

Executive Summary

In 2014, 86% of U.S. employees reported overall satisfaction with their current job, an improvement of five percentage points since 2013.

This year marks the greatest increase in the number of employees satisfied with their current job since SHRM began administering the Employee Job Satisfaction Survey in 2002. Although the degree of the increase may be a bit unexpected, the direction of employee job satisfaction is less surprising. As the economy becomes progressively stable, it may be easier for organizations to acquire additional resources. This allows for more flexibility in

Respectful treatment of all employees at all levels was rated as “very important” by 72% of employees in 2014, making it the top contributor to overall employee job satisfaction.

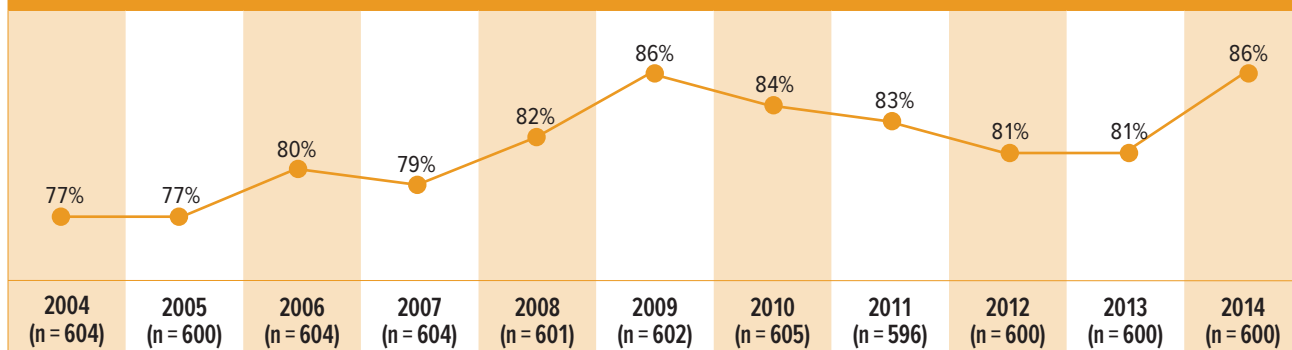
areas such as hiring and organizational development. By the same token, workers are gaining confidence in the labor market and seeking new employment opportunities that are more compatible with their needs and wants.

In 2014, 86% of U.S. employees reported overall satisfaction with their current job, an improvement of five percentage points since 2013; of this group, 39% reported being “very satisfied” and 47% “somewhat satisfied.” This percentage matches the highest level of satisfaction over the last 10 years, which was in 2009. Between 2009 and 2013, levels of job satisfaction had gradually declined.

Top Five Contributors to Employee Job Satisfaction in 2014

Respectful treatment of all employees at all levels was rated as “very important” by 72% of employees in 2014, making it the top contributor to overall employee job satisfaction. At 64%, trust between employees and senior management was the second most important contributor to job satisfaction. This year marks the first year these aspects have been included in this report. With the addition of these two new aspects come changes in the leading five job satisfaction contributors. Because both of these components encourage stronger rapport between employees and upper management, it is not surprising that these factors were rated highly as organizations transitioned out of a period of uncertainty.

FIGURE 1: Employee Job Satisfaction 2004-2014



Note: Figure represents respondents who indicated they were “somewhat satisfied” or “very satisfied” with their current job. Percentages are based on a scale where 1 = “very dissatisfied” and 5 = “very satisfied.” “Neutral/Neither satisfied nor dissatisfied” responses were excluded from this analysis.

Source: Employee Job Satisfaction and Engagement (SHRM, 2015)

FIGURE 2: Job Satisfaction Aspects Rated as “Very Important” and “Very Satisfied” by Employees

Importance		Satisfaction
72%	Respectful treatment of all employees at all levels (1)	33%
64%	Trust between employees and senior management (2)	28%
63%	Benefits, overall (3)	27%
61%	Compensation/pay, overall (4)	24%
59%	Job security (5)	32%
58%	Relationship with immediate supervisor (6)	40%
58%	Opportunities to use your skills and abilities in your work (6)	34%
56%	Immediate supervisor’s respect for my ideas (7)	37%
55%	Organization’s financial stability (8)	33%
55%	Management’s recognition of employee job performance (8)	24%
55%	Communication between employees and senior management (8)	23%
53%	Feeling safe in your work environment (9)	48%
52%	Management’s communication of organization’s goals and strategies (10)	26%
50%	The work itself (11)	36%
48%	Overall corporate culture (12)	31%
47%	Career advancement opportunities within the organization (13)	20%
47%	Autonomy and independence (13)	28%
46%	Meaningfulness of job (14)	35%
44%	Relationships with co-workers (15)	42%
43%	Teamwork within department/business unit (16)	26%
42%	Organization’s commitment to professional development (17)	23%
41%	Teamwork between departments/business units (18)	22%
41%	Job-specific training (18)	22%
41%	Communication between departments/business units (18)	21%
39%	Career development opportunities (19)	21%
38%	Contribution of work to organization’s business goals (20)	33%
37%	Variety of work (21)	32%
33%	Networking opportunities (22)	21%
31%	Company-paid general training (23)	24%
31%	Organization’s commitment to corporate social responsibility (23)	26%
29%	Organization’s commitment to a diverse and inclusive workforce (24)	28%
20%	Organization’s commitment to a “green” workplace (25)	19%

Note: n = 600. Importance percentages are based on a scale where 1 = “very unimportant” and 4 = “very important.” Satisfaction percentages are based on a scale where 1 = “very dissatisfied” and 5 = “very satisfied.” Data are sorted in descending order by the percentage of respondents who indicated “very important.”

Source: *Employee Job Satisfaction and Engagement* (SHRM, 2015)

Overall *benefits* were the third most important job satisfaction contributor, with 63% of employees rating it as “very important.” With the exception of 2012, benefits have been among the top five contributors to job satisfaction since SHRM began administering the job satisfaction survey in 2002. Moving from the fourth position in 2013, this jump is expected as employees are concerned about the cost of health care and their financial readiness. Furthermore, as the economy continues to improve and workers gain more confidence in finding new employment opportunities, organizations will need to develop strategies to retain their top talent—for example, offering a comprehensive benefits package that includes extra incentives that may persuade employees to continue their tenure.

Compensation/pay was reported as “very important” by 61% of responding employees. While compensation/pay was last year’s leading job satisfaction contributor, it has fallen to the fourth position in 2014. Seeing as benefits were rated as “very important” by more employees than compensation/pay this year, organizations may want to consider incorporating a total rewards program that includes both aspects instead of relying solely on compensation/pay moving forward.

Job security was rated fifth among the factors reported as “very important” to job satisfaction in 2014; 59% of employees rated it as “very important,” unchanged from 2013. Although this aspect continues to remain critical to employees, the importance of other factors has surpassed the importance of job security given the current state of economic conditions.

Top Aspects Contributing to Employee Engagement in 2014

Employee engagement may or may not be aligned with employee job satisfaction, as engagement is tied to employees’ connection and commitment to their work and their particular organization.

Employee engagement is typically defined by the actual conditions in the workplace (the environment and the

work itself) and workers’ opinions and behaviors (how the employees perceive their relationship with their work, as well as how they view others around them relating to their work).

79% of employees were satisfied with their relationships with co-workers.

The top engagement factors for work conditions included the following:

- 79% of employees were satisfied with their relationships with co-workers.
- 76% of employees were satisfied with contribution of their work to their organization’s business goals.
- 75% of employees were satisfied with the meaningfulness of their job.

Employee engagement factors were also analyzed according to a variety of demographics, including gender, age and job level. Statistically significant differences revealed from these analyses are shown in the Appendix.

The top engagement factors as they related to *behaviors* and *opinions* included the following:

- 92% of employees were confident they could meet their work goals.
- 88% of employees were determined to accomplish their work goals.
- 76% of employees had a clear understanding of their organization’s vision/mission.

TABLE 1: Top Five Aspects of Job Satisfaction Rated as “Very Important” by Employees: 2004-2014

	2004 (n = 604)	2005 (n = 601)	2006 (n = 605)	2007 (n = 604)	2008 (n = 601)	2009 (n = 601)	2010 (n = 600)	2011 (n = 600)	2012 (n = 600)	2013 (n = 600)	2014 (n = 600)
Respectful treatment of all employees at all levels	—	—	—	—	—	—	—	—	—	—	72% (1)
Trust between employees and senior management	—	—	—	—	—	—	—	—	—	—	64% (2)
Benefits, overall	68% (1)	63% (1)	65% (2)	59% (1)	57% (2)	60% (2)	60% (2)	53% (5)	53%	53% (4)	63% (3)
Compensation/pay	63% (2)	61% (2)	67% (1)	59% (1)	53% (3)	57% (3)	53% (5)	54% (4)	60% (3)	60% (1)	61% (4)
Job security	60% (4)	59% (4)	59% (3)	53% (2)	59% (1)	63% (1)	63% (1)	63% (1)	61% (2)	59% (2)	59% (5)

Note: A dash (—) indicates the question was not asked on that year’s survey. Table represents the percentage of respondents who rated each aspect as “very important” to their job satisfaction. Percentages are based on a scale where 1 = “very unimportant” and 4 = “very important.”

Source: *Employee Job Satisfaction and Engagement* (SHRM, 2015)

TABLE 2: Top Five Employee Engagement Conditions

	2011 (n = 600)	2012 (n = 600)	2013 (n = 600)	2014 (n = 600)
Relationship with co-workers	76% (1)	79% (1)	73% (1)	79% (1)
Contribution of work to organization's business goals	71% (4)	72% (3)	66% (4)	76% (2)
Meaningfulness of the job	69% (5)	70% (5)	64%	75% (3)
Opportunities to use skills/abilities	74% (2)	75% (2)	70% (2)	74% (4)
Relationship with immediate supervisor	73% (3)	71% (4)	70% (2)	73% (5)
The work itself	76% (1)	70% (5)	68% (3)	73% (5)
Organization's financial stability	63%	63%	65% (5)	73% (5)

Note: Table represents the percentage of respondents who indicated they were "somewhat satisfied" or "very satisfied" with each employee engagement condition. Percentages are based on a scale where 1 = "very dissatisfied" and 5 = "very satisfied." Respondents who indicated "Not applicable" were excluded from this analysis.

Source: *Employee Job Satisfaction and Engagement* (SHRM, 2015)

TABLE 3: Top Five Employee Engagement Opinions and Behaviors

	2011 (n = 600)	2012 (n = 600)	2013 (n = 600)	2014 (n = 600)
I am confident I can meet my work goals.	—	—	—	92% (1)
I am determined to accomplish my work goals.	—	—	—	88% (2)
I have a clear understanding of my organization's vision/mission.	—	—	—	76% (3)
I am highly motivated by my work goals.	68% (4)	67% (3)	64% (4)	74% (4)
I frequently feel that I'm putting all my effort into my work.	70% (2)	77% (2)	69% (2)	69% (5)

Note: A dash (—) indicates the question was not asked on that year's survey. Table represents the percentage of respondents who indicated they "agree" or "strongly agree" with the statements regarding employee engagement. Percentages are based on a scale where 1 = "strongly disagree" and 5 = "strongly agree."

Source: *Employee Job Satisfaction and Engagement* (SHRM, 2015)

What Do These Findings Mean for Organizations?

- **Pay is important, but culture may mean more.** Compensation and benefits are always ranked highly by employees when evaluating satisfaction with their jobs. However, there is increased evidence that corporate culture and relationships with co-workers and managers are held in higher esteem by workers. Nearly three out of four respondents to this survey indicated that respectful treatment of employees at all levels was "very important" when ranking job satisfaction. Knowing this, HR professionals should ensure that their workplace culture and employee engagement strategies are of equal importance to compensation, benefits and other responsibilities.
- **When forming a compensation and benefits strategy, be flexible.** As hiring activity continues to increase in the U.S. labor market, HR professionals must craft competitive pay packages in order to retain and recruit top talent. More workers are seeking flexible schedules in order to better balance their careers and time away from the office, and this change should be taken under

consideration, if possible. More than one-half (56%) of respondents to this survey indicated that they would be unlikely or very unlikely to look for a new position outside of their organization in the next year. The leading reasons these employees expected to remain at their current organization were compensation/pay (45%) and flexibility to balance work and life issues (42%). Aside from a competitive base salary, HR professionals should also leverage benefits, such as flexible work arrangements, as a means of attracting workers at all levels of their organization.

- **Define workers' roles in your organization and promote interaction.** Employee engagement is defined, in part, by the conditions in the workplace, and workers have shown an increased preference for knowing their role and where they fit into the success of the organization. HR professionals should make the goals of their organization clear to all workers and then illustrate how those workers' responsibilities contribute to the achievement of organizational goals. This can be achieved in a collaborative environment that encourages regular feedback and interaction among co-workers, as well as between employees and their supervisors.

