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What Workers want: Job Satisfaction in the U.S.

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Abstract:

By using the 2014 wave of the General Social Survey (GSS), this paper presents several determinants of job satisfaction. In a nutshell, U.S. workers prefer fair and respectful treatment by their employees, but not stress factors, such as working over-time or absence of home office arrangements. In terms of an employer friendly human resource strategy, especially the softer, or psychological determinants are rather cost-less to implement, but effective. In this analysis gender differences are rather weak.

Keywords: Job Satisfaction, Human Resource Management, General Social Survey (GSS)

JEL Classification: M54, J21, Z13

1. Introduction

Many personal economists, sociologists, and psychologist work on the question, which kind of working environment workers' prefer. This is based on the idea, that only a satisfied worker is a productive one. Following Judge and Church (2000), job satisfaction is the most investigated topic in organizational psychology. For a more economic perspective of workers' satisfaction with their jobs see for instance the textbook of Freeman and Rogers (1999), or the large review articles of Aziri (2012), and Zhu (2013).

In this short paper we use the General Social Survey (GSS) for 2014 to analyze which employment-based characteristics drive job satisfaction of U.S. workers. Although, we observe gender differences in the intensity, we do not find differences in the directions of these determinants.

This paper itself is organized as follows: after introduction, the second section shows findings, from the relevant literature. In the third section, we describe the data set and the used estimation model. In the forth section, the results are presented. In the last section, we present some concluding remarks.

2. Literature Review

A recent Wall Street Journal article by Weber (2015) discuss the results of a Gallup poll on workers' quit behavior. There is clear evidence that workers prefer managers with regular, and open communication. In experimental sessions, Pascual-Ezama et al. (2013) show that incentives in terms of income, and social prestige do both increase workers' motivation, and will lower cheating behavior. However, this effects are only observable, as long as these workers like their jobs. In this

context, Ölçer and Florescu (2015) show with Turkish data that workers who are highly satisfied with their job are more productive, as well.

Ghinetti (2007) shows that workers in the Italian public sector report higher levels of job satisfaction than those in the private sector. The effects is driven by a lower risk in job loss, and less competition with colleagues for internal promotions. Origo and Pagani (2009) use the Eurobarometer survey to explain the nexus between job-security and type of labor contract. They report that those workers with a temporary job, with high job stability have a higher job satisfaction than those with a permanent, but insecure job. Both, working more or less hours than preferred, lowers a workers satisfaction with job, and has tremendous negative effects on individual work-life balance. Humpert (2014) uses pooled survey data from the European Social Survey. Both, stress, and hard physical work lower job satisfaction. Here, some occupational groups are treated specially, e.g. teacher (Klassen and Chiu, 2010), managers (Sen 2008) or jobs in the health-care sector, such as nurses (Delp et al., 2010), or medical doctors (Trivellas et al., 2013).

With pooled data for 15 EU countries Millan et al. (2013) show that self-employed individuals report higher levels of job satisfaction than paid workers in terms of work. However, in terms of job stability, those working not for their own sake report higher job satisfaction.

Lazear et al. (2012) analyze the other part of the game. Here, using data of large service-sector firm, they show that managers themselves have effects on the overall performance. Managers can increase productivity. E.g. a change in leadership makes a differences of 10 percentage point. However, the effects are larger for those workers who are more productive, relative to the low-productive workers.

3. Data and Estimation Technique

We use the first release of the 2014 wave of the General Social Survey (GSS), a socioeconomic cross-section data set. See the documentation provided by Smith et al. (2013) or the large online documentation for deeper data information. The data set includes 2,538 individuals with roundabout 866 variables. For the analysis we limit the data to 1,084 employed individuals. There are two samples, separated for males and females. Therefore we investigate 531 men and 553 women.

Job satisfaction itself is a linear variable, with four categories from 0 (not at all satisfied) to 3 (very satisfied). The main independent variables are dummy variables which are one if an individual reports a specific working conditions. Otherwise the dummy variable is zero. Some of these conditions are objective, others are subjective: feeling of respectful work environment (subjective, proxy for openness), doing supervision of other workers (objective, proxy for stress), feeling of having too much work to do well (subjective, proxy of stress), part-time work (objective, proxy for flexibility), team-work (objective, proxy for communication), feeling of a good relation between workers and management (subjective, proxy for communication), public sector employment (objective), regular day-work scheme (objective, proxy for absence of stress), feeling of having less time to do the work properly (subjective, proxy for stress), and having no home office arrangement (objective, proxy for non-flexibility).

To catch up socioeconomic determinants, we control for a set of variables like age, marriage (dummy variable), bachelor or higher (dummy variable), born in the U.S. (dummy variable), children, household income, tenure, regions. While tenure in years is used linear, age is used twice, linear and squared. The number of children is measured linear between zero and seven, respective eight. Household income in real US dollars is measured in a range of categories. The regional

variable has nine categories, here the reference region is New England. The descriptive statistics separately for males and females are presented in table I.

Table I: Descriptive Statistics Variable	Males					Females				
	Obs.	Mean	Std. Dev.	Min	Max	Obs.	Mean	Std. Dev.	Min	Max
Job Satisfaction	531	2.2994	0.7442	0	3	553	2.4267	0.7189	0	3
Age	531	43.424	12.5324	18	70	553	43.6618	12.5383	18	70
Age squared	531	2042.384	1103.9140	324	4761	553	2063.2820	1108.3130	324	4900
U.S. Born	531	0.8456	0.3617	0	1	553	0.8861	0.3180	0	1
Real Household Income	531	44376	40147	236.5	134817	553	36052	34387	236.5	134817
Marriage	531	0.5028	0.5001	0	1	553	0.4430	0.4072	0	1
Children	531	1.5085	1.4850	0	8	553	1.6854	1.4670	0	7
Bachelor Degree or higher	531	0.3462	0.4763	0	1	553	0.3327	0.4716	0	1
Tenure	531	8.6916	9.3338	0.25	44	553	8.0860	8.7767	0.25	44
Respect	531	0.9265	0.2611	0	1	553	0.9168	0.2765	0	1
Supervision	531	0.4105	0.4924	0	1	553	0.3490	0.4771	0	1
Overwork	531	0.3503	0.4771	0	1	553	0.3237	0.4683	0	1
Part-time Work	531	0.1149	0.3192	0	1	553	0.2007	0.4009	0	1
Team Work	531	0.5725	0.4952	0	1	553	0.5570	0.4972	0	1
Relation	531	0.7288	0.4450	0	1	553	0.6962	0.4603	0	1
Public Sector	531	0.1544	0.3617	0	1	553	0.2333	0.4233	0	1
Regular Day-Work	531	0.7025	0.4576	0	1	553	0.7161	0.4513	0	1
Less Time to Work	531	0.6139	0.4873	0	1	553	0.5353	0.4992	0	1
No Home Office	531	0.5744	0.4949	0	1	553	0.6275	0.4839	0	1
Middle Atlantic	531	0.1186	0.3237	0	1	553	0.1049	0.3067	0	1
East North Central	531	0.1789	0.3836	0	1	553	0.1736	0.3791	0	1
West North Central	531	0.0678	0.2516	0	1	553	0.0579	0.2337	0	1
South Atlantic	531	0.1789	0.3836	0	1	553	0.2098	0.4076	0	1
East South Central	531	0.0527	0.2237	0	1	553	0.0524	0.2231	0	1
West South Central	531	0.0904	0.2870	0	1	553	0.1157	0.3202	0	1
Mountain	531	0.0941	0.2923	0	1	553	0.1121	0.3158	0	1
Pacific	531	0.1601	0.3670	0	1	553	0.1320	0.1844	0	1

However, it is a limitation of this approach to miss a variable on trade unions. However, this variable offered in the data set would limit the sample size to the half. Therefore we decided to estimate without this important characteristic.

For our regressions, we use simple OLS and ordered probit estimation techniques with robust standard errors, and sample weights each. The general estimation equation is like that:

$$job\ satisfaction_i = a_0 + a_1\ working\ condition + X_i b + E_i$$

For every individual i job satisfaction is regressed on specific dummies of working conditions on a vector of individual social-economic characteristics (X). Epsilon (E) describes the error term.

4. Results

At first we present the OLS regression results separately for men (table II) and women (table III). Coefficients of controls and the size of constants or cut-point are reported upon request by the author.

We start with the results for male workers in table II. In the first ten single estimations, there is clear evidence that only some of the characteristics have significant effects. While a respectful treatment and good working relation with the management have strong but positive effects on job satisfaction, stress predictors, such as doing overwork, less time to make a good job, and the absence of an home office arrangement are negative. Only in the last setting with all determinants changes the picture. Here, part-time employment, team-work, and an irregular non-daily regime turn into negative, but significant effects.

Table II: Job Satisfaction – Males – OLS

Respect (d)	0.8169*** (0.1459)										0.5563*** (0.1412)
Supervision (d)		0.0503 (0.0778)									0.0559 (0.0690)
Overwork (d)			-0.2785*** (0.0768)								-0.1610** (0.0696)
Part Time (d)				-0.1090 (0.1218)							-0.2754** (0.1086)
Team Work (d)					-0.0692 (0.0709)						-0.1301** (0.0641)
Relation (d)						0.5750*** (0.0734)					0.4446*** (0.0707)
Public Sector (d)							0.1146 (0.0905)				0.2067** (0.0821)
Regular Day-Work (d)								-0.1154 (0.0798)			-0.1326* (0.0730)
Less Time to Work (d)									-0.3144*** (0.0703)		-0.1442** (0.0666)
No Home Office (d)										-0.1963** (0.0761)	-0.1817*** (0.0683)
R ²	0.1832	0.1036	0.1324	0.1046	0.1047	0.2121	0.1053	0.1070	0.1404	0.1151	0.3075

Source: GSS 2014, robust SE; Sample Weights, Controls not reported * p<0.05, ** p<0.01, *** p<0.001, N=531

In table III, we present the OLS estimations for the female workers. The results for women are quite similar to those for the males. Here, it is obvious that the size of the female effects are a bit larger than for the males. However, the same characteristics are statistically significant in the single estimations: While a respectful and open working environment increases female job satisfaction, stress and a non-flexible working environment lower satisfaction with work. The positive effect of a regular daily-employment scheme, and the negative effect of no home office arrangement both diminish in the last estimation. Here, part-time work turns into negative, a somewhat surprising finding.

Table III: Job Satisfaction – Females – OLS

Respect (d)	1.2016*** (0.1662)										0.9681*** (0.1704)
Supervision (d)		-0.0549 (0.0717)									-0.0413 (0.0643)
Overwork (d)			-0.2839*** (0.0783)								-0.1443** (0.0706)
Part Time (d)				-0.0284 (0.0929)							-0.1268* (0.0732)
Team Work (d)					-0.0091 (0.0686)						-0.0511 (0.0602)
Relation (d)						0.5556*** (0.0863)					0.3001*** (0.0796)
Public Sector (d)							0.0200 (0.0861)				0.0077 (0.0729)
Regular Day-Work (d)								0.1547* (0.0882)			0.0586 (0.0702)
Less Time to Work (d)									-0.3224*** (0.0687)		-0.1375** (0.0611)
No Home Office (d)										-0.1622** (0.0765)	-0.0944 (0.0660)
R ²	0.2754	0.0721	0.1026	0.0710	0.0708	0.1887	0.0709	0.0790	0.1169	0.0798	0.3458

Source: GSS 2014, robus SE; Sample Weights, Controls not reported * p<0.05, ** p<0.01, *** p<0.001, N=553

In a second step, these results are reproduced with ordered probit estimations. The results are rather similar to those with simple OLS regressions. Again, the findings for men and women differ only slightly.

In table IV, we re-present the results for males. Because of the different estimation technique, we report higher sizes of specific effects. However, the same determinants are statistical significant. In the last setting with all controls, only the effect of doing supervision remains zero, while others such as working part-time, or being part of a team turn into significance.

Table IV: Job Satisfaction – Males – ordered Probit

Respect (d)	1.176*** (0.1906)										0.8345*** (0.2012)
Supervision (d)		0.0905 (0.1218)									0.1287 (0.1267)
Overwork (d)			-0.4374*** (0.1180)								-0.2886** (0.1243)
Part Time (d)				-0.2026 (0.1714)							-0.5426** (0.1787)
Team Work (d)					-0.1159 (0.1119)						-0.2576*** (0.1156)
Relation (d)						0.9438*** (0.1183)					0.8088*** (0.1218)
Public Sector (d)							0.1630 (0.1554)				0.3582** (0.1591)
Regular Day-Work (d)								-0.2075 (0.1265)			-0.2776** (0.1322)
Less Time to Work (d)									-0.5306*** (0.1232)		-0.2886** (0.1306)
No Home Office (d)										-0.3139** (0.1249)	-0.3270** (0.1301)
Pseudo R ²	0.0878	0.0525	0.0670	0.0534	0.0530	0.1123	0.0530	0.0547	0.0731	0.0584	0.1679

Source: GSS 2014, robus SE; Sample Weights, Controls not reported * p<0.05, ** p<0.01, *** p<0.001, N=531

Table V: Job Satisfaction – Females – ordered Probit

Respect (d)	1.760*** (0.2348)										1.4082*** (0.2521)
Supervision (d)		-0.1120 (0.1181)									-0.0929 (0.1291)
Overwork (d)			-0.4928*** (0.1247)								-0.3274*** (0.1327)
Part Time (d)				-0.0767 (0.1454)							-0.2698* (0.1432)
Team Work (d)					-0.0094 (0.1137)						-0.0727 (0.1234)
Relation (d)						0.9057*** (0.1307)					0.5926*** (0.1430)
Public Sector (d)							0.0620 (0.1424)				0.0355 (0.1505)
Regular Day-Work (d)								0.2161 (0.1331)			0.0914 (0.1353)
Less Time to Work (d)									-0.5787*** (0.1195)		-0.3043** (0.1265)
No Home Office (d)										-0.2553* (0.1300)	-0.2051 (0.1407)
Pseudo R ²	0.1258	0.0405	0.0587	0.0398	0.0395	0.1005	0.0397	0.0427	0.0678	0.0438	0.1800

Source: GSS 2014, robus SE; Sample Weights, Controls not reported * p<0.05, ** p<0.01, *** p<0.001, N=553

In table V, we re-present the results for women. Again, we report higher sizes of effects, but report the same determinants as statistically significant. In the last setting with all controls, the determinants of stress remain negative, while those of a good working climate are positive.

5. Conclusion

In this paper we observe which determinants effect a worker's job satisfaction. We use U.S. General Social Survey (GSS) for 1,084 male and female workers interviewed in 2014. There are only weak gender differences in the results. In general, men and women prefer an open and worker-friendly environment with good communication, and the absence of stress or psychological pressure. The other determinants turn into statistical significance only after control for characteristics. This shows an underlying process of interaction, such as a moderating effects of public sector employment.

In terms of an employer friendly human resource strategy, especially the softer, or psychological characteristics, such as respect, or fairness, are easy and cost-less to implement. From a workers point of view, a friendly treatment increase job satisfaction and may lower absenteeism, based on illness, shirking, or even turn overs. Therefore, job satisfaction is an important psychological mechanism for individual effort, and on the long run the firm's productivity. However, it is obvious, that not only in times of high worker demand, managers and human resource officials have to tread their workers with respect.

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This is the private opinion of the author. All remaining errors are in his own responsibility.

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