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Feb. 28, 2013

Fewer Ohioans are going into business for themselves, and the state's level of self-employment is one of the lowest in the nation, according to data reviewed by the Dayton Daily News.

The number of self-employed Ohioans is at the lowest level since 2001.

Self-employment has declined partly because the industries where workers are more likely to be self-employed, such as construction and real estate, were devastated by the recession and have been slow to come back.

But the state's economy and job growth is also concentrated in fields that are not ideal for self-employment, some economists said.

"It's not necessarily a good thing or a bad thing, it's just the nature of the Ohio economy is people on average are less likely to be self-employed than in some other states," said Scott Shane, economics professor with Case Western Reserve University in Cleveland.

About 312,292 Ohioans are self-employed, meaning their primary job and chief source of income is working on their own, according to 2013 data from Economic Modeling Specialists International, an economics and data company based in Idaho.

Self-employed workers have unincorporated businesses, practices or farms.

Of the more than 5.5 million people employed in Ohio, only about 5.6 percent of the workers are self-employed, which is lower than all but eight other states, the data

show.

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Self-employment provides workers with freedom and flexibility, and many self-employed workers grow their ventures into large and successful companies.

“You’ve got to be pretty involved, and there’s a lot to it with all the taxes, business demands and things you’ve got to remember,” said Erik Hunter, 40, who owns Urban Village Renovations in Kettering, a contracting business that specializes in renovating and repairing historic homes. “But the advantages are I can set my own schedule, and if I need a sick day I can take a sick day, because there is no one I must answer to.”

Hunter has owned the business since 2007, but made it a limited liability company last year.

But self-employed workers typically experience more financial stress and insecurity than workers in incorporated firms, experts said. Self-employed workers on average earn less than their counterparts, and many self-run businesses fail within the first few years of opening.”

Self-employment grew rapidly in Ohio and the United States between 2001 and 2006, which coincided with the housing boom.

The strong housing market fueled growth in the construction and real estate industries, which have many self-employed workers. In Ohio, about one-quarter of construction workers are self-employed, and so are about 17 percent of workers in real estate, rental and leasing, the data show.

But then the housing market went bust and the economy tanked. The number of self-employed workers in Ohio began to fall, and it has trended downward ever since. Self-employment has mostly declined nationwide.

The economic crisis and weak housing market hurt entrepreneurs, because they

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But Ohio likely has a smaller portion self-employed workers than other states because of the nature of its economy and industries, said Shane, with Case Western. Ohio is heavily dependent on some industries of scale, including auto and steel production, where self-employment is often impossible.

“When you have a lot of the workforce in jobs like that, you are less likely to have self-employed people than you are if you have a lot of people, say, in ranching,” he said. “A big part of what drives these numbers is industry composition.”

Ohio's largest industries include health care and social assistance and retail trade — where self-employment accounts for less than 4 percent of jobs — and manufacturing, where it accounts for less than 1.5 percent of jobs.

“You can't really be self-employed (in heavy manufacturing because of) the start-up costs, the capital and the infrastructure it takes,” said Joshua Wright, senior editor with Economic Modeling.

In Ohio, the long-term job outlook for the self-employed is not strong.

The Ohio Bureau of Labor Market Information — which uses different estimates of the self-employed — predicts that self-employed and unpaid family workers will fall to 291,700 workers in 2020 from 299,550 in 2010.

“Between 2010 and 2020, we are projecting an employment decline of 2.6 percent,” said Lewis Horner, section chief of workforce research with the bureau.

But officials stress that entrepreneurship is alive and thriving in Ohio, even if the state's largest industries are not best-suited for one-person business ventures.

Jay Nigro, 28, of Dayton, owns and operates Liftoff Entertainment, which provides DJ and photo booth services for weddings and other events. He said he decided to go

into business for himself after he graduated in May from the University of Dayton

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