

Employee Job Satisfaction: Moving Beyond Pay in the Public Sector

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Purpose

The purpose of this capstone project is to explore pay as a factor in job satisfaction, both from the employee and the employer perspectives in the public sector. This study addresses the following three questions:

What matters most to employees on the job? Is it pay, as conventional wisdom suggests?

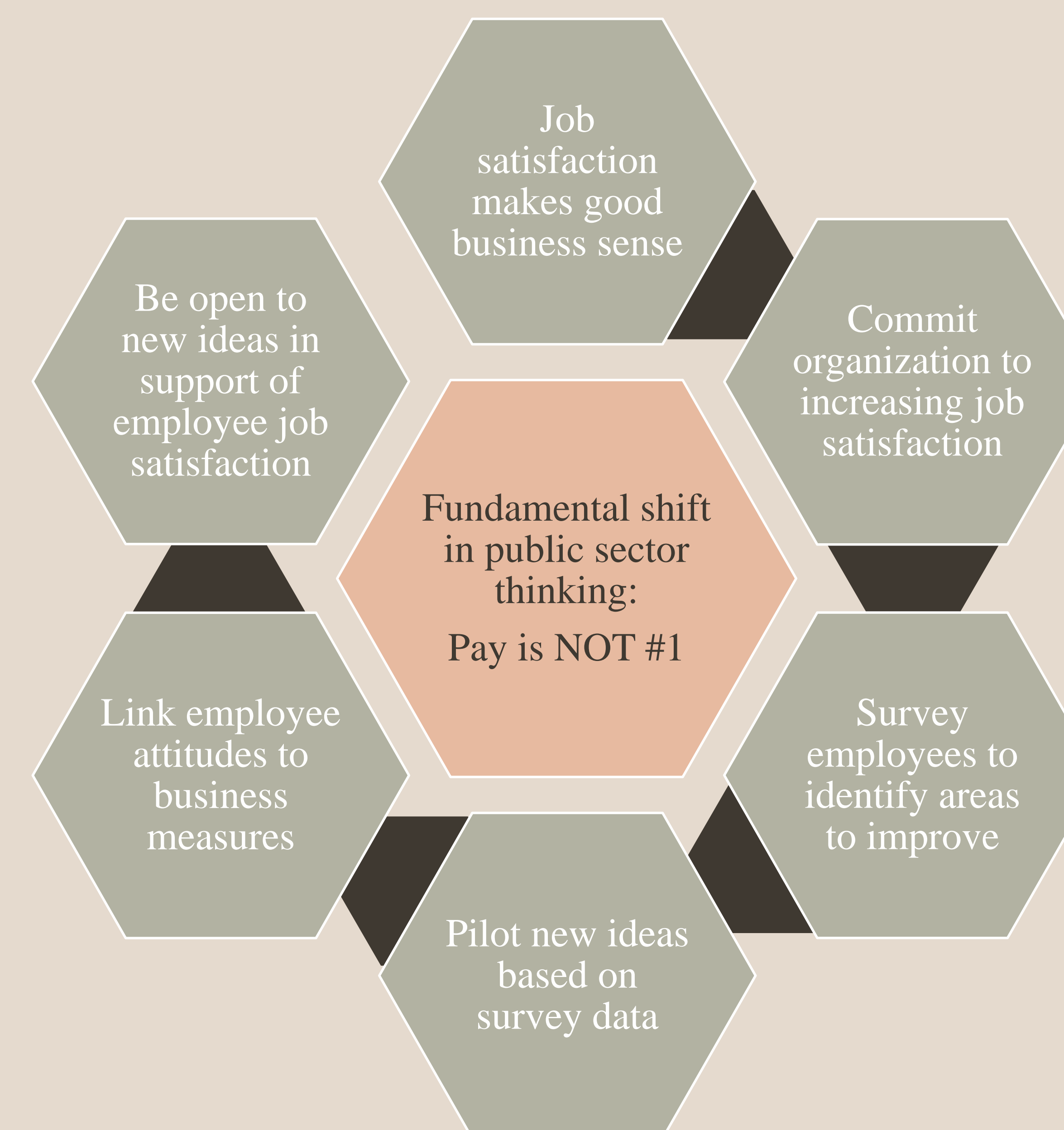
What role does employee job satisfaction play compared with pay in attracting and retaining employees?

How can public sector employers compete with the higher salaries and better perks of the private sector?

Objective



Key Findings and Recommendations



Background

My research focuses on the public sector in the United States, which tends to be limited in funding, bureaucratic in structure, and grounded in public service. Conventional wisdom suggests that pay is the most important factor in any job. However, academic research shows little evidence that pay matters most to employees. In fact, studies over many years, across many organizations, and including many types of jobs show that employees perceive the nature of their work as most important. Not once was pay cited as the most important job factor in the employee self-survey studies included in the literature reviewed in this study, nor was it the top reason cited by employees for voluntary resignation.

Literature Cited

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Further Information

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Conclusions

Nothing in the research precludes employers with limited resources from reaping the benefits of working towards a more satisfied workforce. In fact, if organizations were to prioritize their efforts according to employee preferences, research suggests that pay would not be a top concern. In the research, there was nothing out of the ordinary that had an effect on employee job satisfaction. There was no mention of high costs associated with any of the job satisfaction measures. They all seemed quite accessible, even to a low-budget organization. Given this, government organizations should focus on simple efforts to increase employee job satisfaction, and the research shows they can do so while making the business case that their efforts will have a positive impact on performance and productivity.