

Job Satisfaction

2017 EDITION CHARTBOOK



MORE OPPORTUNITY AND
JOB SATISFACTION IN A
TIGHTER LABOR MARKET

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2017 Edition Chartbook

More Opportunity and Job Satisfaction in a Tighter Labor Market

by Michelle Kan; Gad Levanon, PhD; Allen Li; and Rebecca L. Ray, PhD

Methodology

The Conference Board *Job Satisfaction* survey is a barometer of satisfaction from the perspective of US workers. Survey results are based on workers' perceptions of their current role and their workplace environment. The *Job Satisfaction* survey questions are asked as part of the **Consumer Confidence Survey**[®].

In 1967, The Conference Board began the Consumer Confidence Survey (CCS) as a mail survey conducted every two months; in June 1977, the CCS began monthly collection and publication. The CCS has maintained consistent concepts, definitions, questions, and mail survey operations since its inception.

As of February 2011, The Conference Board changed survey providers from TNS to The Nielsen Company for ongoing CCS operational support. Nielsen uses a mail survey specifically designed for the Consumer Confidence Survey. In addition, to improve the accuracy of the estimates and ensure the proportionate representation of these categories in the estimates, the CCS uses a post-stratification weighting structure.

The Job Satisfaction questions are based on a 5-point scale ranging from "least satisfied" to "most satisfied" and have remained consistent over time. However, with the addition of post-stratification weighting and a qualifying question that was included after 2011, the historical trend of the series may not be fully comparable.

Top Four Findings

Examining annual job satisfaction continues to provide useful insights into US employees' sentiments about work and offers interesting insights into the national labor market and macroeconomic trends. The Conference Board *Job Satisfaction* survey is part of a long-running, comprehensive data set, which allows for demographic and regional comparisons over time. In addition to overall job satisfaction, we examine 23 components that contribute to job satisfaction, including wages, job security, promotion policy, potential for future growth, and health plan.

The top four findings from this year's survey:

- 1 Job satisfaction improved for the sixth year in a row** For the first time since 2005, job satisfaction has surpassed the 50 percent mark, i.e. more than half of all workers are satisfied with their jobs. Still, satisfaction levels are well below 1987 and even 1995 levels.
- 2 Much of the improvement in job satisfaction is due to the improvement in the labor market** Since 2010 the improvement in the US labor market has contributed to improvement in job satisfaction in several ways: workers are benefiting from historically low layoff rates, which adds to a greater sense of job security. Employees have more opportunities at other companies and more confidence in pursuing those opportunities. Growing shares of workers are voluntarily switching to other jobs and improving their job quality and satisfaction. And as it becomes harder to find qualified workers and retain existing ones, employers are gradually accelerating wage growth and improving other job features.
- 3 Employers should consider what's within their control at the organizational level to shape their employees' job satisfaction** As the US labor market continues to improve and provides employees with more opportunities to land jobs that meet their needs, employers need to embrace practices that better engage their workers and raise their job satisfaction. A starting point: addressing the job components US workers are least satisfied with (i.e. promotion policy and bonus plan) and paying greater attention to incentive structures to motivate workers.
- 4 The US labor market is likely to remain tight for most of the next 15 years** With the massive retirement of baby boomers continuing through 2030, we expect that on average the US labor market will be quite tight during that period and is likely to contribute to higher job satisfaction levels in the coming years.¹ However, at least for the foreseeable future, we would not expect job satisfaction to reach the levels of two to three decades ago. The US labor market is very different from what it was thirty years ago in ways that significantly reduce job satisfaction. Some of the structural trends in the US labor market that led to lower job satisfaction in recent decades, such as a shift to outsourcing low-skill jobs, are unlikely to reverse. A stronger labor market can only take us so far.

¹ A tight labor market refers to labor market conditions in which it becomes relatively difficult for businesses to find enough qualified and willing job candidates to fill job openings. Increased wage pressure and lower retention rates usually result from this type of labor market environment.

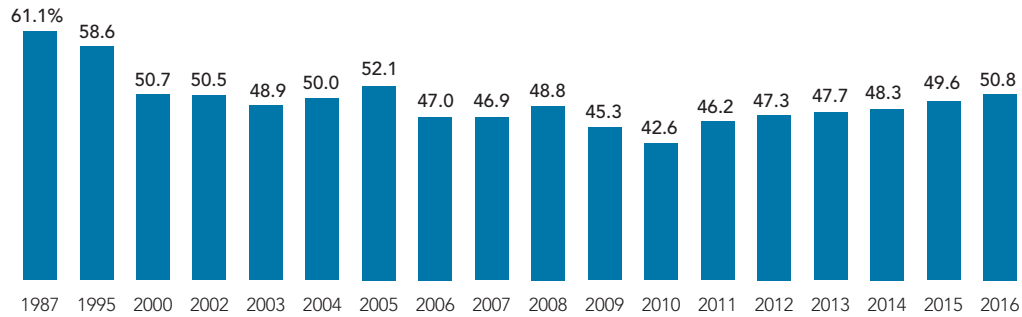
This Year's Edition

The 24 graphics in this chartbook provide a glance at the state of US job satisfaction in 2016. The first seven charts (pages 4-9) are also included in the full research report *Job Satisfaction: 2017 Edition: More Opportunity and Job Satisfaction in a Tighter Labor Market*, where we examine the relationship between rising job satisfaction and the improving labor market. 17 additional charts (pages 10-19) are included here to maintain continuity for readers and others in the business community who follow the annual data.

Chart 1

US workers are the most satisfied they have been in 10 years*

Overall satisfaction

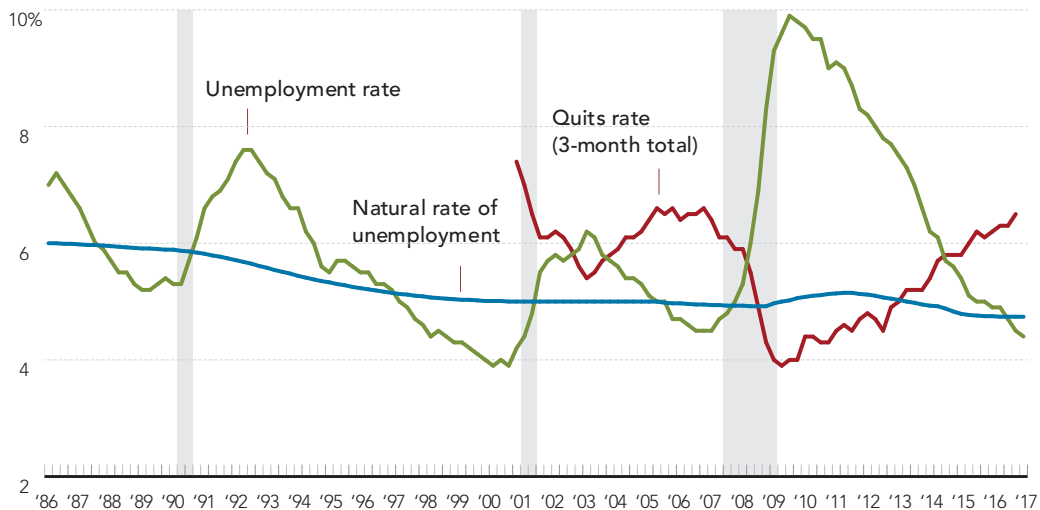


* The historical trend of the *Job Satisfaction* series may not be fully comparable. Please see Methodology on page 7.

Source: The Conference Board, 2017

Chart 2

As unemployment falls below its natural rate, the quits rate has increased—a sign that workers are more willing or able to leave jobs (1985–2017)

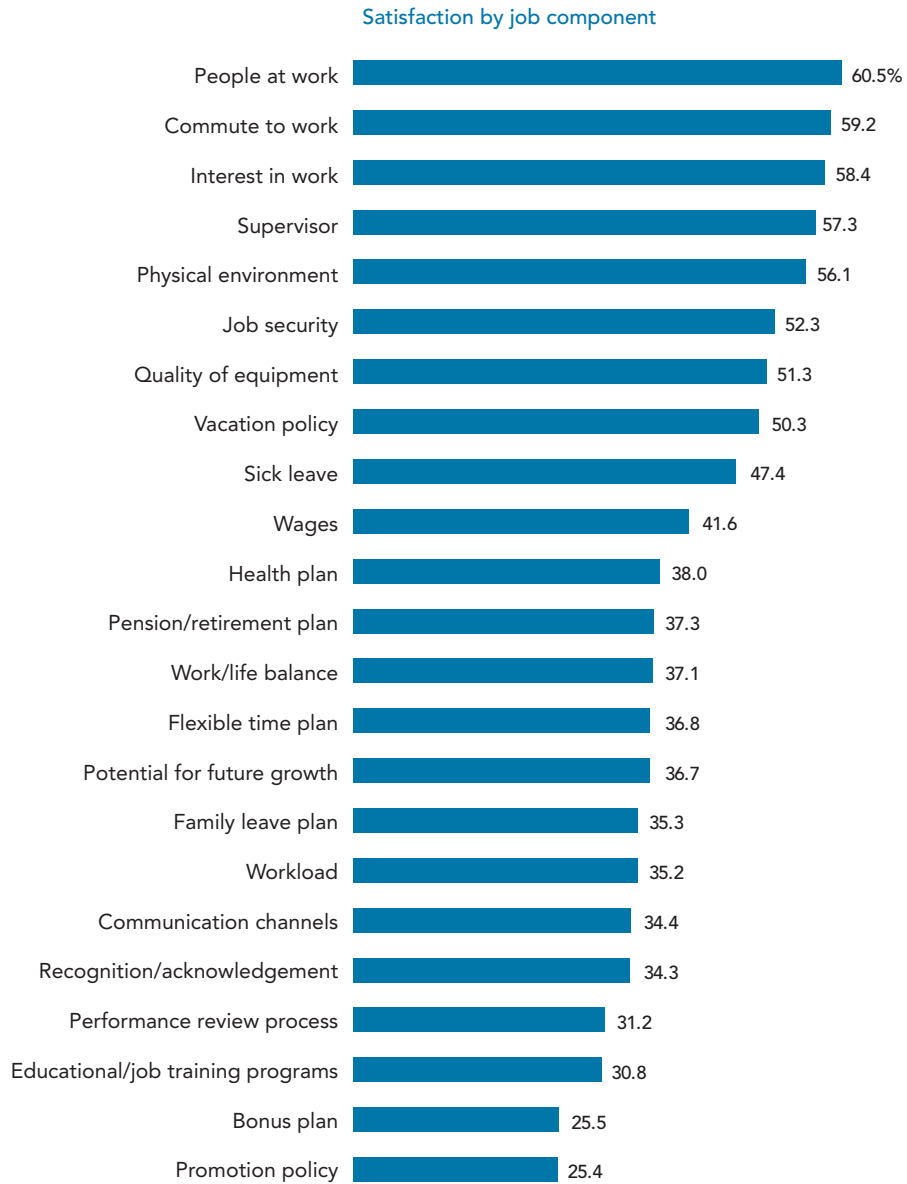


Notes: The natural rate of unemployment is the theoretical unemployment rate. When the unemployment rate dips below it, wage pressures appear in the economy. Shaded areas show periods of recession.

Sources: Bureau of Labor Statistics; Congressional Budget Office; Haver Analytics

Chart 3

Employees are satisfied with work itself but not with their prospects for advancement



Source: The Conference Board, 2017

Chart 4

The top- and bottom-five ranked components have remained roughly consistent since 1987

Table is sorted by 2016 rankings

	1987	1995	2000	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
People at work	2	2	1	2	1	1	1	2	2	1	1	1	1	1	1
Commute to work	3	3	2	1	2	2	3	1	1	2	3	4	3	4	2
Interest in work	1	1	3	3	3	3	4	4	4	3	2	2	2	2	3
Supervisor	5	6	4	4	4	4	2	5	3	5	4	3	5	3	4
Physical environment	10	7	8	6	5	5	5	3	5	4	5	5	4	5	5
Job security	6	10	7	9	8	8	9	10	10	10	10	9	7	7	6
Quality of equipment	9	8	9	8	6	7	8	7	7	6	6	6	6	6	7
Overall satisfaction	4	4	5	5	9	9	7	9	9	8	9	8	9	9	8
Vacation policy	7	5	5	7	7	6	6	6	6	7	7	7	8	8	9
Sick leave	8	9	10	10	10	10	10	8	8	9	8	10	10	10	10
Wages	13	13	15	15	15	16	16	15	17	15	17	13	14	11	11
Health plan	11	11	12	11	11	11	11	11	11	12	11	12	12	12	12
Pension/retirement plan	12	12	11	12	13	12	12	13	14	16	13	16	16	14	13
Work/life balance					16	14	15	12	12	13	14	15	13	13	14
Flexible time plan			13	14	14	15	14	17	15	14	15	14	15	15	15
Potential for future growth					19	20	19	20	22	19	16	20	19	18	16
Family leave plan			14	13	12	13	13	14	13	11	12	11	11	16	17
Workload					17	17	17	16	16	18	19	17	17	19	18
Communication channels					18	18	18	18	18	17	18	18	18	17	19
Recognition/acknowledgement					20	18	20	19	19	20	20	19	20	20	20
Performance review process					22	22	22	21	21	22	21	21	22	22	21
Educational/job training programs			16	16	21	21	21	22	20	21	22	22	21	21	22
Bonus plan			18	17	24	24	24	24	24	24	24	23	24	23	23
Promotion policy	14	14	17	18	23	23	23	23	23	23	23	24	23	24	24

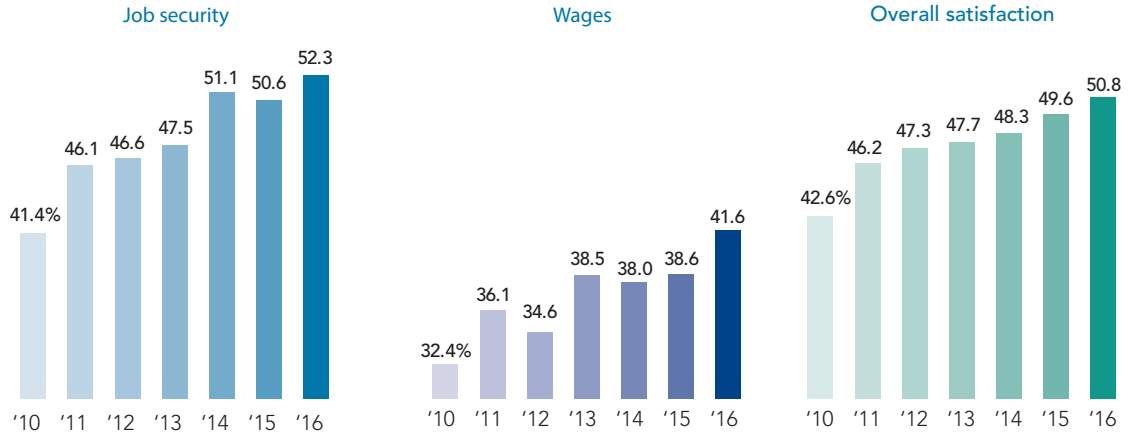


Note: Rankings were calculated within each column year. A ranking of "1" shows the component had the highest level of satisfaction for that year. For some components, data is unavailable because the component had not yet been introduced in survey questions.

Source: The Conference Board, 2017

Chart 5

With lower layoff rates, employees experience greater job security



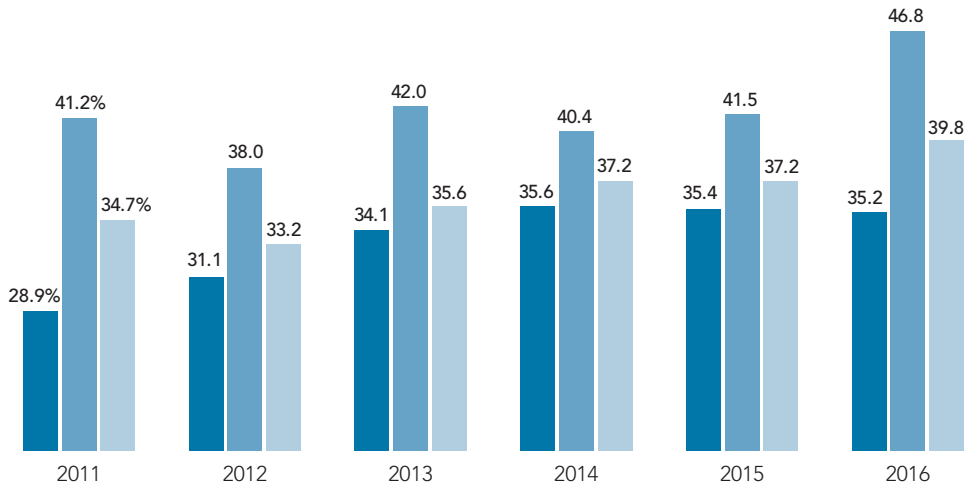
Source: The Conference Board, 2017

Chart 6

In 2016, workers aged 35–54 are the most satisfied with their wages, followed by workers aged 55 and over

Satisfaction from Wages by Age

■ Under 35 ■ 35-54 ■ 55 and over

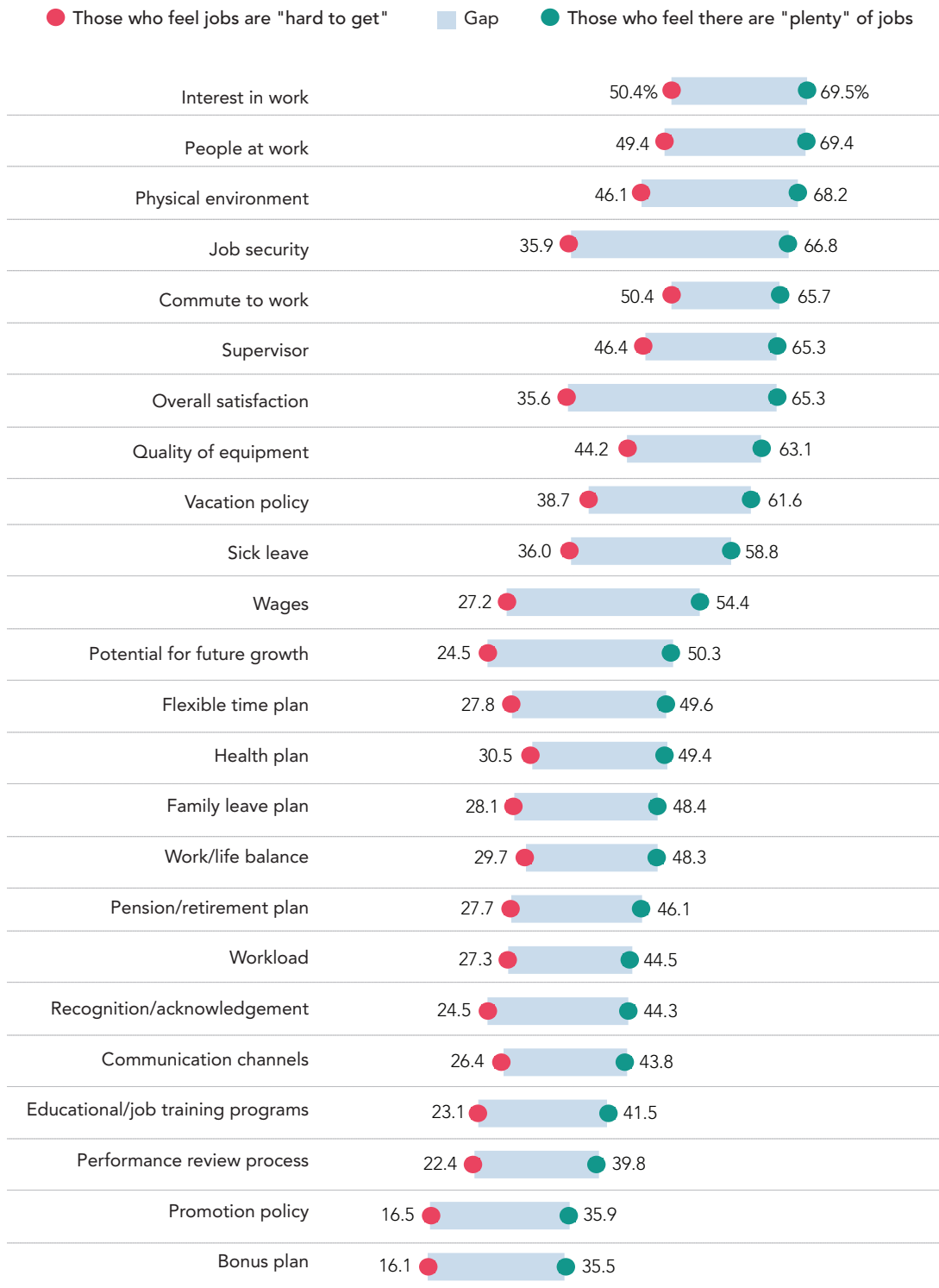


Source: The Conference Board, 2017

Chart 7

Job satisfaction is affected by employees' perception of job abundance or scarcity

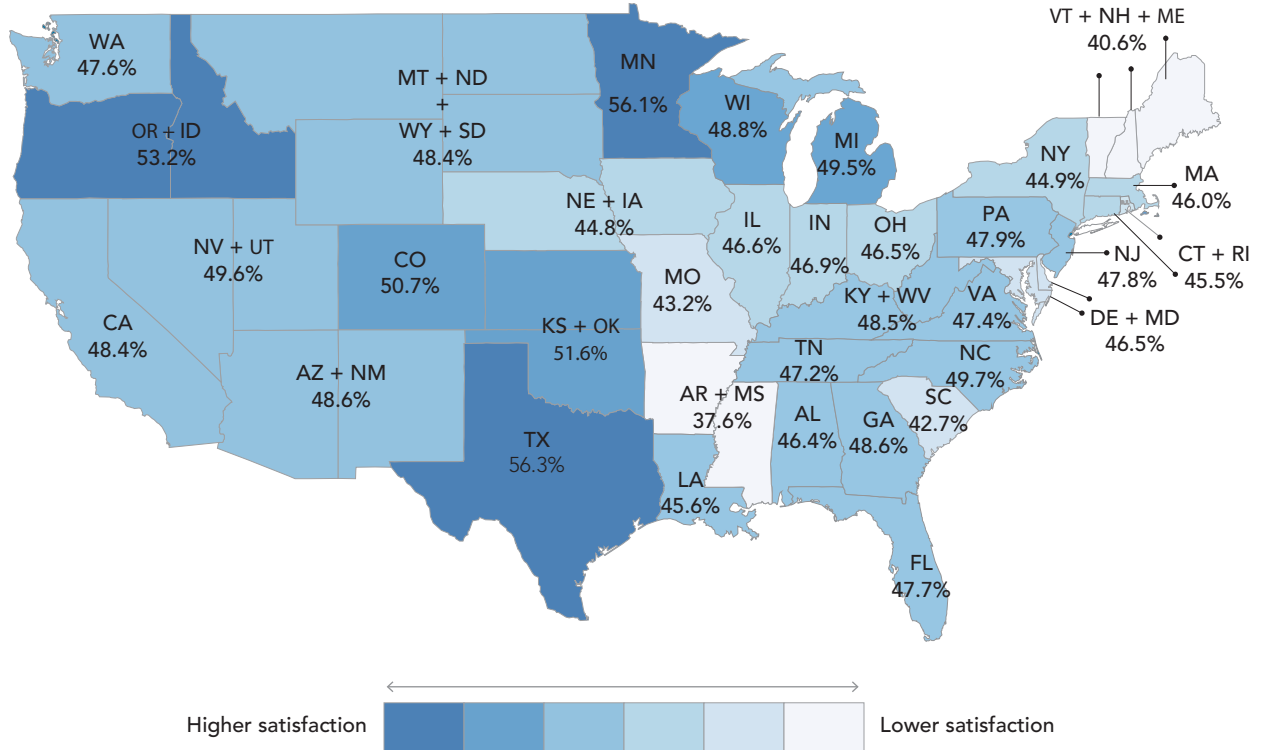
Labor market tightness and job satisfaction (aggregated 2011 through 2016)



Source: The Conference Board, 2017

Figure 1

Map of Job Satisfaction by State 2011–2016



*Doesn't include DC, Hawaii, or Alaska due to sample size.

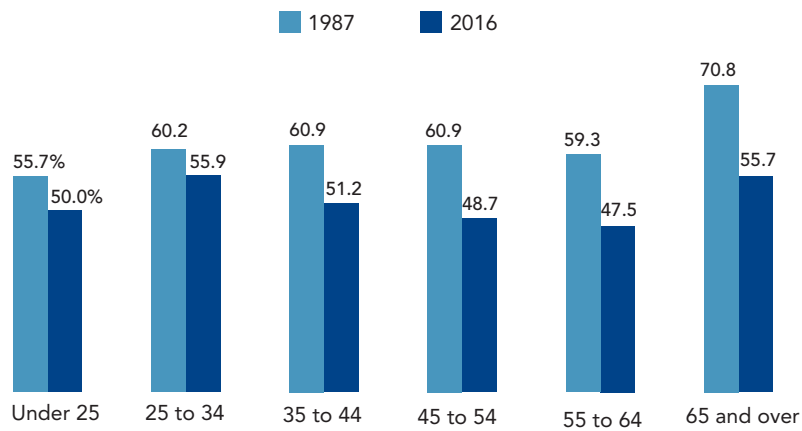
Source: The Conference Board, 2017

Table 1 Employers should focus resources on important job components workers are less satisfied with

	More important	Less important
Less satisfied	Potential for future growth Communication channels Recognition/acknowledgement Work/life balance Performance review process	Health plan Pension/retirement plan Bonus plan
More satisfied	Interest in work Supervisor	Commute to work Vacation policy

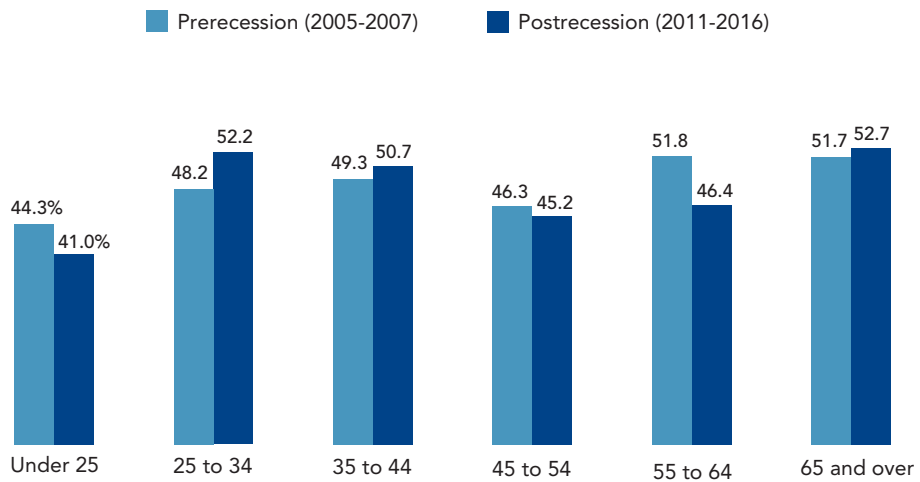
Source: The Conference Board, 2017

Age historical



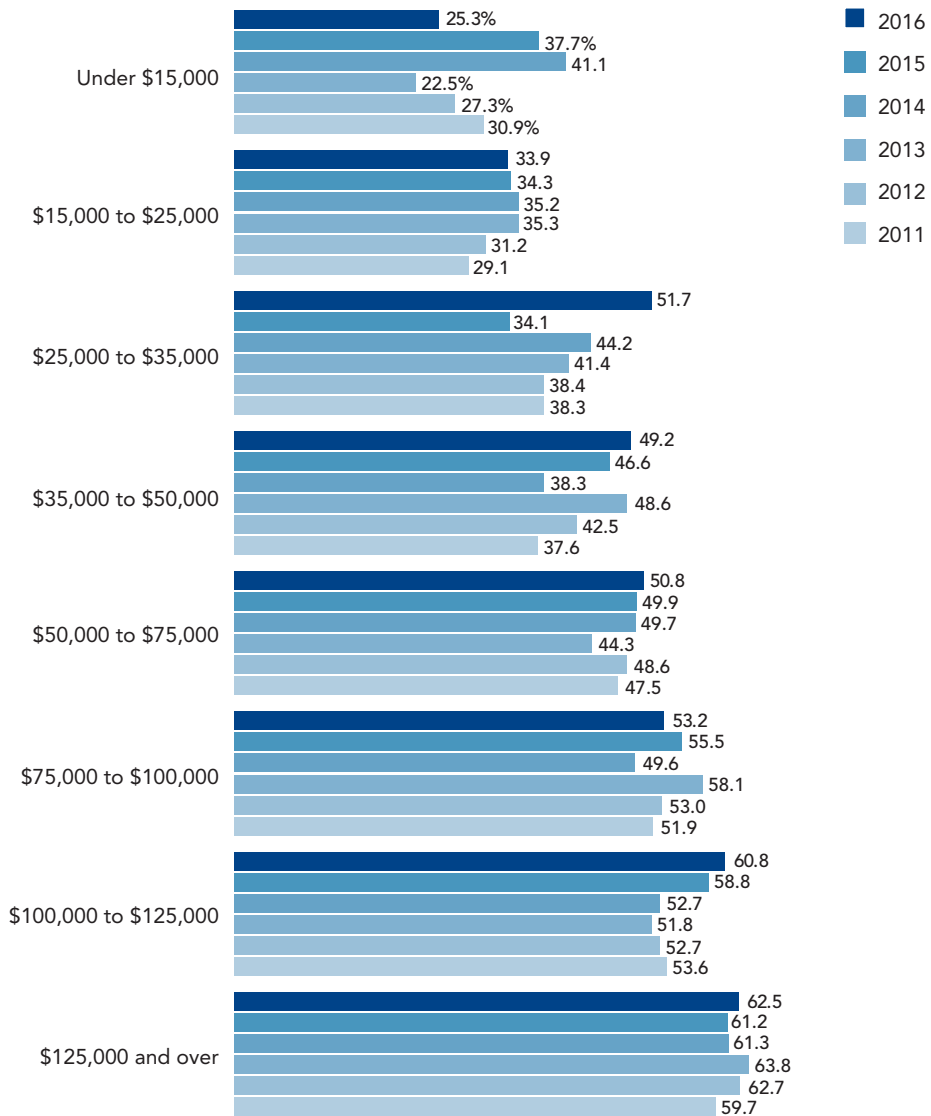
Source: The Conference Board, 2017

Age prerecession vs. postrecession



Source: The Conference Board, 2017

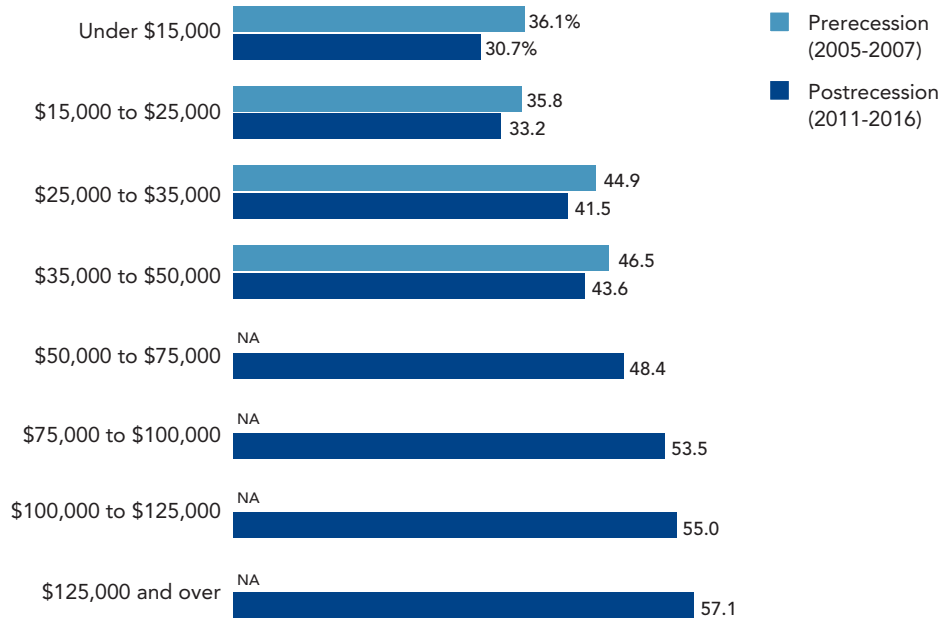
Income postrecession*



* Note: Average incomes increased significantly between 1987 and 2016, which has made job satisfaction for income groups less comparable over time than for other types of groups in this report.

Source: The Conference Board, 2017

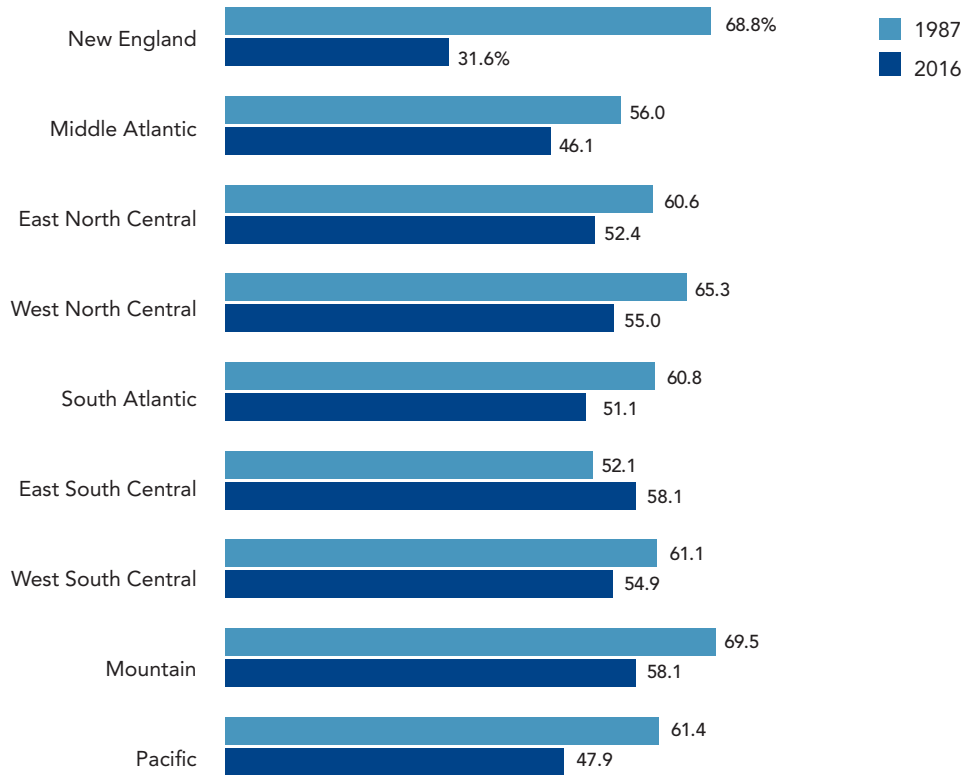
Income prerecession vs. postrecession



* Note: Average incomes increased significantly between 1987 and 2016, which has made job satisfaction for income groups less comparable over time than for other types of groups in this report.

Source: The Conference Board, 2017

Region historical



New England Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

Middle Atlantic New Jersey, New York, Pennsylvania

South Atlantic Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia

East North Central Illinois, Indiana, Michigan, Ohio, Wisconsin

East South Central Alabama, Kentucky, Mississippi, Tennessee

West North Central Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

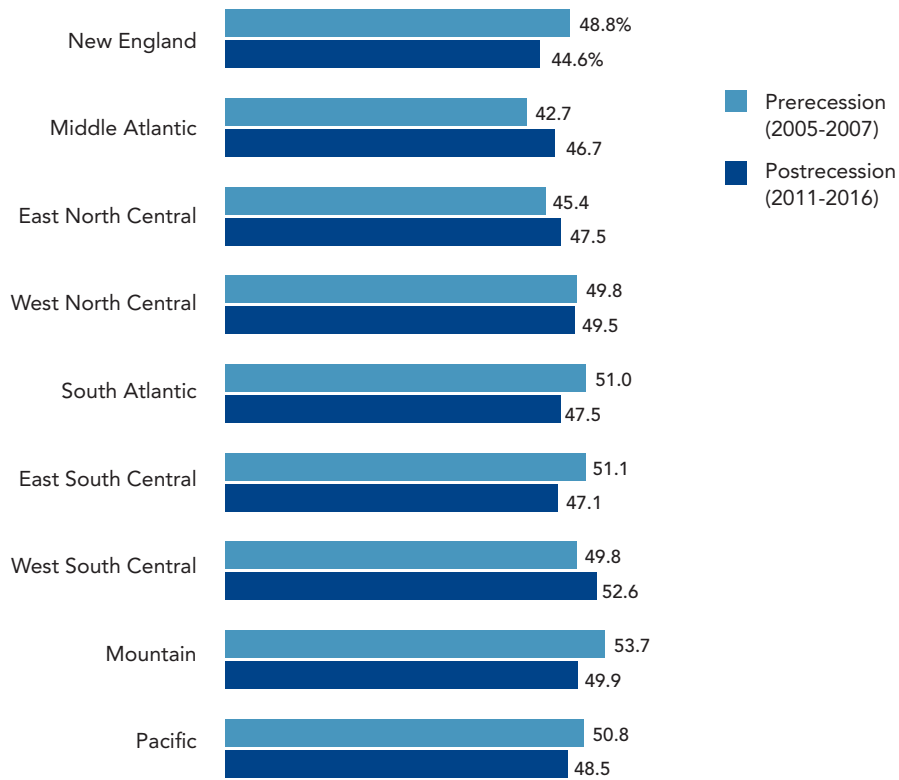
West South Central Arkansas, Louisiana, Oklahoma, Texas

Mountain Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming

Pacific Alaska, California, Hawaii, Oregon, Washington

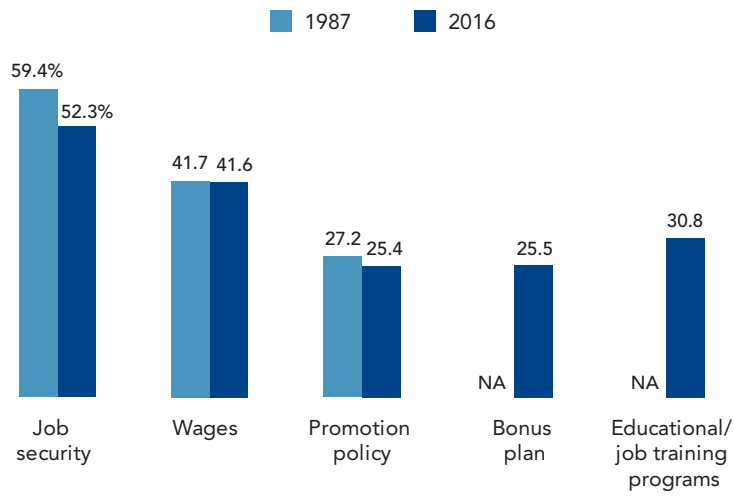
Source: The Conference Board, 2017

Region prerecession vs. postrecession



Source: The Conference Board, 2017

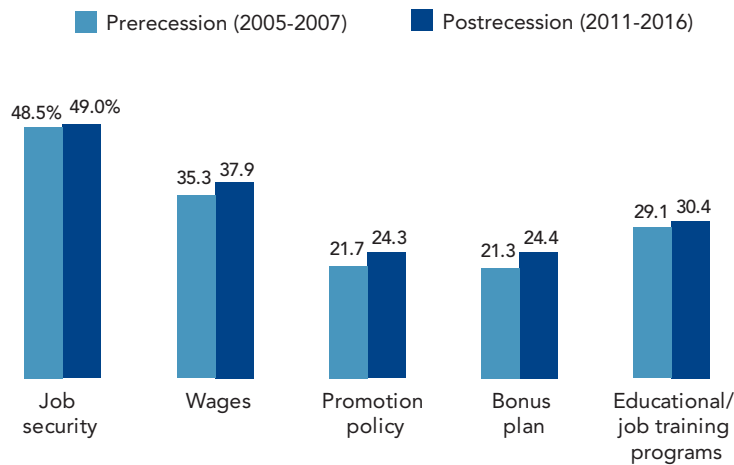
Economic historical



Note: NA indicates data collection for the job component did not occur until after 1987.

Source: The Conference Board, 2017

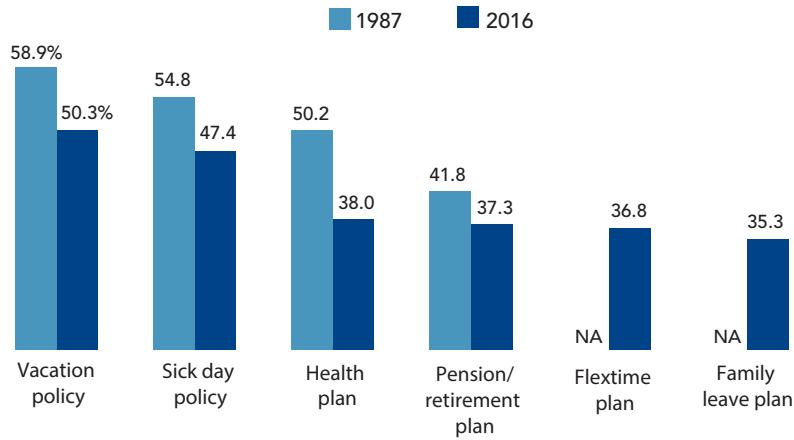
Economic prerecession vs. postrecession



Note: NA indicates data collection for the job component did not occur until after 1987.

Source: The Conference Board, 2017

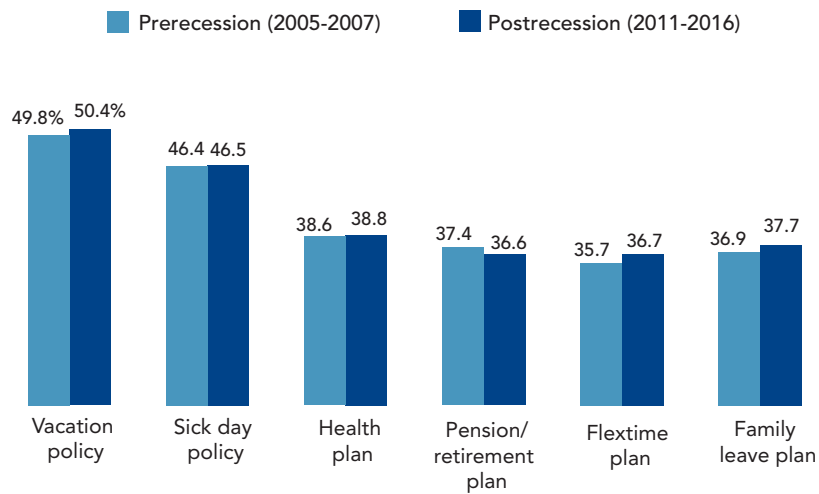
Fringe benefits historical



Note: NA indicates data collection for the job component did not occur until after 1987.

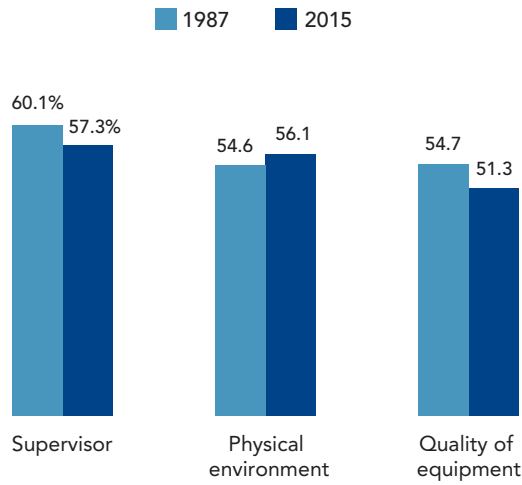
Source: The Conference Board, 2017

Fringe benefits prerecession vs. postrecession



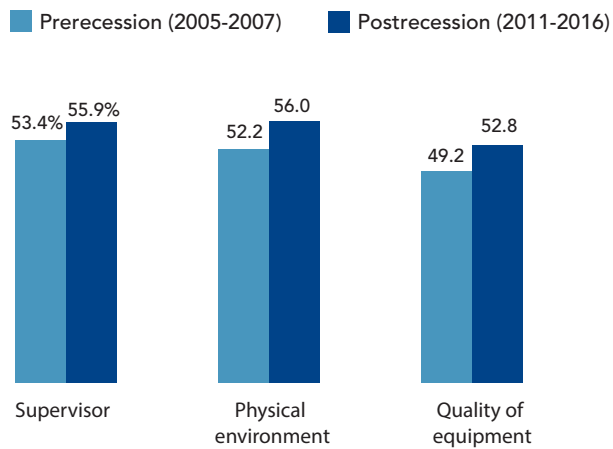
Source: The Conference Board, 2017

Work environment historical



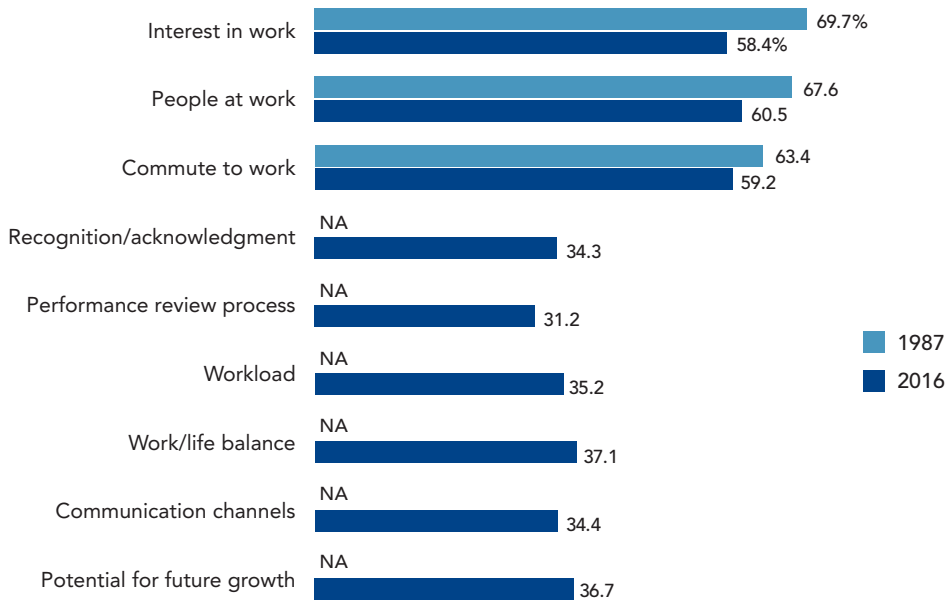
Source: The Conference Board, 2017

Work environment prerecession vs. postrecession



Source: The Conference Board, 2017

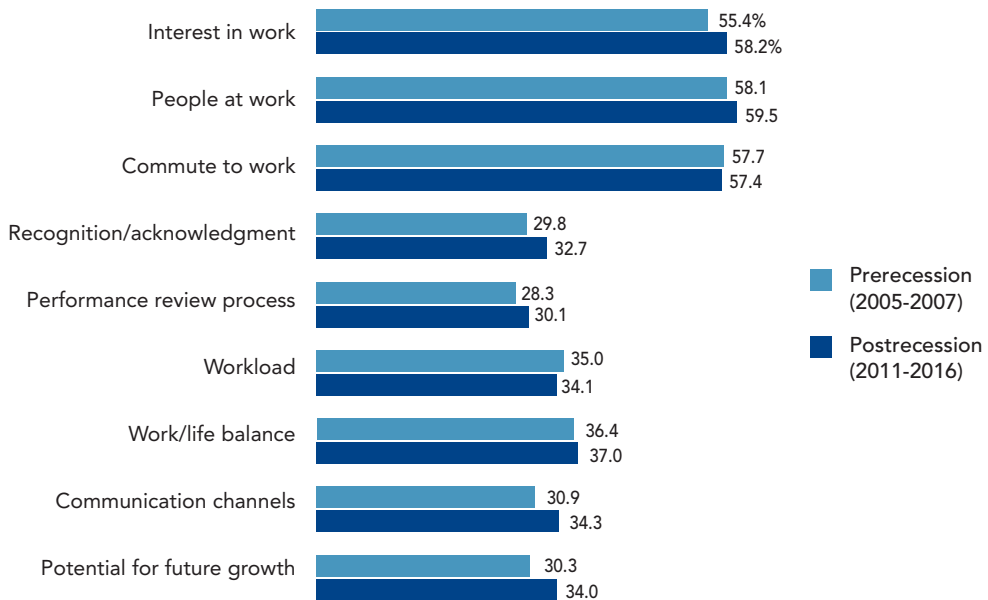
Other historical



Note: NA indicates data collection for the job component did not occur until after 1987.

Source: The Conference Board, 2017

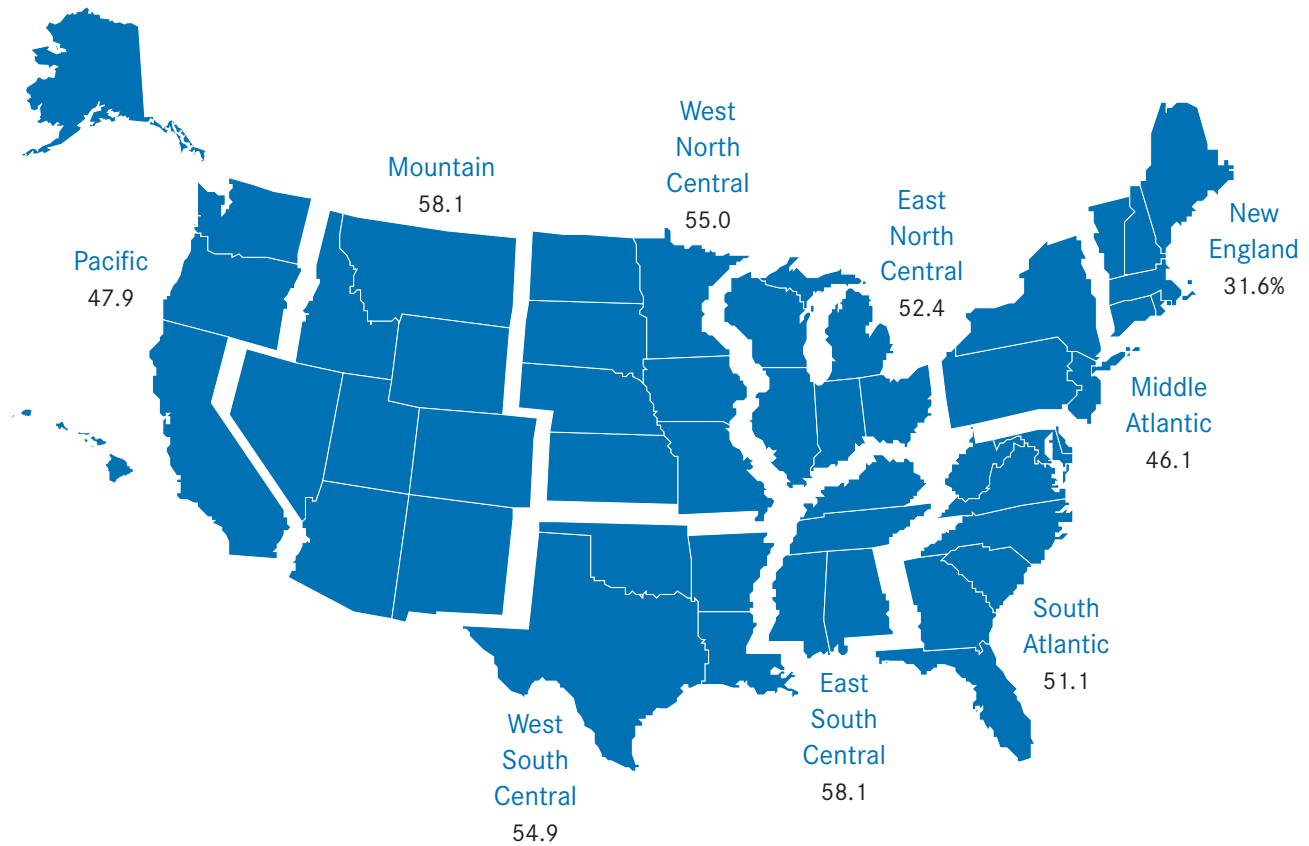
Other prerecession vs. postrecession



Source: The Conference Board, 2017

Census Regions Map

Percentages represent those satisfied with their jobs in 2016



New England Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

Middle Atlantic New Jersey, New York, Pennsylvania

South Atlantic Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia

East North Central Illinois, Indiana, Michigan, Ohio, Wisconsin

East South Central Alabama, Kentucky, Mississippi, Tennessee

West North Central Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

West South Central Arkansas, Louisiana, Oklahoma, Texas

Mountain Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming

Pacific Alaska, California, Hawaii, Oregon, Washington

Source: The Conference Board, 2017

About the Authors

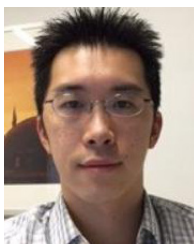


Michelle Kan is associate director, knowledge organization at The Conference Board. She is responsible for coordinating the enterprise-wide, key business issue process through which cross-functional dissemination teams, researchers, writers, and outside contractors develop and deliver expert-quality, aligned, and relevant content. She is also involved with the project management and research development for **The Conference Board CEO Challenge**[®] and the supervision of the Business Information Service (“AskTCB”) department. In her previous role as research associate on the human capital research team, her research projects spanned leadership development, organization design, talent management, and diversity and inclusion. She is a coauthor *The Conference Board Job Satisfaction survey*, *Designing Global Businesses for Innovation and Growth* (2014), *Do Ask, Do Tell: Encouraging Employees with Disabilities to Self-Identify* (2015), and *Inclusion + Innovation: Leveraging Diversity of Thought to Generate Business Growth* (2016). Kan graduated magna cum laude from Bryn Mawr College with a BA in sociocultural anthropology. She is currently a master’s candidate in social-organizational psychology at Teachers College, Columbia University.



Gad Levanon, PhD is chief economist, North America at The Conference Board. He oversees the labor market program, the US forecasting program, and the **Help Wanted OnLine**[®] program. Levanon created The Conference Board **Employment Trends Index**[™], a widely used measure that fills the need for a leading index of employment. His research focuses on trends in US and global labor markets, and forecasting using economic indicators. He also writes a popular blog on labor markets for the **Human Capital Exchange**[™]. In addition to writing reports for The Conference Board, Levanon has published extensively in academic and professional journals.

Before coming to The Conference Board, Levanon worked at the Israeli Central Bank, where he participated in the analysis of financial markets and monetary policy. Levanon received his PhD in economics from Princeton University and holds undergraduate and master’s degrees from Tel Aviv University in Israel.



Allen Li is an associate economist and member of the Business Cycle Indicators team at The Conference Board. He is responsible for the production and analysis of The Conference Board **Consumer Confidence Index**[®], **The Conference Board Leading Economic Index**[®] for Australia, **The Conference Board Measure of CEO Confidence**[™] and **The Conference Board Employment Trends Index**[™]. In addition, Allen is responsible for the production of **The Conference Board Economics Watch**[®] report and supports the production of The Conference Board Leading Economic Indexes[®] for the UK, Germany, Spain, Japan, and Korea. Li graduated from Stony Brook University with a BA in economics.



Rebecca L. Ray, PhD is executive vice president, knowledge organization and human capital at The Conference Board and the leader of the human capital practice. Previously, she was a senior executive responsible, at various times, for organizational learning, training, management and leadership development, employee engagement, performance management, executive assessment, coaching, organizational development, and succession planning at several marquee companies. She taught at Oxford University and New York University and led a consulting practice for many years, offering leadership assessment and development services to Fortune 500 companies and top-tier professional services firms. She was named “Chief Learning Officer of the Year” by *Chief Learning Officer* magazine and one of the “Top 100 People in Leadership Development” by *Leadership Excellence* magazine. She serves on the advisory boards for NYU’s Higher Education/Business Education program at The Steinhardt School of Education and the University of Pennsylvania’s Executive Program in Work-Based Learning Leadership. She is the co/author of numerous articles and books, including *Measuring Leadership Development*. She holds a doctorate from New York University.

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