2012; Canadian Index of Wellbeing)		0.536	0.776
Overall, to what extent do you feel things you do in your life are worthwhile?	0.702		
Satisfaction with personal relationships	0.769		
Satisfaction with the way I spend my time	0.724		

Appendix B: Correlations and discriminant validity

	1	2	3	4
1. Eudaimonic wellbieng	1.000	0.272	0.367	0.224
2. Sense of community	0.522	1.000	0.140	0.058
3. Work/Personal life enhancement	0.606	0.374	1.000	0.173
4. Personal life interference with work	-0.473	-0.241	-0.416	1.000

Note: Values below diagonal are correlation estimates among constructs and values above the diagonal are squared correlations. All correlations are significant at $p < 0.01$.

Appendix C: SEM standardized estimates

Structural relations	Model 1 (base model) estimate <i>b (SE)</i>	Model 2 (moderation of gender) estimate	
		Male <i>b (SE)</i>	Female <i>b (SE)</i>
Sense of community→Eudaimonic wellbeing	.333 (.045)***	.349 (.062)***	.309 (.066)***
Work/Personal life enhancement →Eudaimonic wellbeing	.390 (.046)***	.318 (.069)***	.442 (.063)***
Personal life interference with work→Eudaimonic wellbeing	-.268 (.043)***	-.284 (.063)***	-.268 (.059)***
Work/Personal life enhancement →Sense of community	.325 (.049)***	.284 (.075)***	.356 (.064)***
Personal life interference with work→Sense of community	-.108 (.049)**	-.092 (.074) n.s.	-.136 (.066)**

Note: **p<0.05; ***p<0.01.