

Dynamics and Factors of Job Satisfaction in Russian Enterprises: from Boom to Crisis

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Research Purpose

- to provide a new perspective on factors impacting ***changes*** in JS
- to evaluate trends in JS from boom to crisis
- to assess distribution of job satisfaction among different groups of workers

Facets of Job Satisfaction

*Job satisfaction is simply how people feel about their jobs **and different aspects of their jobs**. (Spector, 1997)*

- ***Psychological approach*** highlights intrinsic aspects of work itself (autonomy, etc.) and overall work situation (relations with supervisors and colleagues)
- ***Herzberg's motivation&hygiene theory (MHT)***
Two separate scales for dissatisfaction (influenced by contractual factors) and satisfaction (influenced by intrinsic factors)
- ***MHT Variation (Rose, 2001)***
JS is a bi-dimensional concept: intrinsic and extrinsic (contractual, instrumental)

*Researchers highlight different sets of **JS** aspects*

Two ways of measuring JS

1. Composite JS index integrating different aspects

Flaws:

- focuses too much on individual facets and not enough on JS in general
- different people attach different importance to different facets

2. Overall measurement of job satisfaction

Benefit:

- respondent subconsciously takes into account all facets of JS that matter to him/her

*Measuring JS is a difficult task. Different measures lead to different results. Thus we prefer to stick to overall measure and look into factors impacting **changes in JS***

Explaining JS (1)

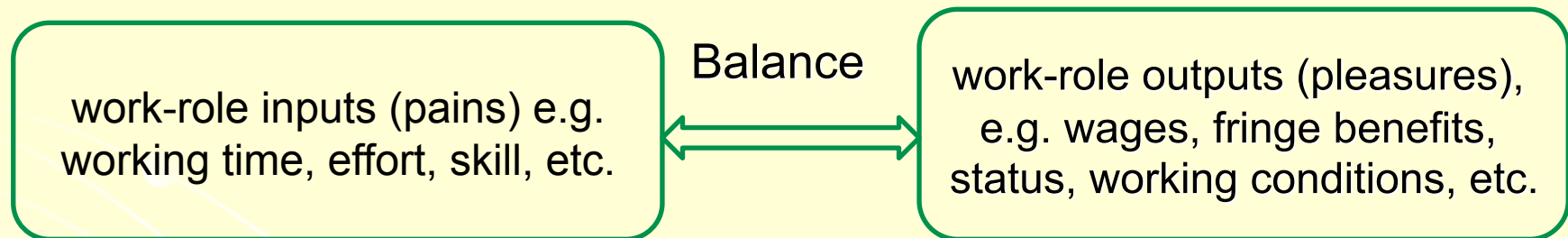
Affect Theory

Aspirations versus reality

JS is a function of the perceived relationship between what one wants from one's job and what one perceives it as offering or entailing (Locke, 1969)

How aspirations are formed?

Input-output (costs-benefits) approach



(Sousa-Poza and Sousa-Poza, 2000)

Two groups of factors impacting JS

- *characteristics of job holders*
- *objective quality parameters of their jobs*

Explaining JS (2)

International comparisons bring 2 more angles

1. Cultural diversity

High responsibility or widening sphere of competence may affect JS in opposite directions

2. Country specific context

Why contextual variables matter?

Greater social and economic equalities within a country compensate for having a worse job. Equality thus makes people more satisfied with their jobs in general (Pichler&Wallace, 2008)

More equitable society impacts shift from instrumental to internal facets of JS, from instrumental to intrinsic work motivation but not necessary general level of JS

Explaining JS (3)

J. Adams' Equity Theory

JS depends upon perceptions of costs and benefits associated with individual's job **as compared to** costs and benefits of jobs held by other people

Equity (comparison) aspects

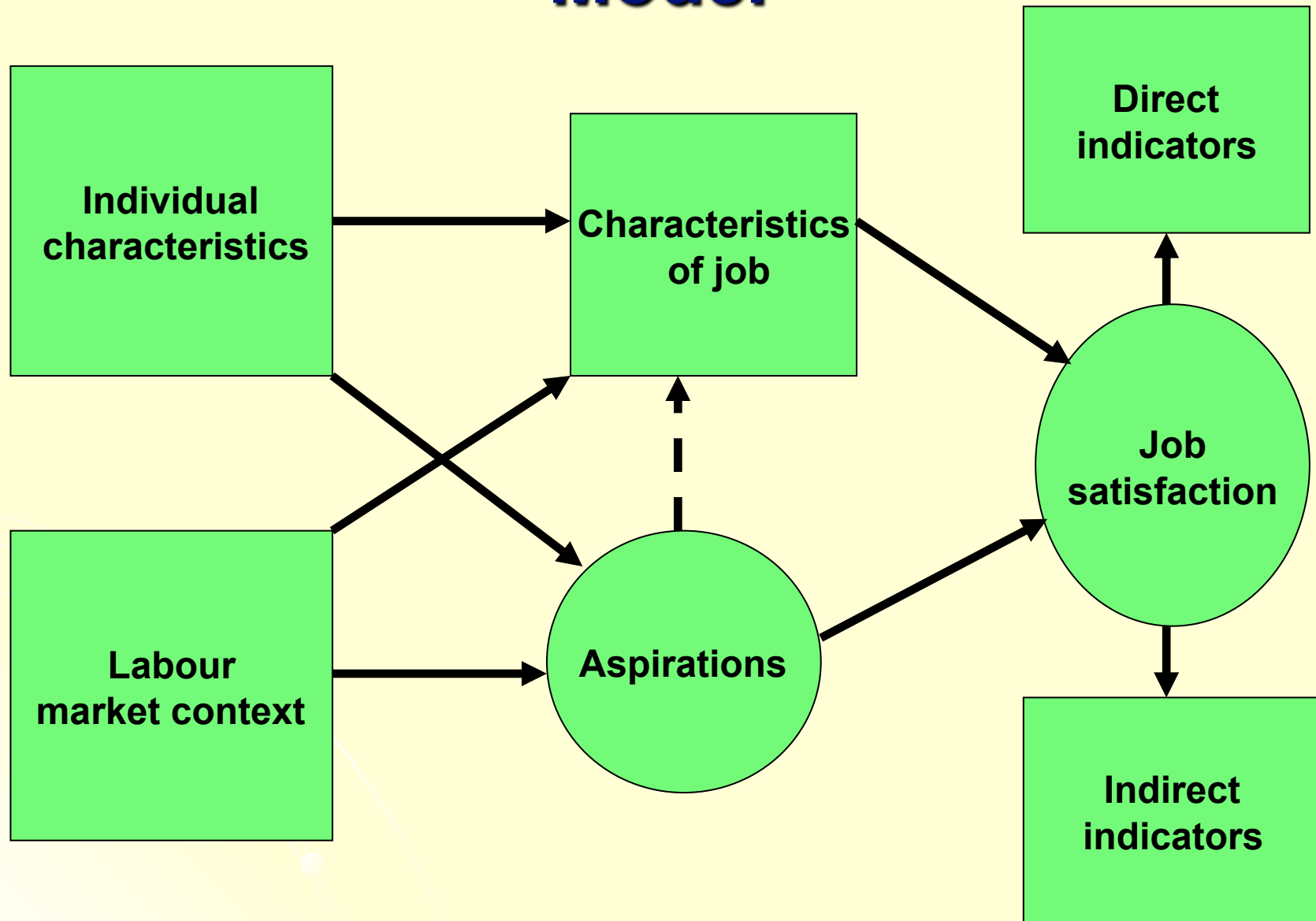
- input-output (internal)
- other categories of employees within enterprise/firm (e.g. production workers versus management)
- similar employees of neighbouring enterprises
- employees within same branch of economy

External factors of JS (beyond the enterprise level)

Workers compare the parameters of their jobs with

- parameters of jobs held by other people
- perceived labour market alternatives opened to them (opportunity cost)

Model



Hypotheses

1. The state of external labour market plays an important role in formation of employees' demands on employer concerning conditions of work and pay, their perceptions of equity in the workplace and consequently on the rate of job satisfaction. The impact of this factor leads to changes in employees' job and career aspirations irrespective of objective parameters of their work situation.
2. During the period of economic decline the key determinants of the overall job satisfaction rate move from objective indicators of individual work situation to personal and professional characteristics of workers impacting their labour market competitiveness.
3. The impact of changes in external labour market on job satisfaction rates differs by socio-demographic group and employee category.

Data base

3 rounds of labour-relations survey at 18 enterprises of a big oil and gas company

Each round encompasses:

- survey of workers
- semi-structured expert interviews with representatives of enterprise management and TU leaders

Sample size

2007: 2118 respondents

2008: 3411 respondents

2009: 3505 respondents

Key groups of factors impacting JS

Characteristics of workers	Characteristics of jobs	Labour market context
<p>Age</p> <p>Gender</p> <p>Health</p> <p>Education</p> <p>Occupational status (job category)</p> <p>Length of service</p>	<p>Wages</p> <p>Fringe benefits (Social package)</p> <p>Effort (Work intensity)</p> <p>Working conditions</p> <p style="text-align: center;">+</p> <p>Employment security</p> <p>Promotion prospects</p> <p>Access to training</p> <p style="text-align: center;">+</p> <p>Representation security (protection from TU)</p> <p style="text-align: center;">+</p> <p>Relations with supervisors</p> <p>Relations with colleagues</p>	<p>Parameters of jobs held by others:</p> <ul style="list-style-type: none"> • Wage rate as related to other enterprises • Protection of worker's rights as related to other enterprises <p>Perceived labour market alternatives:</p> <p>Estimated chances of finding alternative decent employment</p> <p style="text-align: center;">+</p> <p>Expert interview information</p>

Working Indicators of JS

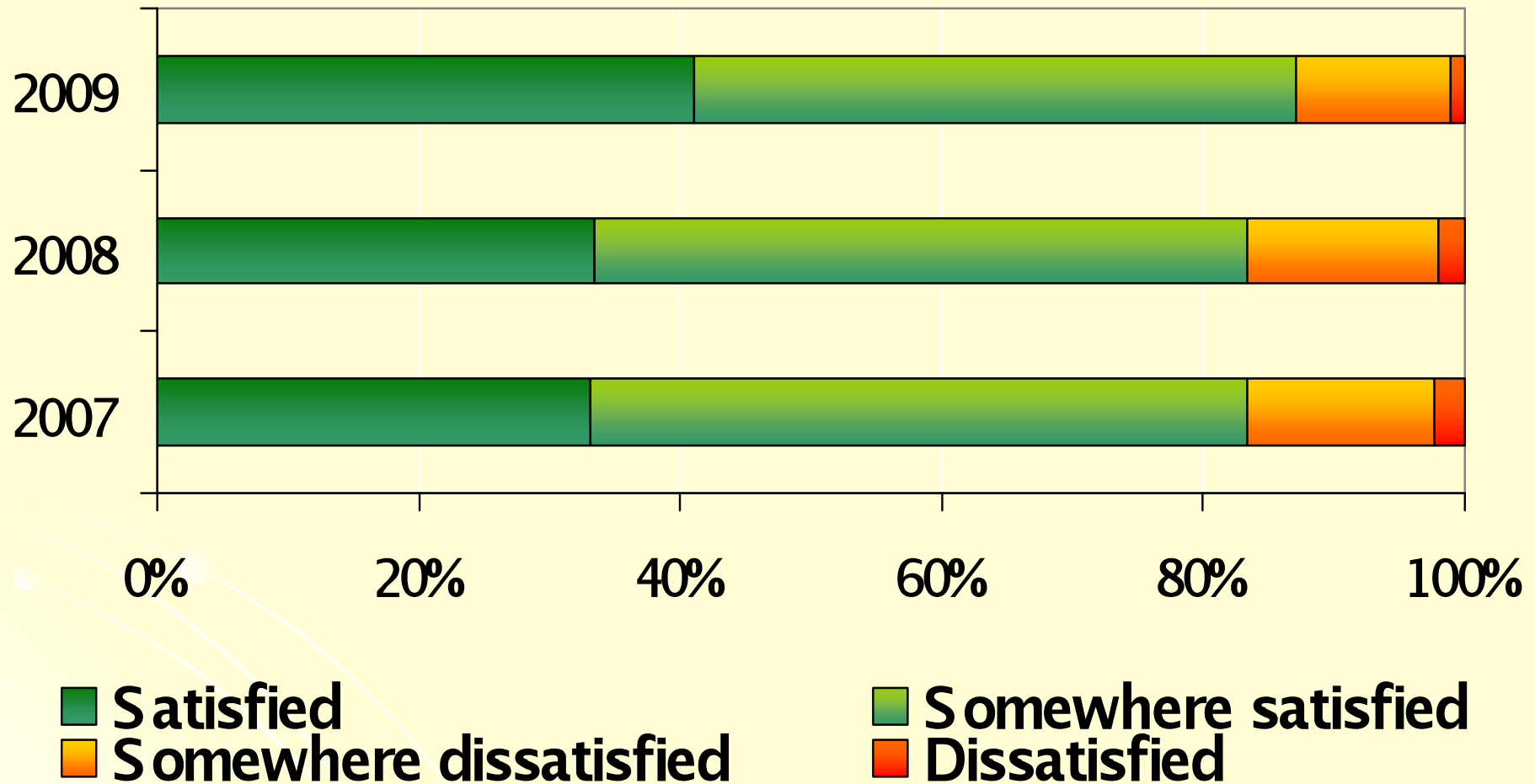
Direct indicators:

- Overall job satisfaction
- Variety of valuable job aspects (from multiple response questions on aspects of job people value most)

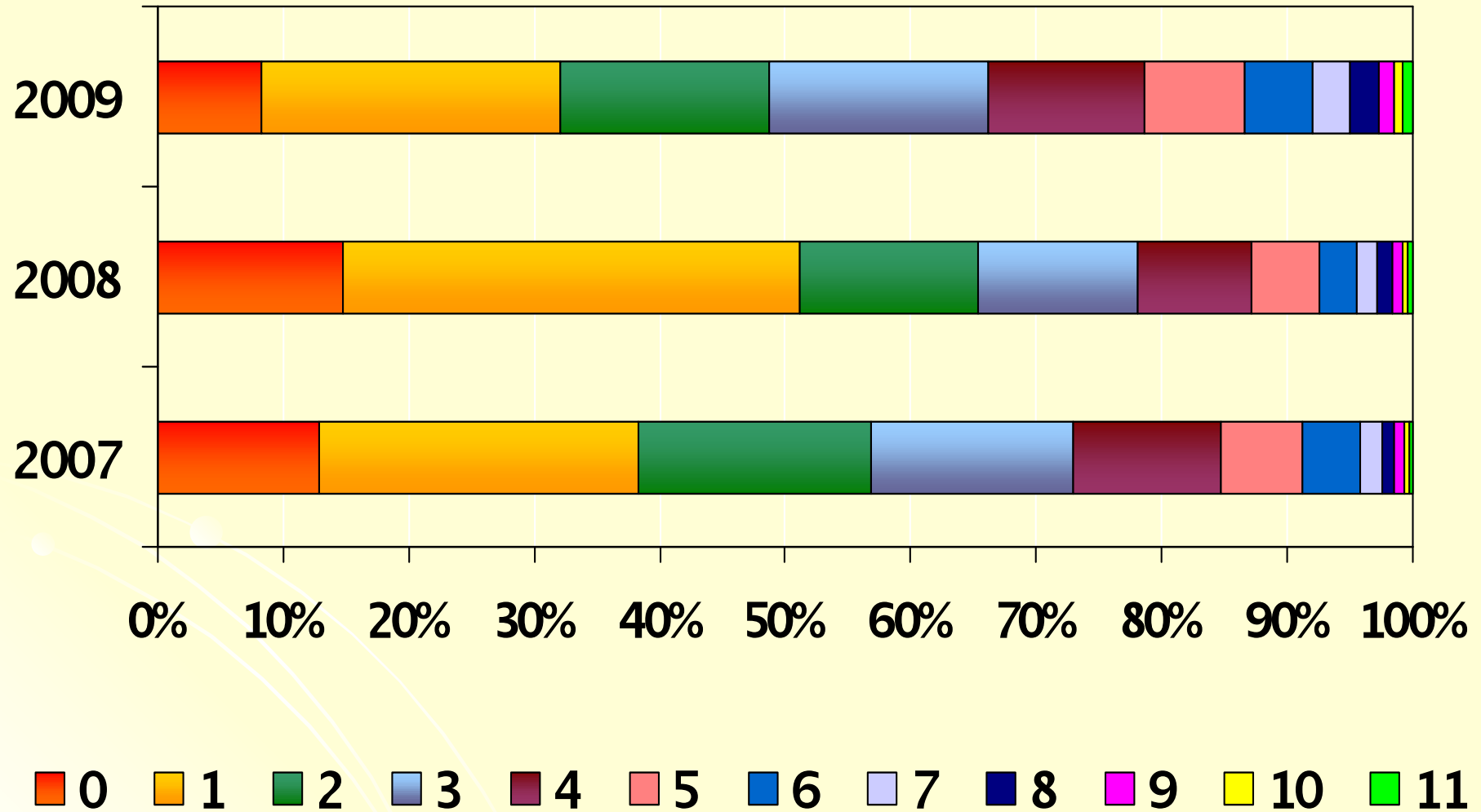
Indirect indicators:

- Turnover (propensity to leave)
- Individual labour conflicts
- Attitude towards strike

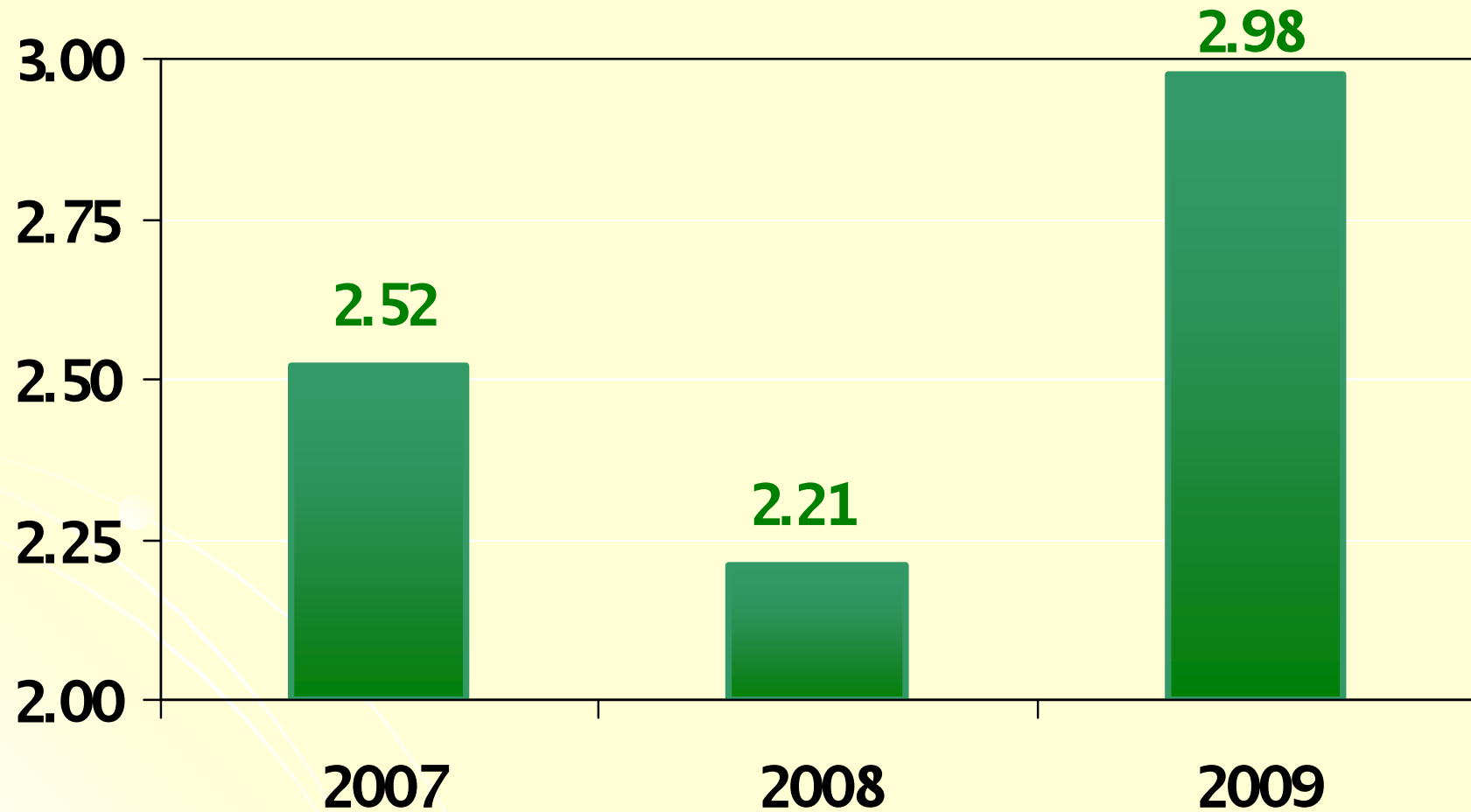
Trends in Overall JS



Trends in Variety of Positive Job Facets



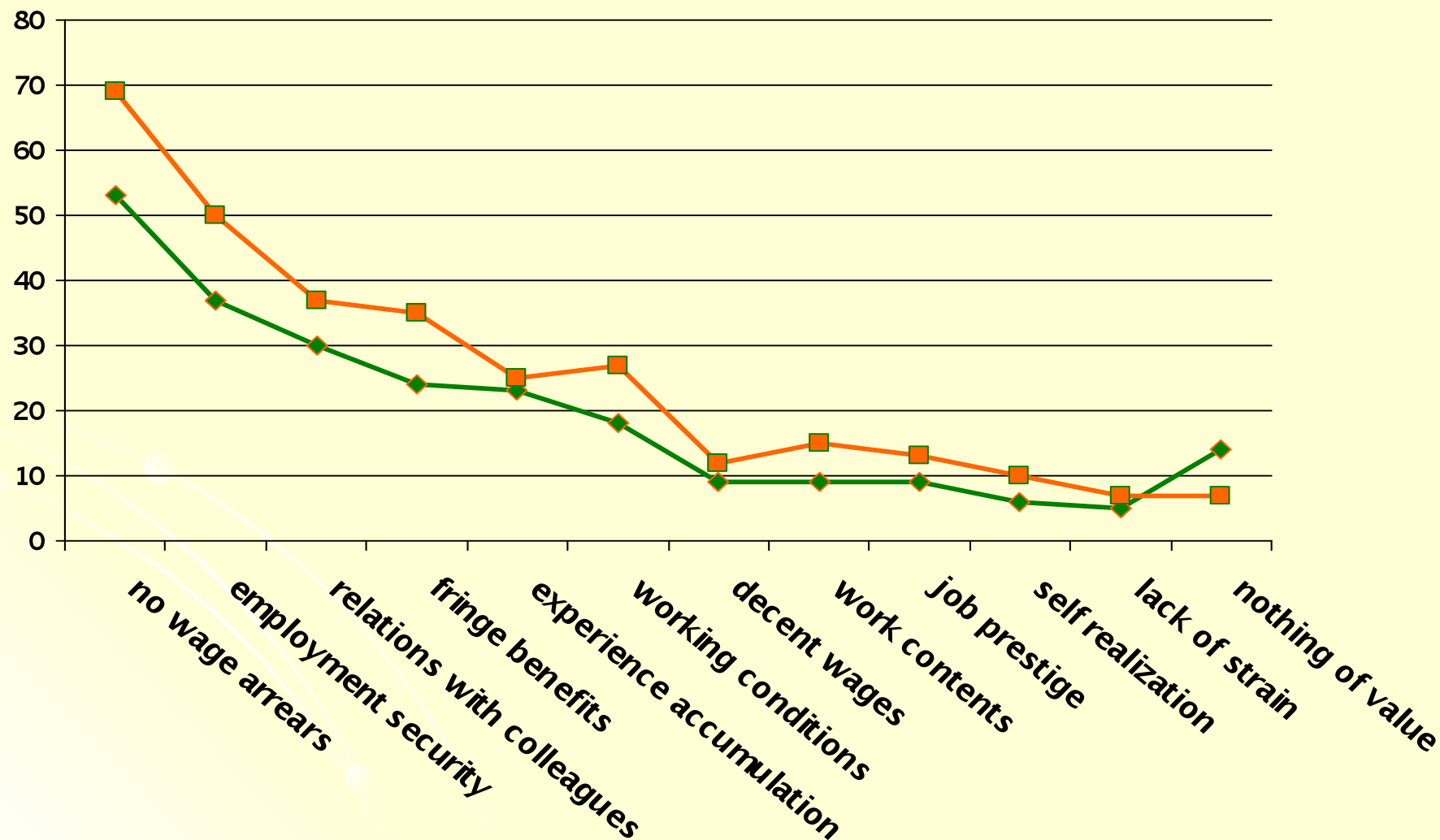
Average Number of Declared Positive Job Facets per Employee (mean)



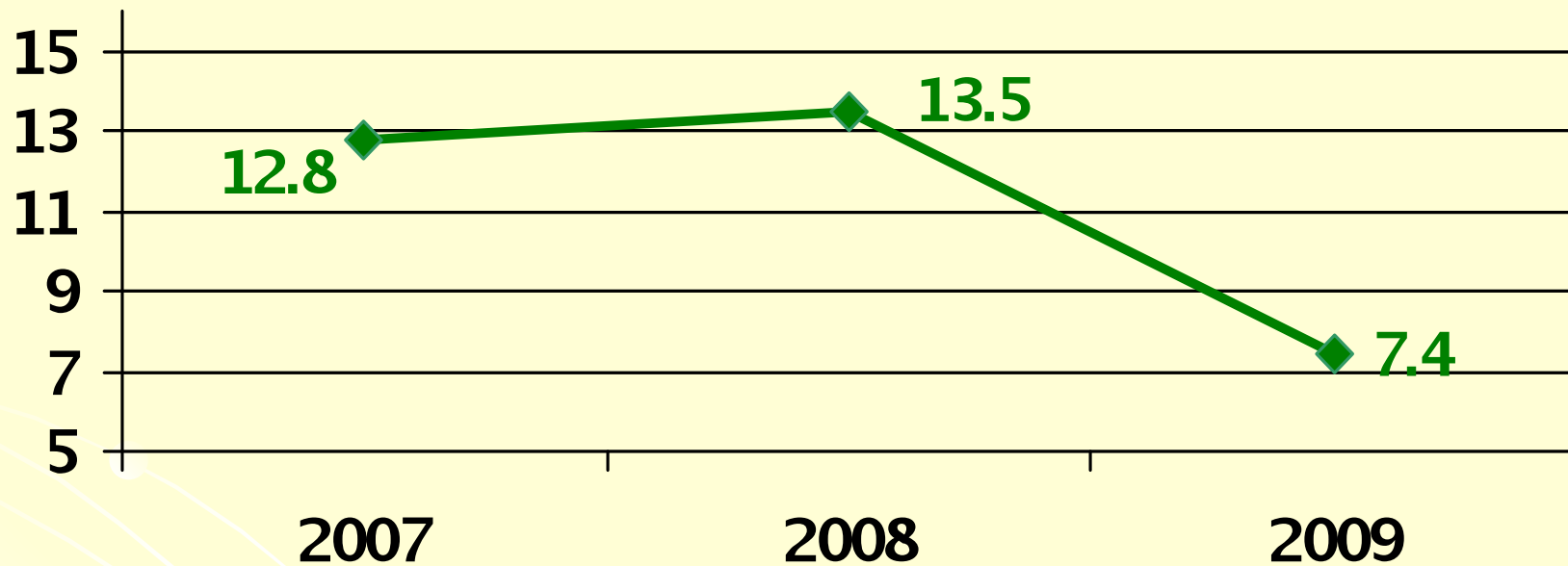
Job Facet Ranking

(Share of Respondents Marking Job Facet as Positive, %)

—◆— 2008 г. —■— 2009 г.



Share of Employees Finding Nothing of Value in Their Jobs, %



Trends in Indirect Indicators

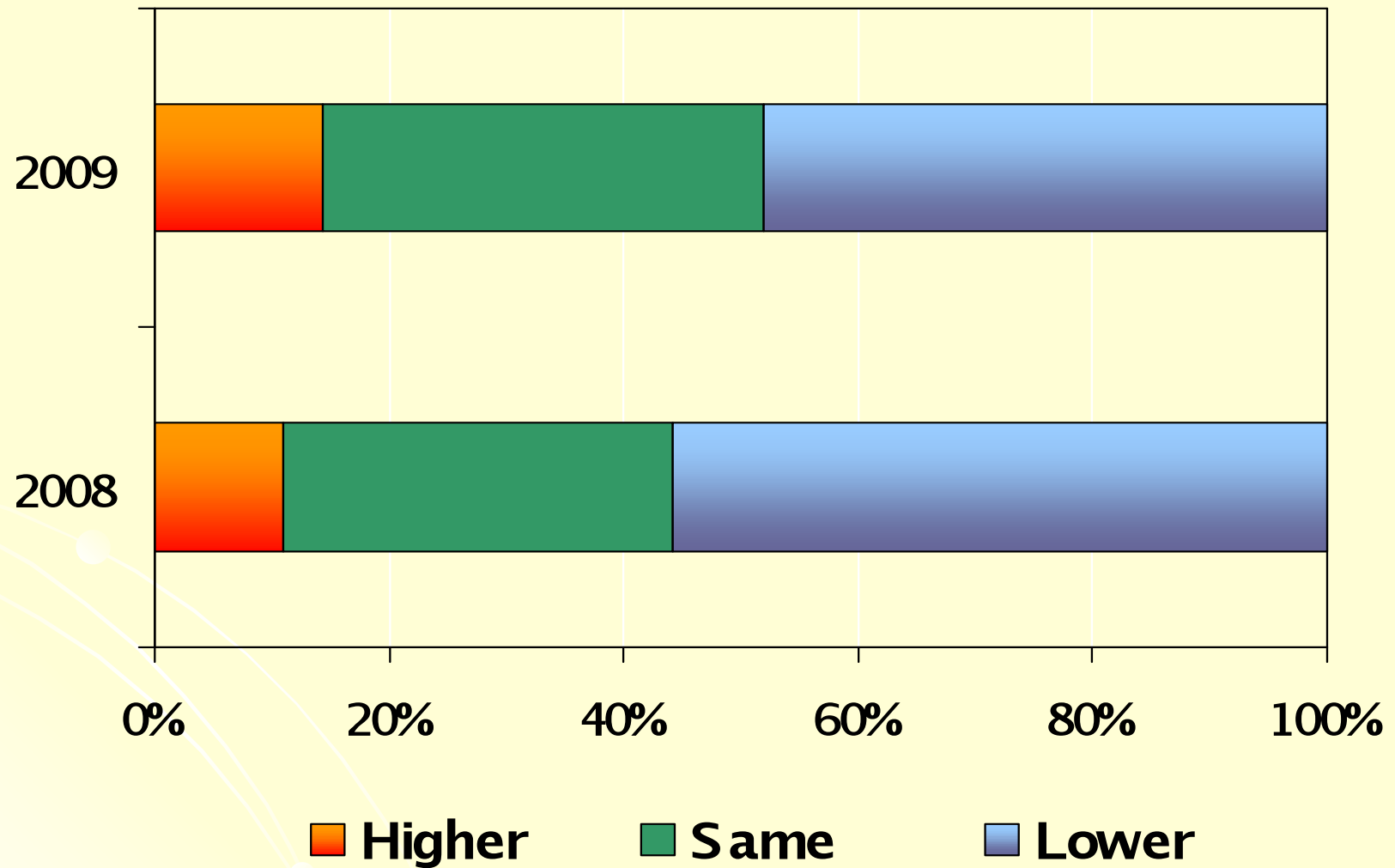
Share of respondents	2007	2008	2009
Planning to change employer	10.5	12.5	10.6
Engaged in individual labour conflicts	12.7	16.4	10.1
With positive attitude to strike	12.7	13.7	8.1

Trends in Job Quality Characteristics

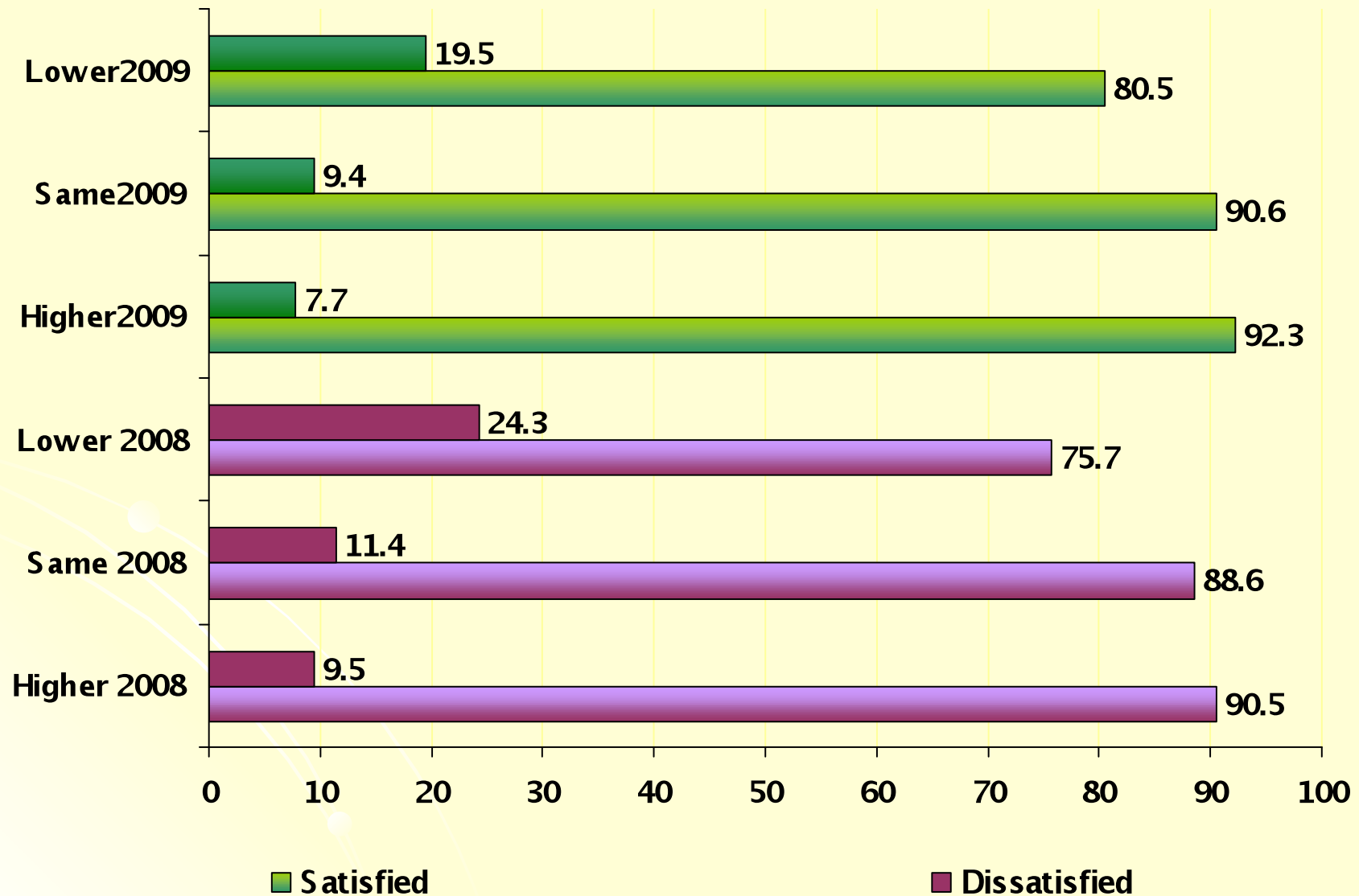
(experts' evidence)

Characteristic	2008 as compared to 2007	2009 as compared to 2008
Wages	Regular indexation	No regular indexation
Fringe benefits	Slight improvement	Cut down
Work intensity	Went up	Controversial
Working conditions	Improved	No change
Employment security	No change	Deteriorated
Access to training	Improved	Cut down
Promotion prospects	No change	Controversial
Protection from TU	No change	Controversial
Relations with supervisors	No change	Improved

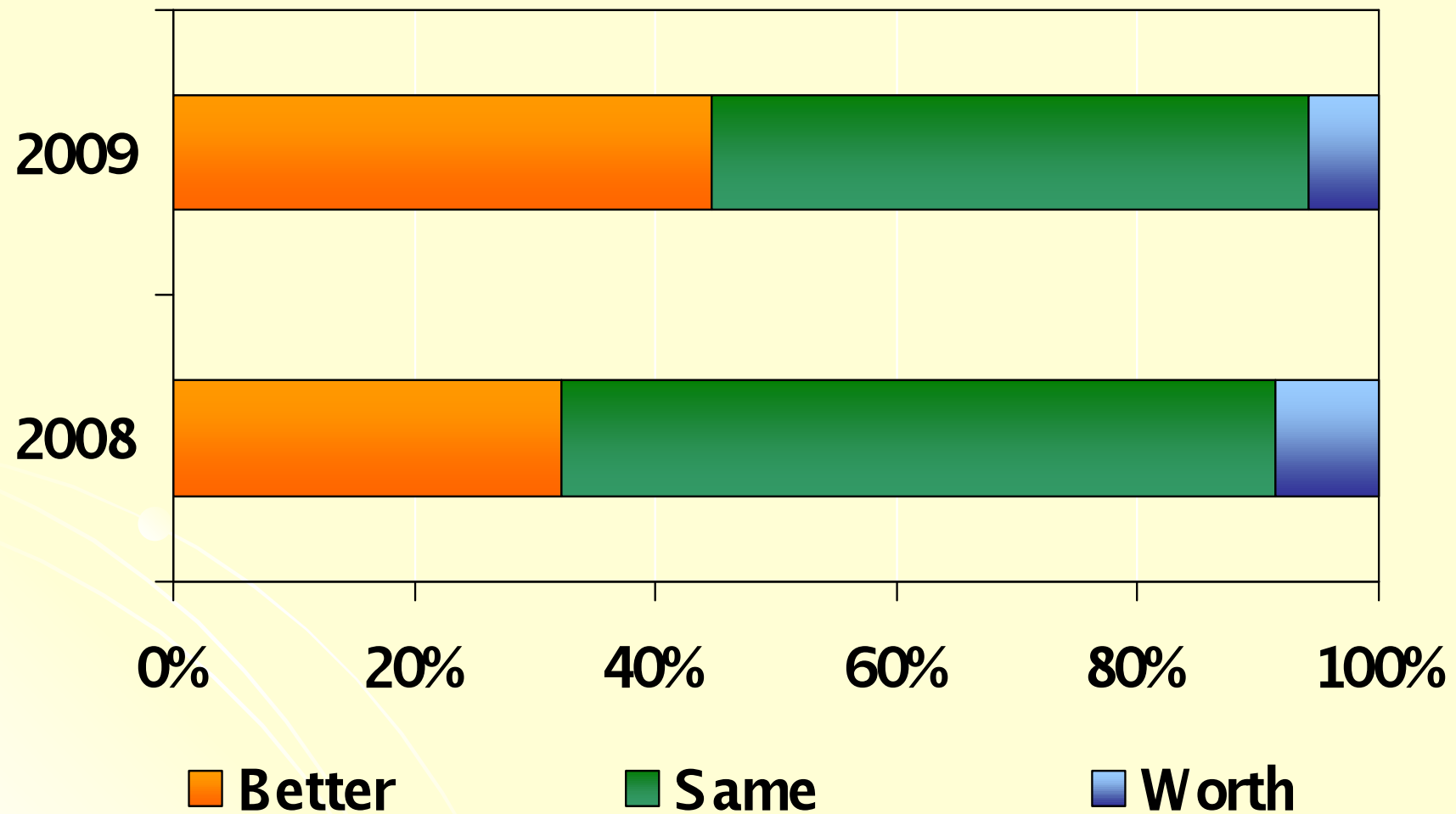
Wage rate as related to other enterprises



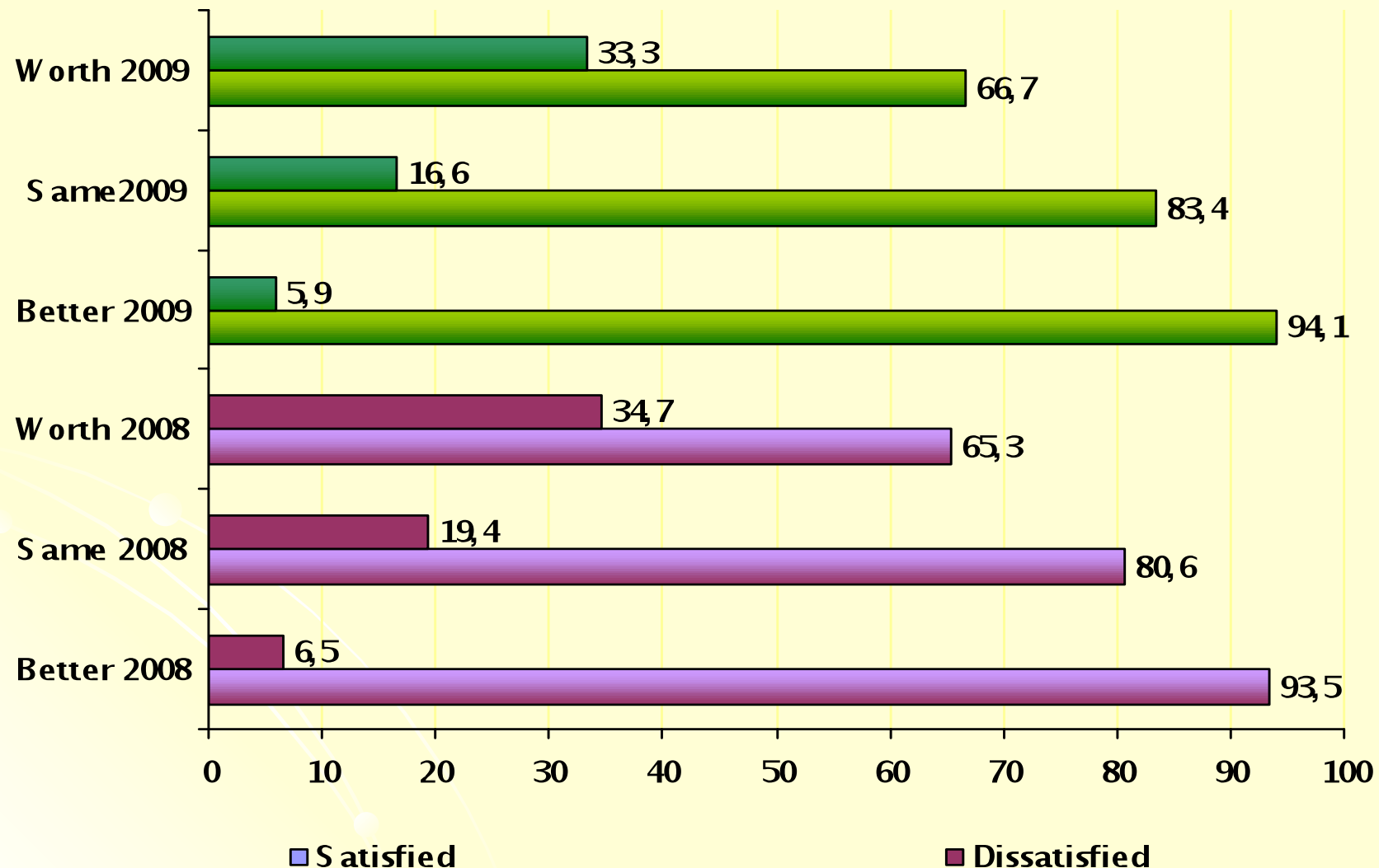
JS of Employees with Different Perception of Wage Rate (2009)



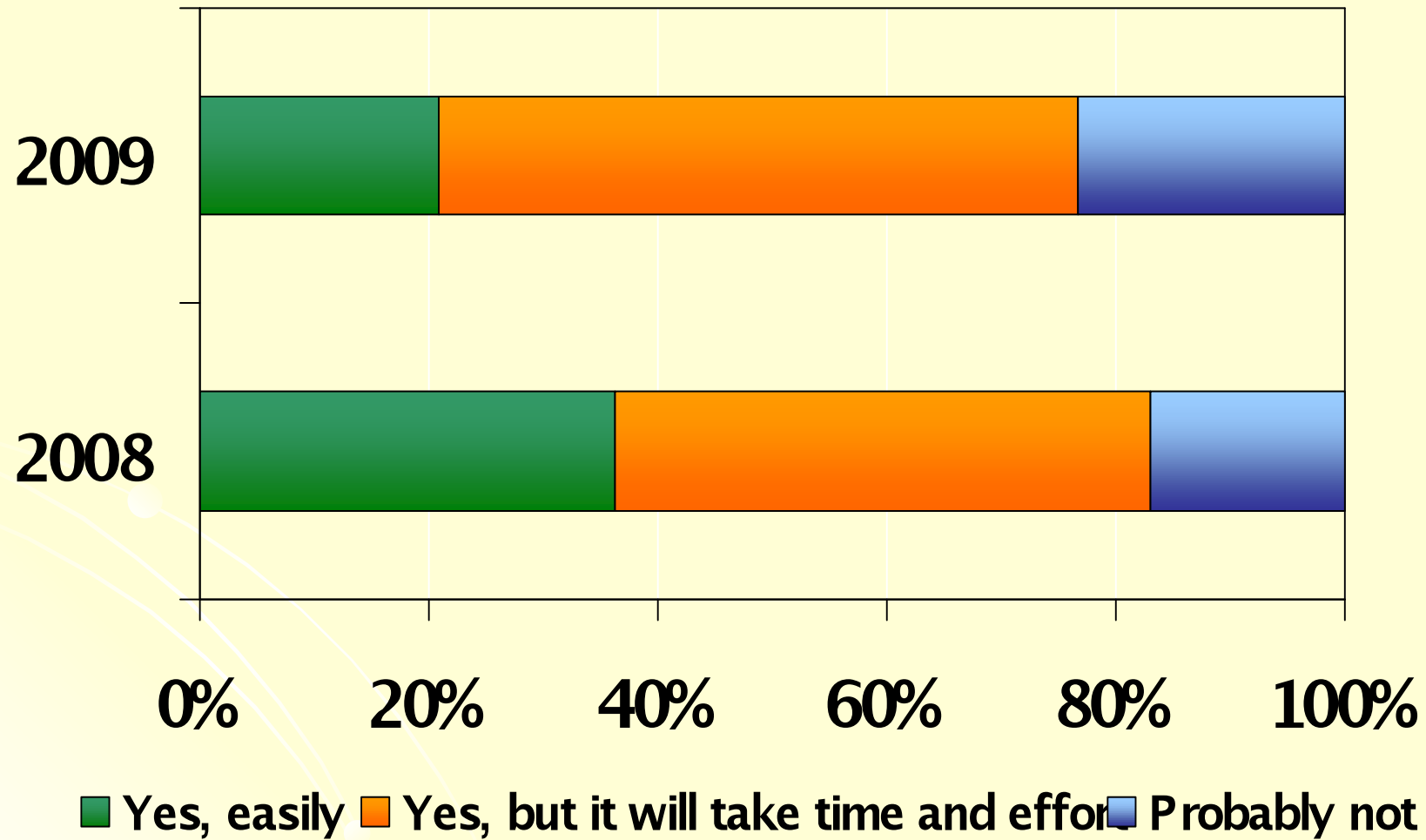
Protection of worker's rights as related to other enterprises



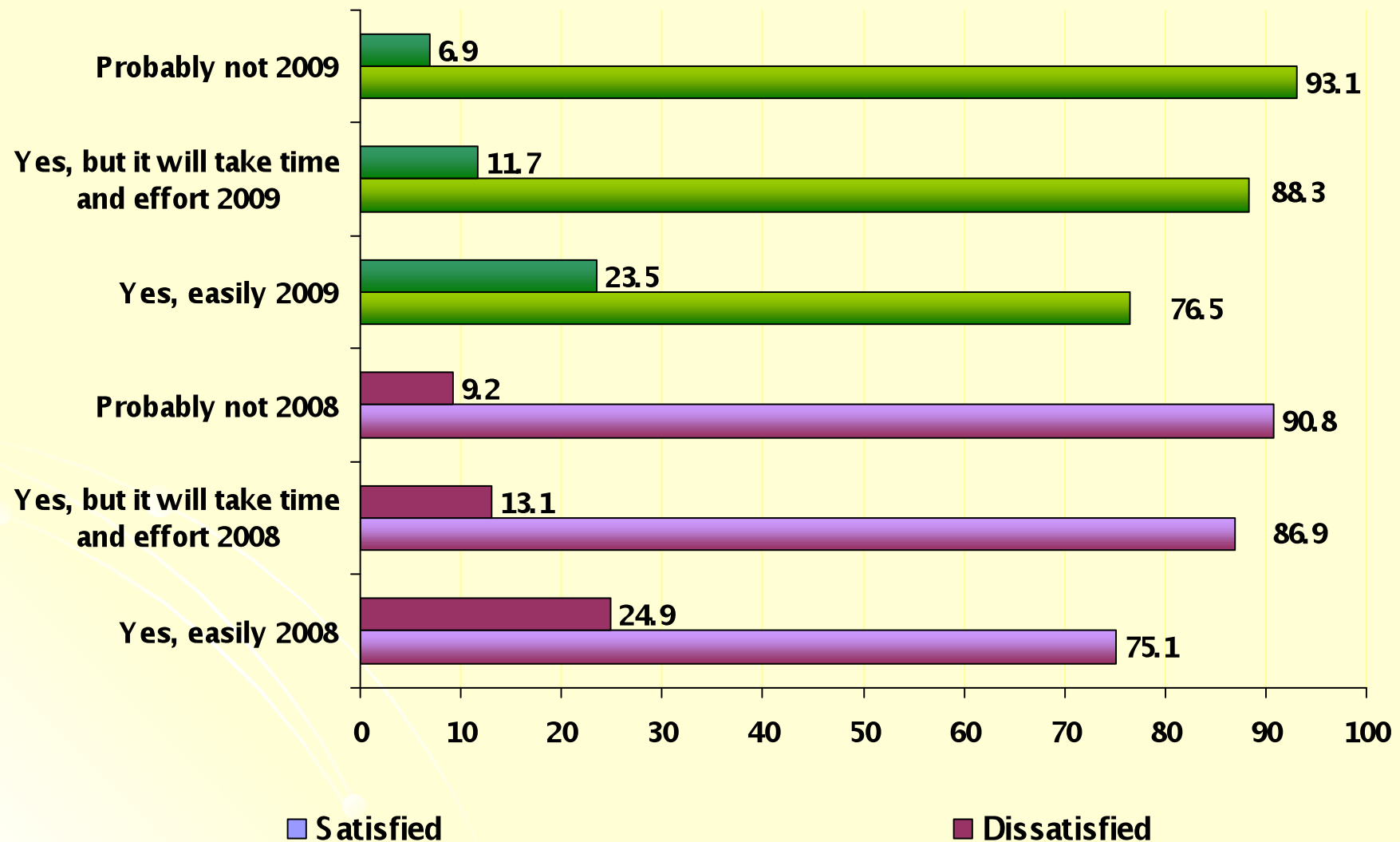
JS of Employees with Different Perception of Workers Rights Protection (2009)



Estimated chances of finding alternative decent employment



JS of Employees with Different Labour Market Competitiveness (2009)



Factors Impacting Job Satisfaction

Factor	Impact
Individual characteristics	
Age	Very weak
<i>Gender</i>	<i>Weak</i>
<i>Health</i>	<i>Weak</i>
Education	No
<i>Occupational status</i>	<i>Weak</i>
Length of employment	No
Job Quality Characteristics	
<i>Wage (versus input)</i>	<i>Yes</i>
<i>Fringe benefits (Social package)</i>	<i>Yes</i>
<i>Effort (Work intensity)</i>	<i>Controversial</i>
<i>Working time</i>	<i>Controversial</i>
<i>Working conditions</i>	<i>Yes</i>
Employment security	No
Promotion prospects	Very Weak
Access to training	Very Weak
<i>Representation security</i>	<i>Weak</i>
<i>Assistance from TU</i>	<i>Yes</i>
<i>Relations with colleagues</i>	<i>Weak</i>
<i>Relations with supervisors</i>	<i>Yes</i>
Labour market context	
<i>Wage rate as related to other enterprises</i>	<i>Yes</i>
<i>Protection of rights as related to other enterprises</i>	<i>Yes</i>
<i>Chances of finding alternative decent employment</i>	<i>Yes</i>

Description of Variables Included in the Logistic Regression Model

Variable	Value
Gender	1 if male, 2 if female
Health	1 if healthy, 2 if otherwise
Occupational status	1 if not administration, 2 if administration
Wage as related to skill, effort and responsibility	1 if adequate, 2 if lower
Accessibility of fringe benefits	1 if accessible, 2 if otherwise
Working conditions	1 if normal, 2 if unfavourable
Work intensity	1 if not very hard, 2 if very hard
Representation security	1 if TU can stand for workers rights, 2 if not
Assistance from TU	1 if TU assisted in resolving problems, 2 if failed
Relations with colleagues	1 if bad, 2 if otherwise
Relations with supervisors	1 if bad, 2 if otherwise
Wage rate as related to other enterprises	1 if higher or same, 2 if lower
Protection of rights as related to other enterprises	1 if better or same, 2 if worse
Chances of finding alternative decent employment	1 if possible, 2 if probably not

Results

Variable	2008	2009
Gender	No impact	No impact
Bad health	No impact	Negative (reduces probability ratio 2.44 times)
Belonging to administration	No impact	No impact
Wage not adequate to required skill, effort or responsibility	No impact	Negative (reduces probability ratio 2.28 times)
Fringe benefits not easily accessible	No impact	Negative (reduces probability ratio 2.55 times)
Working conditions unfavourable	Negative (reduces probability ratio 1.86 times)	Negative (reduces probability ratio 1.85 times)
Work intensity	No impact	No impact
TU can not stand for workers rights	No impact	No impact
TU don't assist employees in resolving problems	No impact	No impact
Relations with colleagues being OK	No impact	No impact
Relations with supervisors being OK	Positive (increases probability ratio 4.87 times)	Positive (increases probability ratio 2.98 times)
Wage rate lower as compared to other enterprises	Negative (reduces probability ratio B 2.12 times)	No impact
Protection of workers rights worth as compared to other enterprises	No impact	No impact
Chances of finding alternative decent employment being low	No impact	Positive (increases probability ratio B 2.57 times)

Conclusions

- Factors lying beyond enterprise level play an important role in formation of employees' demands on employer and hence impact JS. The impact of these factors led to a rise of JS rates with the beginning of crisis in spite of worsening job quality.
- Contrary to our hypothesis at a company level individual characteristics of workers (aside from health and to some extent occupational status) have little impact on JS.
- With the beginning of crisis perceived labour market competitiveness becomes a strong factor impacting JS.

Thank you for your attention!

