

AGE, PAY IMPORTANCE AND PAY SATISFACTION
FOR CONTINGENT AND NON-CONTINGENT GROUPS

A Thesis
Presented to
the Faculty of the Department of Psychology
University of Houston

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts

By
Stephen W. Constantin

August, 1974

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ABSTRACT

The relationships among age, pay importance, and pay satisfaction were investigated for 180 female employees, with job and salary level controlled, in two organizations differing in the reward contingency system. Four previously used measures of pay importance, and four measures of pay satisfaction were used. Little agreement was found among the importance measures, while good agreement was found among the pay satisfaction measures. No relationship was found between age and pay importance, nor between age and pay satisfaction. Only a moderate negative relationship was found between pay importance and pay satisfaction. There were no significant age-importance-satisfaction relationships for either the Contingent or the Non-contingent group. Differences between the two groups were found for the pay satisfaction and perceived pay determiner relationships. The "correct" perception of the organizational reward determiners was related to pay satisfaction.

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CHAPTER I

INTRODUCTION

Many organizations operate using various assumptions regarding how attitudes and behaviors are influenced by pay. The most common assumption is simply that pay motivates behavior, while the other important factors are ignored. Much research has been conducted regarding aspects of pay and until recently no attempt had been made to organize the literature into major areas and models. Lawler (1971) presents such an organization and proposes theoretical models to account for why pay is important, why pay is motivating and when pay is satisfying. The current investigation will focus on the importance of pay and satisfaction with pay.

Importance is investigated because it is an input variable relevant for both motivation and satisfaction. Lawler (1971) proposes a model of the way pay gains importance: "pay will be important to the extent that it is perceived to be instrumental in obtaining satisfaction of a person's needs and the extent that these needs are themselves important." The model is based on Maslow's need hierarchy and states that the instrumentality of pay for satisfying a need should be multiplied by the importance of that need. The sum of these products is the importance of pay. Various factors influence both the instrumentality and the importance of a need and therefore, the importance of pay. Such factors are environmental (job), learning, and personal. The personal factors will be discussed later.

Pay satisfaction is investigated because it relates directly to the motivating aspects of pay and is influenced by the importance of pay. Lawler's (1971) model of pay satisfaction states that "satisfaction is basically determined by the differences between perceived pay and the person's belief about what his pay should be." When these two perceptions are in agreement satisfaction is achieved. The perceived amount of pay received consists of the actual pay rate, the wage history and the perceived pay rate of referent others. The perceived amount of pay that should be received is influenced by perceived job factors, perceived inputs and outcomes of referent others, and perceived personal job inputs (factors). The same job and personal factors that influence the importance of pay also influence a person's satisfaction with pay.

As stated previously, importance is related to motivation and satisfaction, and satisfaction is related to motivation. But exactly how are these concepts related? Lawler (1971) proposes a model relating importance, satisfaction, and motivation. The model "shows performance, importance, satisfaction and motivation influencing one another and being influenced by one another." For example: the importance of pay will influence the motivation to perform. Once a performance level is reached, rewards will occur which lead to a degree of satisfaction. In turn, the satisfaction level will affect the degree of importance of pay and therefore motivation. Regarding the specific relationship between importance and satisfaction Lawler states: "As he becomes more satisfied with the level of rewards he receives in a certain area, the less important these rewards will be to him." Thus, a negative relation

between pay importance and satisfaction is stated.

In the model, personal factors or personal inputs influence importance and satisfaction. These personal factors include: skill, experience, training, age, seniority, education and past and present performance. One factor, age, may be an important input variable influencing both pay importance and satisfaction. A person has come to expect that, even from childhood, as he grows older he is entitled to be considered for greater rewards. Often age becomes a part of a person's qualifications for certain jobs. This study will attempt to examine the effect the personal input variable of age will have on the importance of pay and the satisfaction with pay, and the relationship between importance and satisfaction.

As Lawler (1971) stated in his model, the relationships between personal inputs and importance and satisfaction will occur only in a situation in which the reward of pay is contingent upon performance. If this contingency does not occur the individual will not perceive that the importance of the reward (pay), his motivation, nor his satisfaction are related. In order to investigate this factor, this study will compare the relationships for two organizations employing a contingent pay system and a non-contingent pay system.

CHAPTER II

REVIEW OF THE LITERATURE

Most of the early research on the importance of pay focused on how important pay is compared to other job features. These were usually self-report rankings of various job factors. As pointed out by Opshal and Dunnette (1966) there are several methodological problems associated with the self-report technique, such as a social desirability response set, the possibility that self-report reinforcement contingencies are quite different from the job situation, and that people are poor judges of what they really want. Therefore, Opshal and Dunnette conclude that observations on the job are the only approach to gain a real understanding of preferences. However, as Lawler (1971) illustrates, the concern is not with the importance of pay relative to other factors but rather what factors influence the importance of pay for different groups. The criticisms of social desirability and reinforcement contingencies may be relevant but if they affect all groups equally we may conclude that there would be no systematic difference between the groups except for the factor investigated.

Pay Importance and Age

Several studies have been conducted investigating personal factors related to the importance of pay. Of these, five studies have examined the influence of age on the importance of pay and four studies have examined age and need importance.

Gruenfeld (1962) asked 52 supervisors from various companies to indicate the most important job characteristic in each pair of 18 job

characteristics presented in the paired comparison method. Thus, each characteristic appeared in 17 comparisons and the maximum importance score was 17. The supervisors were divided into young, middle and old age preference groups; no actual age ranges were provided. In response to the characteristic "higher wages" the average importance scores were 11, 8, and 6 for the young, middle and old age groups respectively. Thus, the evidence indicates a decrease in the importance of pay with age. Gruenfeld also found that in response to "greater job security" the younger and older respondents rated it higher on importance than as rated by the middle age group.

In a study conducted in Calcutta, Lahiri and Choudhuri (1966) asked 50 technical and 50 non-technical males to rank 21 job factors on importance. The subjects were divided into four age groups: below 25, from 26 to 30, from 31 to 35, and 36 and above; the mean pay importance rankings were 1, 1.5, 2, and 2.5 respectively. Lahiri and Choudhuri held the job level and the salary range constant for the respondents. The results indicate a slight decrease in pay importance for increasing age. Lahiri and Choudhuri also found that job security ranked fourth for all age groups except the middle group 31 to 35 years old which ranked it first in importance.

In identical studies differing only in sample size, Jurgensen (1947, 1948) asked job applicants to rank 10 factors in order of their importance. In the 1947 study 1189 males were divided in five age groups: under 25, 25-29, 30-34, 35-39, and 40 and over. The mean importance ranking for each age group was 5.8, 6.3, 6.6, 7.0, 6.6 respectively. The 1948 study consisted of 3345 applicants divided into eight age

groups: under 20, 20-24, 25-29, 30-34, 35-39, 40-44, 45-49, and 50 and above. The respective mean rankings of importance for each age group was: 5.3, 5.6, 6.0, 6.3, 6.9, 6.8, 6.5, 6.9. The results of both studies indicate a general decrease in importance until around 35 to 40 years old when it appears that pay either becomes more important or remains stable.

Recently Schuster and Clark (1970) conducted a study of 575 professional employees in which they were asked to agree, disagree or remain undecided on two questions on pay importance: "My salary level is important" and "Other things are more important than pay." The subjects were divided according to age groups: 20-29, 30-39, and 40 and over. The percentage agreeing with the first statement for each group was 88, 93, and 95 percent respectively. The percentage disagreeing with the second question were 39, 47, and 55 percent respectively. The results indicated that pay was rated as more important by older respondents.

The studies cited here have mixed results as to the relationship between age and importance of pay. Four studies, using ranking, found importance to decrease with age. One study, using statement agreement, found importance increasing with age. In all but one study, Lahiri and Choudhuri (1966), in Calcutta, job level and salary range were uncontrolled. Usually there is a positive correlation between age and job and salary level. It is possible that the result are reflections of the job and salary level as opposed to age.

According to the model, the importance of needs directly influence the importance of pay. In a study of need importance and job level, Porter (1963) asked 1916 managers to rate the importance of statements relating to Maslow's need categories. Porter found that older managers

placed more importance on security needs than do younger managers. If pay is related to satisfying security needs we would expect that pay becomes more important with age.

In a study of 257 paper company employees, Meltzer (1963) asked multiple choice questions relating the importance of various needs. Meltzer found that steady work (security) was more important to older workers. This would agree with Porter (1963) and support his conclusions that pay importance should increase with age.

As stated previously Gruenfeld (1963) found job security most important for younger and older respondents. Lahiri and Choudhuri (1966) found the opposite, that the middle age group ranked security as the most important. Again, for the mentioned studies, all but Lahiri and Choudhuri (1966) failed to control for job and salary level. Thus, the data related to age and need importance is also unclear.

In examining both the importance of pay and need importance and age no clear statement seems appropriate. Further research controlling job and salary levels appears necessary.

Pay Satisfaction and Age

Various attempts have been made to determine the relationship between age and pay satisfaction. Again, as in pay importance literature, the results are mixed.

Morse (1953) asked 635 female clerical workers, to rate four statements which combined to give a high, medium, and low degree of financial and job status satisfaction. The employees were divided into five age groups: 17-20, 21-24, 25-30, 31-44, and 45 and over. The percent of high financial and job status satisfaction for each group respectively

was: 37, 31, 15, 16, 12. Thus, the satisfaction decreased with age. Other factors relating to financial and job status satisfaction were type of work, salary and length of service. Morse found that satisfaction decreased with job level, salary, and length of service. Since level and tenure were uncontrolled when investigating age, it is difficult to ascertain what factor may have a direct influence on satisfaction.

A discrepancy score of the agreement between "how much pay should be in my position" and "how much pay is there now" was used by Lawler and Porter (1966) to investigate the age and pay satisfaction relationship. In the survey of 1916 managers the findings were that there is no relationship between age and pay satisfaction and a positive relation between salary and pay satisfaction. The results were given only as correlations with no data presented for the responses of different age groups. It is possible that all managers rated equally on discrepancy scores indicating high or low satisfaction with pay, illustrating a zero correlation.

Hulin and Smith (1965) used the pay satisfaction subscale of the Job Description Index (Smith, Kendall and Hulin, 1969) to investigate the relation of age and tenure to pay satisfaction. In the sample of 185 male workers Hulin and Smith found that satisfaction with pay increases with age and tenure.

Gibson and Klein (1970) asked 2,067 blue collar workers to "Rate your pay considering your duties and responsibility". Analysis of variance and partial correlation detected a slight positive relationship between age and satisfaction with pay (.14). A negative relation

was found between tenure and overall job satisfaction but there was no relation between tenure and pay satisfaction. Thus, it would appear that satisfaction with pay increases slightly with age.

In a previously mentioned study measuring pay importance, Schuster and Clark (1970) also measured pay satisfaction by asking the respondents to rate questions on their pay compared to others with similar duties, fairness of their pay and if others are paid more. The older subjects rated their pay as more satisfying than did the younger subjects. The findings of the Schuster and Clark study were that both pay satisfaction and importance increase with age.

As with the research on pay importance, there were no conclusive results determining the relationship between pay satisfaction and age. In the five studies reported one states that there is a decrease in satisfaction, one concludes no relationship, and three state that satisfaction increases with age. All studies failed to control for the job and salary level and therefore the results may possibly be attributed to these factors rather than to age. Both Andrews and Henry (1963) and Lawler and Porter (1963) found that higher paid and higher level managers appear to be better satisfied with their pay. Thus, from these conclusions it would appear that job and salary level must be controlled before any conclusions may be reached from the data.

Pay Importance and Pay Satisfaction

Although Lawler (1971) proposes a model, only two studies investigate the relationship between pay importance and satisfaction. Lawler hypothesizes that a negative relationship exists between importance and satisfaction.

In a study testing a new theory of human needs, Alderfer (1969) found some evidence to support the hypothesis that high satisfaction of needs, other than self-actualization, will lead to those needs being less important. The findings suggest support for Lawler's (1971) model but the items used to estimate pay importance asked the respondents to rate how much more they would prefer for two situations: good pay for work and frequent raises in pay. These are treated as importance items but are called "desire" items. Thus, the hypothesis is inconclusive regarding the actual importance of pay as measured in other studies.

In a more appropriate study mentioned previously, Schuster and Clark (1970) related age to both importance and satisfaction with pay. It was found that both variables increased with age, contrary to the model presented. As stated, Schuster and Clark failed to control job level and salary range. It is possible that the older employees were in higher level and higher paid positions which confounded the age variable. Schuster and Clark also found that older respondents perceived themselves as having greater job inputs than the younger employees, yet their satisfaction was high. This may have resulted from greater job outcomes thus leading to satisfaction. If salary range is controlled, the perceived job inputs may be higher for older employees while the salary range equals referent others. In such a situation lower pay satisfaction would be expected.

As stated previously, failure to control for job and salary level may confound the results when investigating the effect of other factors on pay importance and satisfaction. In attempting to determine the influence of age it is necessary to study the relationship between age,

pay satisfaction and pay importance in a situation in which both job level and salary range are controlled.

Reward Contingency

The impact of organizational reward contingencies has been investigated in several studies. Graen (1969) introduced the idea of "boundary conditions" to explain the findings that his VIE model predictions were supported only under a contingent situation. Schneider and Olson (1970) reported differences between contingent and non-contingent organizations on observed effort of the employees, but found no differences in the reward value of pay. In a work simulation, Cherrington, Reitz and Scott (1971) found that appropriately reinforced subjects were not significantly more satisfied with their pay than an inappropriately reinforced group. However, the relationship between satisfaction and performance was reported to depend upon a contingency situation. In a recent study, Dachler and Mobley (1973) reported that a contingent group perceived a stronger performance-outcome contingency than did a non-contingent group, but that the two groups showed very similar patterns of outcome desirability. They further stated that the expectancy theory predictions were supported in the contingent group but not in the non-contingent situation.

From the evidence it appears that the reward contingency is an important consideration but the effects on pay importance and pay satisfaction are unclear at this time.

Hypotheses

The present study attempts to determine the relationships between the three variables of age, the importance of pay and the satisfaction

with pay. Since expectancy theory (Lawler, 1970) states that pay must be tied to performance, the relationships are investigated for a contingent and a non-contingent organization.

Hypothesis 1: With job and salary level constant, age and pay importance will be positively related. Pay will be more important for older employees because age is a greater input variable.

Hypothesis 2: Age and pay satisfaction will be negatively related. Since pay level is the same for younger and older employees the older will see age as an important input variable and be less satisfied with their pay level.

Hypothesis 3: There will be a negative relationship between pay importance and pay satisfaction.

Hypothesis 4: The above relationships will be "stronger" for the contingent group since the employees should see a greater relationship between pay and performance than the non-contingent group.

CHAPTER III

METHOD

Sample

A total of 250 questionnaires were distributed at two organizations and the employees were asked to return them in the envelope provided. A total of 180 responded for a return rate of 72 percent. The two organizations were selected on a number of criteria: first, their willingness to allow data collection; second, a sufficiently large number of people within the same job level and salary range; third, an adequate range of ages in the sample; and fourth, that one firm have a merit pay system in which pay is contingent upon performance, and the other have a pay system non-contingent upon performance. The two organizations sampled met these criteria.

The contingent sample consisted of 130 female service representatives of which 93 (71.5 percent) responded. The service representatives received customer calls regarding service and billing, and prepared new orders and bills. The firm prided itself on the merit pay system in which semi-annual employee evaluations are made with subsequent pay increases based on these evaluations. All employees received instruction regarding the procedure of evaluations and pay administration.

The non-contingent sample consisted of 120 secretaries, employed at a state university of which 87 (72.5 percent) responded. The secretaries duties include providing information to callers and

visitors, typing, and other office duties. The organization has no formal appraisal system for its employees and no compensation plan regarding merit pay increases.

Questionnaire

The questionnaire was developed in order to incorporate all previously used pay importance and pay satisfaction measures. The form was distributed to each employee, accompanied by a stamped return envelope and cover letter of introduction (Appendix A). The questionnaire can be divided into four general sections consisting of biographical information, perceived determiners of pay, pay importance items, and pay satisfaction items.

Biographical Items The biographical items consisted of listings of age, tenure, salary, years to retirement, marital status, number of dependent children, and education.

Perceived Determiners of Pay Five items were used to estimate the perceptions of the respondents regarding what factors determined their pay: the quality of their work, how hard they try to do a good job, how much their supervisor likes them, the speed of their work, and how long they have worked for the company. They were asked to rate their agreement with statements that their pay level depends on each of the five factors listed above. These items were utilized as a check on the perceptions of the members of the contingent and non-contingent groups. Was the pay of the contingent group perceived as being determined by quality of work? Was the contingency and non-contingency actually perceived by the members of each sample?

Pay Importance A total of four estimates of pay importance were used. Three have been used previously, while one was developed for this study. The first estimate of individual pay importance (PI1) consists of asking each respondent to rank ten job factors in the order of importance for them. The ranking has been previously used by Jurgensen (1947, 1948).

The second estimate of pay importance (PI2), similar to Gruenfeld's (1962) paired characteristics, was developed for use in this study. It consists of five pairs of behavioral situations in which the individual is directed "to check the choice you would prefer." These were developed as an attempt to simulate, as Opshal and Dunnette (1966) suggest, preferences made on the job. The five pairs are:

have a paid holiday	or	work on the holiday at doubletime
my current salary and the hospitalization plan	or	have the money for a hospitalization plan added to my current salary
4 weeks vacation, 2 paid and 2 unpaid	or	2 weeks paid va- cation
a promotion with no increase in my present salary	or	increase in salary but remain in pre- sent job
always work a regular 40 hour week with no option for overtime	or	a 40 hour week plus 8 hours paid over- time

The items that would maximize the individual's salary were considered to be an indication, if chosen, of the importance of pay. Thus, all items listed here on the right were scored as indicating high pay importance.

The third (PI3) and fourth (PI4) pay importance ratings have been used by Schuster and Clark (1970). The respective ratings are to the

statements "my salary level is important" and "other things are more important than pay".

Pay Satisfaction Four estimates of pay satisfaction have been previously used and are utilized in this study. The first (PS1) and second (PS2) ratings are the "is now" and the "should be - is now" (discrepancy) used by Lawler and Porter (1966). The PS1 is the rating of "how much pay is associated with your job". This rating is used not only in the discrepancy score but also singularly as a measure of the individual's perception (satisfaction) of what she is now receiving. The individual is also asked to rate "how much pay should be associated with your job". This second rating allows us to obtain a discrepancy score of satisfaction (PS2) between how much pay she is now receiving and how much pay she perceives she should be receiving.

The third estimate of pay satisfaction (PS3) has been used by Gibson and Klein (1970) and consists of asking the respondent to "rate your pay considering your duties and responsibilities" on a 4 point scale from very inadequate to more than adequate.

The final estimate of pay satisfaction (PS4) is the Pay subscale of the Job Description Index (Hulin and Smith, 1965). The entire JDI was administered to both samples.

Analysis

All measures, except the discrepancy satisfaction, were scored according to the rating made by the respondents. In the case of the discrepancy score the subtraction was made, a constant of 6 was added, and each score was transformed so that the higher the score the higher the satisfaction (instead of the inverse relationship usually used in

the literature). The Job Description Index was scored according to the method given in Smith, Kendall and Hulin (1969).

Frequency distributions for age by group were computed for the importance and satisfaction measures. Intercorrelation matrices, unbiased estimates using bivariate subsample method for missing data, were computed for the total sample and two subsamples for all variables. A two-way analysis of variance, for unequal cell frequencies and missing data using the unweighted means method, (Scheffe, 1959) (age x group) was computed for the importance and satisfaction dependent variables. In investigating the differences between the two groups for the determiners of pay, t-tests were computed.

CHAPTER IV

RESULTS

The data are presented in three sections. The first consists of the total sample descriptive statistics and the results for the first three hypotheses. The second presents the data for the Contingent and Non-contingent groups and the results on the fourth hypothesis. The final section presents an analysis of the relationship between the perceived pay determiners and pay satisfaction.

Total Sample Statistics

The frequency distribution for the biographical items of age, education, tenure, years to retirement, marital status, and the number of dependent children are presented in Table 1, Appendix B. The majority of the respondents (56 percent) were between 21 and 30 years old and adequate numbers exist in each age cell. Fifty-five percent of the respondents had completed some college work while 98 percent graduated from high school. The majority of respondents had been with their organization, and in their present job less than 3 years. Ninety-eight percent had over 10 years until they were eligible for retirement.

Hypothesis 1

The first hypothesis stated that a positive relationship would be found between age and pay importance, i.e., pay would be rated as more important by older respondents. Correlations among the pay measures and age are presented in Table 1. There were no significant correlations between age and any of the importance items. It was possible

TABLE 1
Intercorrelations Among Pay Importance
Measures and Age
(N=180)

Variable	Measure of Pay Importance			
	PI1	PI2	PI3	PI4
PI1 Pay Ranking	--			
PI2 Behavior Choice	.22*			
PI3 My salary level is important	.29**	.01		
PI4 Other things are more important	.21*	.11	.04	
Age	.01	-.10	-.02	.06
Mean	3.38	2.46	4.38	3.46
Standard Deviation	2.39	1.02	.64	1.15

* Significant at the .05 level

** Significant at the .01 level

that the low correlations could be attributed to a lack of variability in the ratings on each importance measure. The mean and standard deviation of each measure is presented in Table 1. As indicated by the standard deviations and by the frequency distributions (Table 2, Appendix B) there was adequate variability in all measures except PI3, "my salary level is important," in which 96 percent of the respondents rated the highest two importance categories.

The relationship between age and pay importance was further investigated by computing a two-way analysis of variance for each measure. The ANOVA's are presented in Table 1, Appendix C. As indicated by the table there was no significant relationship between age and any pay importance measure, thus Hypothesis 1 was not supported.

When several investigators report measurement of the construct of importance by different methods one would expect high agreement among these measures. As indicated in Table 1 there was a low correlation among the importance measures. Of the six correlations, only the three correlations with PI1, ranking of job factors, achieved significance. Thus, there was little overlap among the pay importance items. It is noted that PI1, which appeared to be the best measure of the importance construct, correlated .01 with age. Thus in this study with job level and salary level controlled, there was no relationship between age and pay importance.

Hypothesis 2

Hypothesis 2 stated that a negative relationship would be found between age and pay satisfaction. Age would be an important factor

and therefore older respondents would be less satisfied with their level of pay. Table 2 presents the correlations among the satisfaction measures and age. All correlations were in the predicted direction but were non-significant. As discussed in relation to the importance measures, the low correlations could have been the result of a lack of variability in the responses. However, as indicated by the means and standard deviations presented in Table 2 and by the frequency distributions presented in Table 3, Appendix B, there was adequate variability in all satisfaction items.

The relationship between age and pay satisfaction was further investigated by computing a two-way analysis of variance for each pay satisfaction measure (Table 3, Appendix C). No significant age relationships were found for the three measures of PS1 is now, PS3 rate pay considering duties, and PS4 JDI pay subscale. A significant relationship was found for age and PS2 discrepancy score. Figure 1 illustrates the non-linear trend across age groupings.

From the data presented above there appears to be a slight, but consistent, negative relationship between age and pay satisfaction. However, these relationships for the most part were not statistically significant so that one must conclude that Hypothesis 2 was not supported.

Table 2 presents the intercorrelations among the pay satisfaction items. In contrast to the importance items, the satisfaction measures showed good agreement in the measurement of a pay satisfaction construct. The high agreement between these different measures may account for the consistent relationships with age.

TABLE 2
 Intercorrelations Among Pay Satisfaction
 Measures and Age
 (N=180)

Variable	Measure of Pay Satisfaction			
	PS1	PS2	PS3	PS4
PS1 Is now	--			
PS2 Discrepancy	.57**			
PS3 Rate pay considering duties	.54**	.49**		
PS4 JDI Pay scale	.52**	.47**	.48**	
Age	-.05	-.10	-.11	-.12
Mean	3.62	4.38	2.36	23.23
Standard Deviation	1.34	1.41	.76	12.93

** Significant at the .01 level

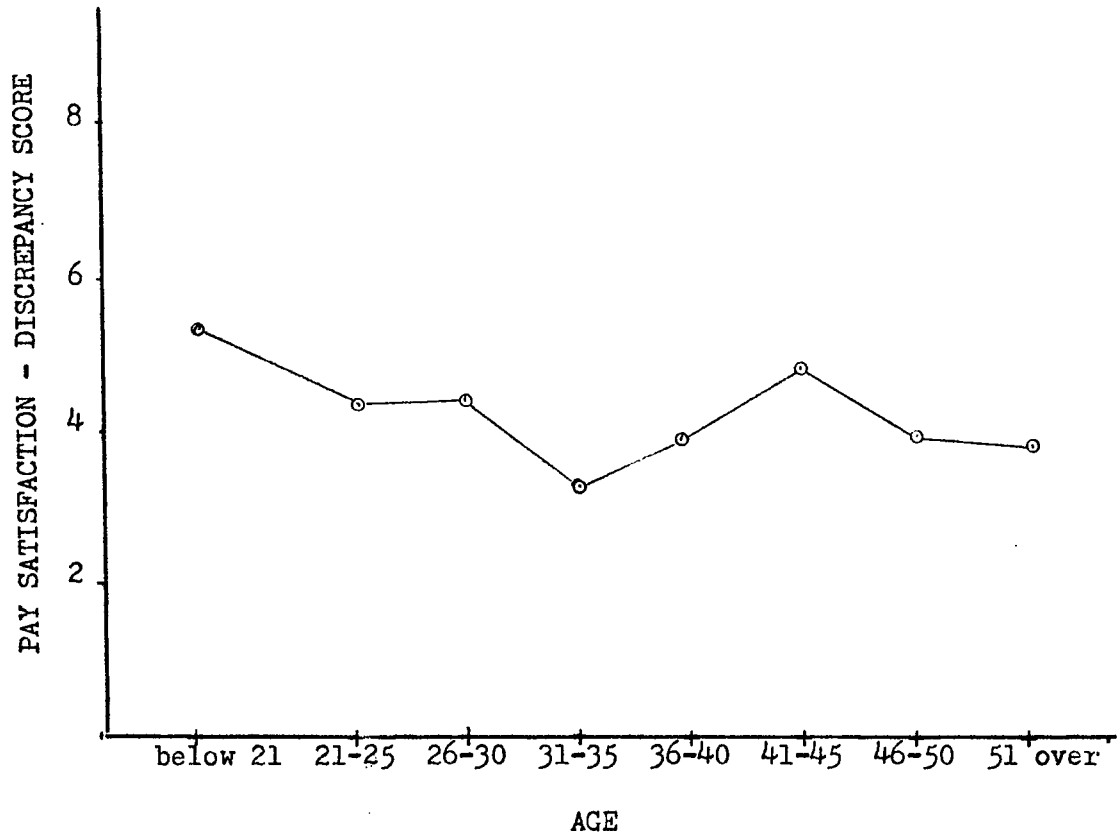


FIGURE 1
Mean Pay Satisfaction Discrepancy (PS2)
Scores for Each Age Group

Hypothesis 3

Hypothesis 3 stated that there would be a negative relationship between pay importance and pay satisfaction. The intercorrelation matrix is presented in Table 3. Five of the 16 correlations were significant, and all except 3 were in the predicted direction. Therefore, moderate support was found for Hypothesis 3.

Comparability of the Contingent and Non-contingent Samples

Comparative data are presented in Table 1, Appendix B. The majority of the respondents (56 percent) were between 21 and 30 years old. The Contingent and Non-contingent groups are similar through the 36 year old bracket at which point differences in frequencies can be seen. In the Contingent group 30.2 percent were over 35 years old while 24.0 percent are above that age in the Non-contingent sample. The small number of respondents in the 36-40, 41-45, and 46-50 age groups for the Non-contingent group (3,4, and 3 respondents respectively) and in the 51 years and over group (1 respondent) for the Contingent group may qualify the age trend conclusions made for each sample. There were, however, sufficient numbers in each bracket for the total sample that qualifications are unnecessary.

There were slight group differences in the educational level of the respondents. Twice as many respondents in the Contingent sample were in the high school graduate level, as in the Non-contingent group. The reverse was true for the current education level of "some college" in which the Non-contingent respondents are almost double the number of Contingent respondents. Along the same line, there were only 5

TABLE 3

Intercorrelations Among Pay Importance
and Satisfaction Items
(N=180)

Pay Satisfaction Measures	Pay Importance Measures			
	PI1 Pay Ranking	PI2 Behavioral Choice	PI3 Salary level is important	PI4 Others are more important
PS1 Is now	-.11	.00	.01	-.07
PS2 Discrepancy	-.15	.02	-.07	-.13
PS3 Rate pay considering duties	-.04	-.07	-.18*	-.16*
PS4 JDI Pay scale	-.11	-.17*	-.20*	-.31**

*Significant at the .05 level

**Significant at the .01 level

college graduates in the Contingent sample as opposed to 14 in the Non-contingent group. In general, the Contingent sample was lower in educational level than the Non-contingent sample.

There were no marked differences between the groups according to tenure with the company and tenure on the job. For the sample, 80 percent of the contingent sample had been with the company for less than 6 years as compared with 92 percent of the non-contingent sample. The two groups were similar regarding the remaining biographical categories of years to retirement, marital status, and the number of dependent children.

Perceived Pay Determiners

Five statements were rated on agreement using a 5 point Likert scale in order to check the respondents perceptions of the pay system utilized in their organization (Contingent or Non-contingent). The means and standard deviations for each sample are presented in Table 4.

It was expected that the Contingent group's highest rating would be "quality of my work" since pay is based on a merit system. The table shows that it had the highest mean rating for the Contingent group ($M=3.61$) while for the Non-contingent group quality was the item rated second ($M=3.04$) as a determiner of pay. The Non-contingent sample rated "how long I've worked for the company" as the statement most agreed with ($M=3.18$) while tenure was rated third ($M=2.80$) by the Contingent sample. In directly comparing the means between the samples on each item we find that the contingent group had a higher agreement rating on "quality of my work", "how hard I try to do a good job", and "how much my supervisor likes me". The Non-contingent

TABLE 4
Means and Standard Deviations of
the Perceived Pay Determiners for Two
Samples

Perceived Pay Determiner Item	Contingent N=93		Non-contingent N=87	
	M	SD	M	SD
How hard I <u>try</u>	3.35	1.25	2.85	1.22
The <u>quality</u> of my work	3.61	1.09	3.04	1.22
<u>Speed</u> of my work	2.36	.96	2.54	1.04
How long worked for org.	2.80	1.02	3.18	1.12
Supervisor <u>likes</u> me	2.75	1.14	2.57	1.10

sample had a higher agreement rating on "how long I've worked for the company" and "the speed of my work". However, there were no significant differences between the two samples, although the mean differences were in the expected direction.

The intercorrelation matrix for the perceived pay determiners is presented in Table 5. The correlation of .80 between the determiners of "try" and "quality" seems to point to an objective merit factor perceived by the respondents. The perception of "how much my supervisor likes me" and "tenure" both have a zero or negative relation to the objective merit factor of "try" and "quality", yet show a zero correlation between themselves. "Speed of my work" appears to represent another factor which correlate significantly with not only the "try" and "quality", but also with tenure. In general, it appears that the subjects responded to an objective merit determiner, two subjective factors of "supervisor likes" and "speed of work", and an independent factor of "tenure" which has no relation to the objective merit factor.

Hypothesis 4

Hypothesis 4 stated that the relationships stated in the previous hypotheses would be stronger for the Contingent group. Table 6 presents data for both groups regarding the correlations between age and importance, between age and satisfaction, and between importance and satisfaction. No significant relationships were found between age and importance or satisfaction for either group. In addition to the absence of significant relationships with age, there were no significant differences between the groups for these relationships.

TABLE 5
 Intercorrelations of Perceived Pay Determiners
 (N=180)

	TRYING	QUALITY	LIKES	SPEED
QUALITY	.80**	--		
LIKES	-.11	-.19*	--	
SPEED	.43**	.44**	.14	--
TENURE	.01	-.01	.02	.26**

*Significant at the .05 level

**Significant at the .01 level

TABLE 6

Intercorrelations Among Pay Importance and Satisfaction
Items and Age for Contingent (N=93) and Non-contingent (N=87) Groups

Measures	Pay Importance Measures				Pay Satisfaction Measures				Age
	PI1	PI2	PI3	PI4	PS1	PS2	PS3	PS4	
PI1 Pay Ranking	--	1. .19	.23*	.17	-.20	-.17	-.19	-.10	.10
PI2 Behavior Choice	.25*	--	-.01	.10	-.07	-.01	-.09	-.17	-.19
PI3 Salary is important	.39**	.04	--	-.02	.04	.04	-.19	-.17	.00
PI4 Others are more important	.32**	.15	.15	--	-.06	-.28**	-.18	-.18	.13
PS1 Is now	.03	.10	-.06	-.11	--	.64**	.54**	.52**	-.08
PS2 Discrepancy	-.15	.05	-.29**	-.34**	.42**	--	.53**	.54**	-.09
PS3 Rate pay considering duties	.14	-.05	-.18	-.05	.57**	.46**	--	.48**	-.14
PS4 JDI Pay scale	-.12	-.16	-.24*	-.22*	.55**	.42**	.50**	--	-.14
Age	-.07	-.04	-.05	-.02	-.02	-.10	-.08	-.11	--

1. Correlations for the Contingent group are listed above the diagonal, Non-contingent correlations listed below the diagonal.

* Significant at the .05 level

** Significant at the .01 level

Table 6 presents the correlations among the importance and satisfaction items for both groups. In the Non-contingent group three of the six correlations between the importance measures reached significance, and all the correlations were in the positive direction. The Contingent group had only one significant importance correlation, with two negative correlations. It appears that the Non-contingent group rated the importance measure more in terms of the same construct. The same was not true for the correlations among the satisfaction measures. There were no differences between the Contingent and Non-contingent groups in rating the pay satisfaction construct.

As stated previously only moderate support was given to Hypothesis 3 that a negative relationship would exist between importance and satisfaction. Table 6 shows that all but 2 of the 16 correlations between the importance and satisfaction measures in the contingent group were in the predicted direction, while all but 4 of the 16 were in the predicted direction for the Non-contingent group. Both samples moderately supported the hypothesized importance-satisfaction relationship; however, there were no significant differences between the two groups.

The analysis of variance presented in Tables 1 and 3 (Appendix C) further investigated the differences between the groups. Of the importance measures only P11, ranking, had a significant age x group interaction effect. Figure 2 illustrates the age-importance relationship for each group. No clear trend is evident from Figure 2.

The ANOVA's for the satisfaction measures found significant age x group interactions for both PS2 discrepancy, and PS3 rate pay

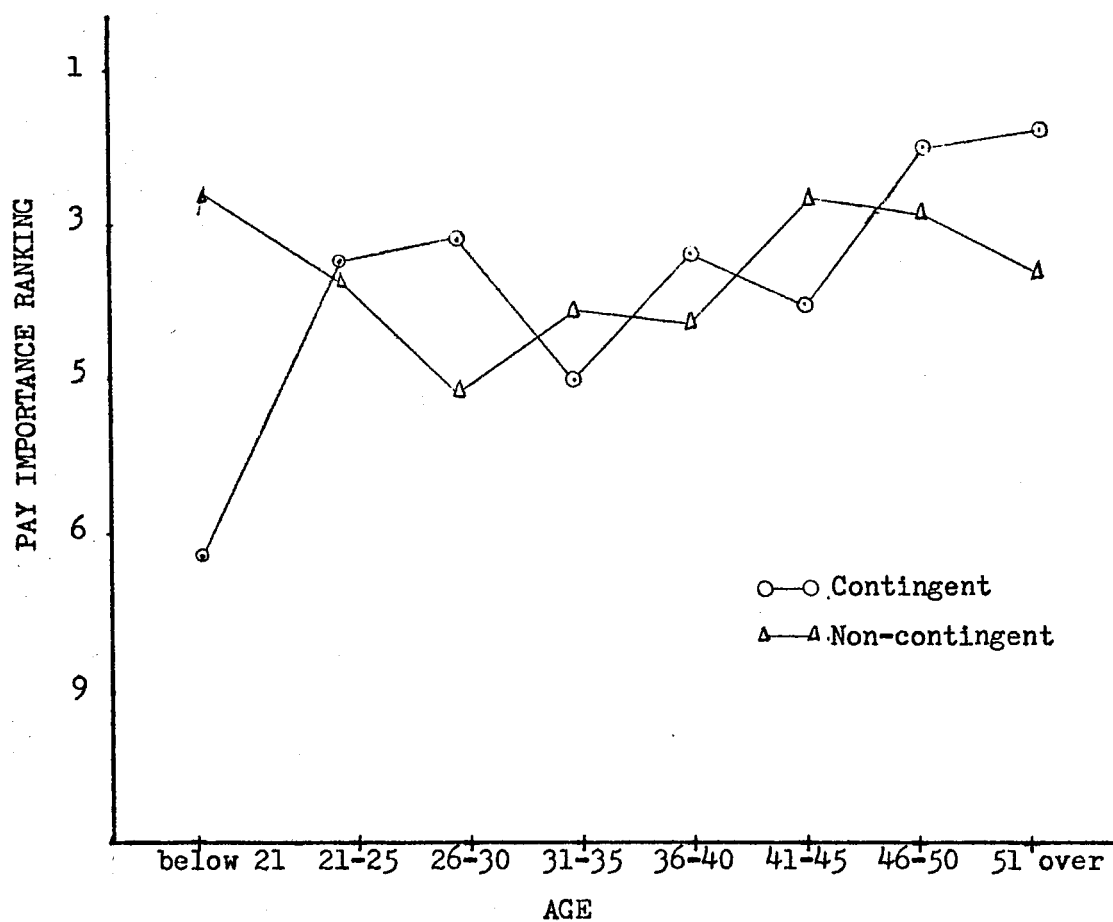


FIGURE 2

Mean Pay Importance Ranking (PII) for
Contingent and Non-contingent Groups for
Each Age Group

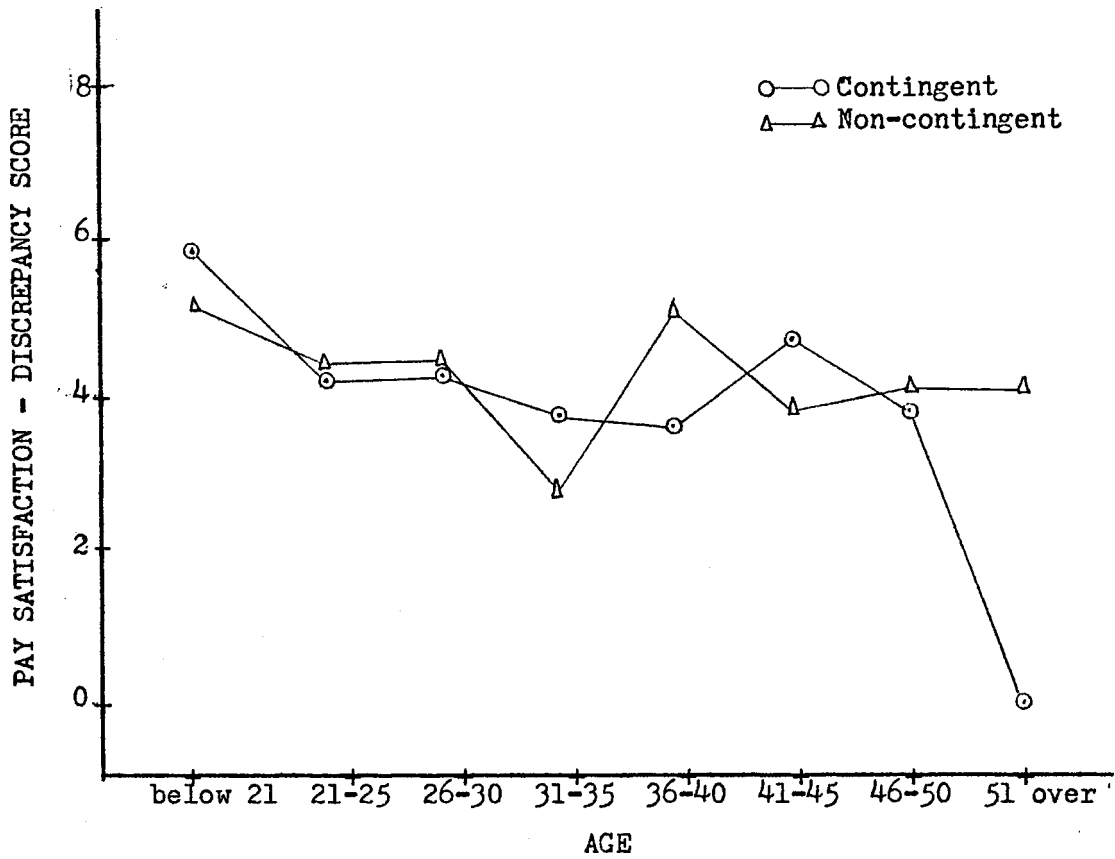


FIGURE 3
Mean Pay Satisfaction Discrepancy (PS2) Scores
for Contingent and Non-contingent Groups for Each
Age Group

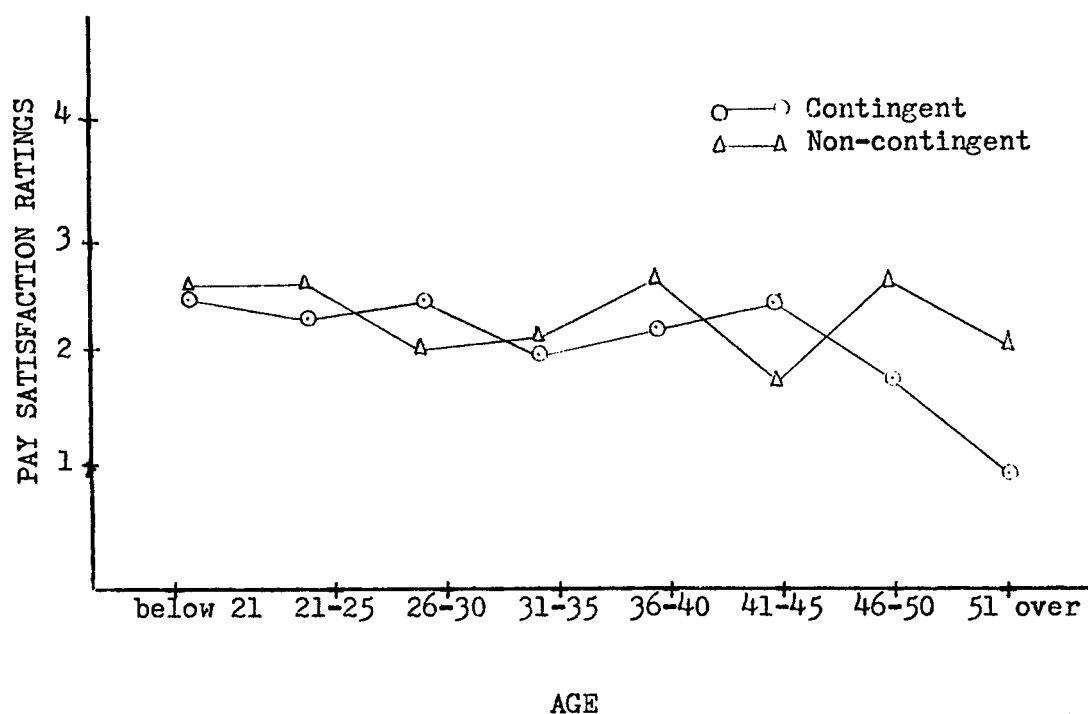


FIGURE 4

Mean Pay Importance Rating (PI3), Considering
Duties and Responsibilities, for Contingent and
Non-contingent Groups for Each Age Group

considering duties. Figures 3 and 4 illustrate the age-importance relationships for each group for PS2 and PS3 respectively. In Figure 3 the Contingent group had a non-linear relationship similar to that found in the total sample (Figure 1). There were no discernable trends in Figure 4.

From the data presented it was concluded that there were no significant differences between the Contingent and Non-contingent groups for the age-importance, age-satisfaction or importance-satisfaction relationships and therefore, Hypothesis 4 was not supported.

Analysis of the Perceived Pay Determiners and Pay Satisfaction

Since the contingent and non-contingent groups were not significantly different for the perceived pay determiners, possibly the perception of a contingency or determiner, regardless of the organization pay policy, might influence the rating of pay importance or pay satisfaction. For the importance measures presented in Table 7 we see no significant correlations with the perceived pay determiners. The respondents perception of how pay was determined had no relation to how important pay was for that person.

Table 8 presents the correlations between the pay determiners and the satisfaction measures. It was found that respondents in the Contingent group who perceived that their pay was determined by "how hard they tried" and the "quality of their work" were more satisfied with their pay, while there was no relation in the Non-contingent group. Significant differences were found between the two groups for the correlations of "try" with PS2 discrepancy, PS3 rate pay and

TABLE 7

Correlations Between the Perceived Pay
Determiners and Importance Items

Perceived Pay Determiners		Importance Measures			
		PI1 Pay Ranking	PI2 Behavioral Choice	PI3 Pay is important	PI4 Others are important
Quality of my work	Total (N=180)	.02	.02	.03	.00
	Contingent (N=93)	.03	.02	.05	-.14
	Non-Contingent (N=87)	.06	.02	.01	.01
Try to do a good job	Total	-.04	.05	.05	-.03
	Contingent	-.07	.10	.12	-.17
	Non-Contingent	.02	.01	-.03	.03
How much my supervisor likes me	Total	-.05	.03	.01	.04
	Contingent	-.06	-.04	.14	.09
	Non-Contingent	-.02	.09	-.15	-.05
Speed of my work	Total	.07	-.02	.10	.03
	Contingent	.06	.04	.15	.11
	Non-Contingent	-.06	-.07	.04	-.01
How long I've been with the organization	Total	.04	.06	.01	.00
	Contingent	-.04	.20	.02	.01
	Non-Contingent	.10	-.04	-.01	.10

*Significant at the .05 level

**Significant at the .01 level

TABLE 8

Correlations Between the Perceived Pay Determiners
and Satisfaction Items

Perceived Pay Determiners		Satisfaction Measures			
		PS1 Is now	PS2 Discrepancy	PS3 Rate pay considering duties	PS4 JDI Pay Subscale
Quality of my work	Total (N=180)	.26**	.11	.17*	.32**
	Contingent (N=93)	.24*	.24*	.24*	.38**
	Non-Contingent (N=87)	.31**	-.01	.15	.22*
Try to do a good job	Total	.34**	.16*	.17*	.27**
	Contingent	.40**	.32**	.32**	.38**
	Non-Contingent	.28*	-.04	.03	.10
How much my supervisor likes me	Total	-.16*	-.13	-.18*	-.24**
	Contingent	-.12	-.18	-.26*	-.29**
	Non-Contingent	-.22*	-.03	-.10	-.22*
Speed of my work	Total	.12	.03	.14	.08
	Contingent	.14	.05	.10	.07
	Non-Contingent	.12	-.03	.17	.12
How long I've been with the organization	Total	-.06	.06	.08	-.06
	Contingent	-.15	-.05	-.14	-.20
	Non-Contingent	.06	.20	.29**	.14

*Significant at the .05 level

**Significant at the .01 level

PS4 JDI pay scale. There were no significant differences between the Contingent and Non-contingent groups for the correlations of "quality" and the pay satisfaction measures although three were in the appropriate direction. In the Non-contingent group, where "tenure" was a primary determiner of pay level, the perception of "tenure" was related to pay satisfaction, while in the Contingent group it was related to pay dissatisfaction. The correlations between tenure and the satisfaction measures for the Contingent group were all in the negative direction while all were positive for the Non-contingent group. Significant differences were found between the two groups for the two correlations of "tenure" with PS3 rate pay, and PS4 JDI pay scale. The perception of "how much my supervisor likes me" as a determiner had a negative relation to pay satisfaction for both groups. The perception of "speed of work" as a determiner had no relation to pay satisfaction.

To summarize the above comments it was found that correct perception of the organization pay system was related to satisfaction with pay. It is tempting to suggest that employees who are more informed regarding pay contingencies tend to be more satisfied with their pay. However, it could be that employees who are dissatisfied with their pay tend to discount organization pay contingencies.

For example, the low negative correlations between pay satisfaction and tenure in the contingent group could be generated by ego-defensive reactions of those who were dissatisfied. The same explanation is also plausible for both groups in their perception of "how much my supervisor likes me" as a pay determiner.

However, the ego-defensive theory does not explain the positive correlations between pay satisfaction and tenure as a determiner of pay in the non-contingent group. The issue is important and should be investigated further.

DISCUSSION

The results indicate that when salary and job level are held constant there is no relationship between age and the importance of pay and pay satisfaction. The hypothesized relationships that older workers would rate pay as more important and less satisfying was not supported. Only moderate support was given to the hypothesis that there is a negative relationship between pay importance and pay satisfaction, and to the hypothesis that the organizational pay policy would moderate the age-importance or age-satisfaction relationship.

Age was not found to be an important input factor, when job and salary was controlled, influencing attitudes toward pay. Of the five studies investigating the age-importance relationships, mixed results were found because of a confounding with job and salary level and because each study utilized a different method of estimating pay importance. The present study sampled employees in the same job and salary level and incorporated all previously used methods of estimating importance. In the only study to hold job and salary level constant, Lahiri and Choudhuri (1966) asked 100 males to rank 21 job factors on importance. Four age groups were used with the oldest being 36 years old or over. In the present study this would mean collapsing age brackets 5 (36-40), 6 (41-45), 7 (46-50) and 8 (51 and over). For these four age groups they found a decrease in pay importance. As previously presented in Figure 1 the importance does decrease for the first four age brackets, similar to Lahiri and Choudhuri, but for respondents older than 40 years we see an increase in pay importance.

Lahiri and Choudhuri found mean pay importance rankings ranging from 1 to 2.5 while the range in this study was 2.50 to 4.73 for the eight age groups.

The 1947 and 1948 studies by Jurgensen used a ranking method also. This same measure, PI1, was used in this study in which respondents were asked to rank 10 job factors in order of importance. The 1947 study utilized 1189 male job applicants divided into five age groups of under 25, 25-29, 30-34, 35-39 and 40 and over. Thus Jurgensen's first age group was comparable to groups 1 and 2 in the present study, and the last group comparable to groups 6, 7 and 8. The mean importance ranking for the five age groups was 5.8, 6.3, 6.6, 7.0 and 6.6, indicating a decrease in importance. The 1948 study divided 3345 job applicants into eight age groups similar to those in the present investigation. The mean rankings for the 1947, 1948 and present study are presented in Figure 5. The two studies by Jurgensen are very similar indicating a decrease in importance with age. The present study shows a slight increase in importance with age and greater pay importance for all age groups. Very possible the difference in results, although the method was identical, may be due to the fact that this study controlled for job and salary level and that Jurgensen investigated the pay importance of job applicants rather than current employees.

Schuster and Clark (1970) conducted a study of 575 professional employees using a rating of importance: PI3 "my salary level is important", and PI4 "other things are more important than pay." The respondents were separated by age into the three age groupings of 20-29, 30-39 and 40 and over. The results were reported in percent

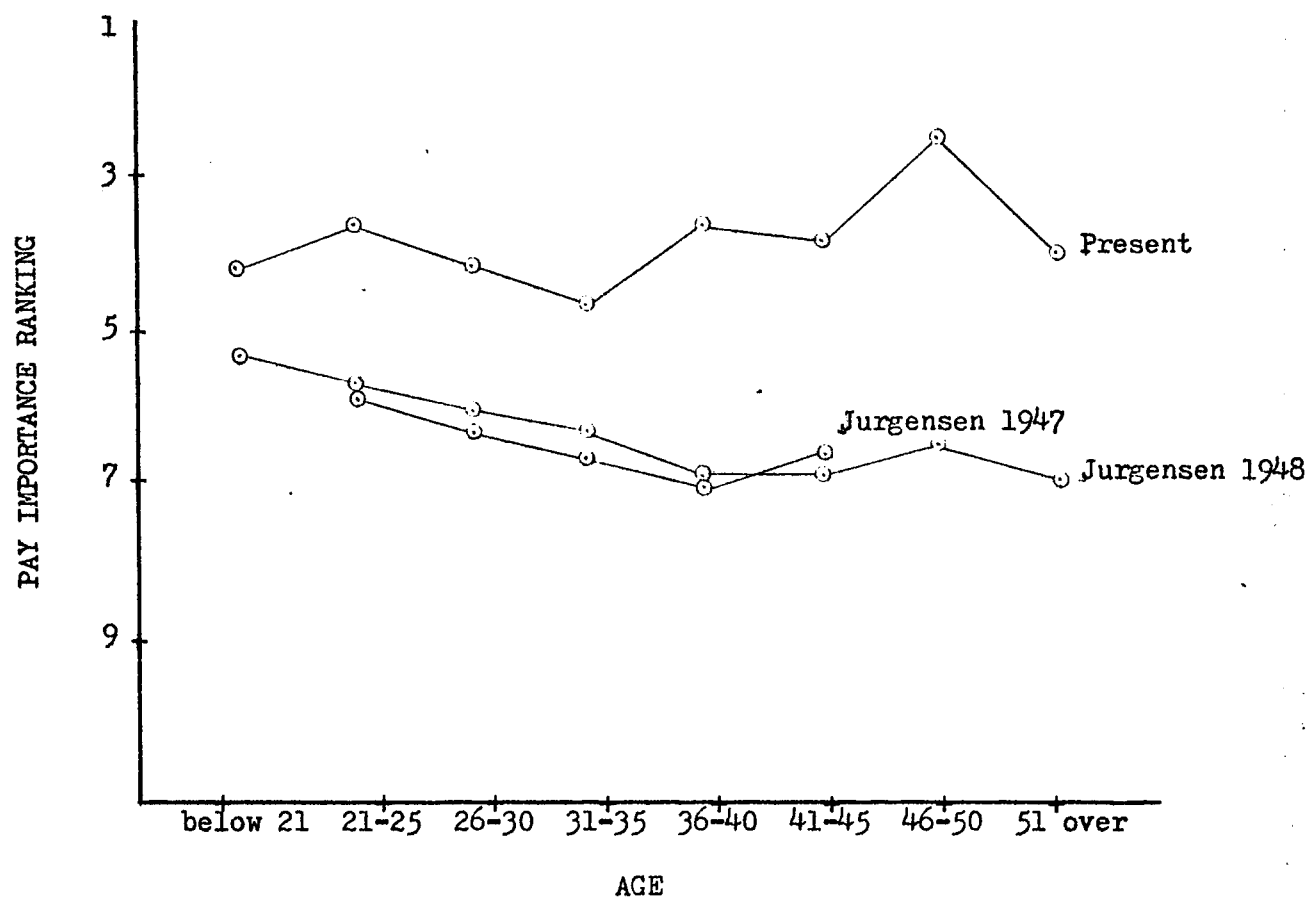


FIGURE 5

Comparison of Pay Importance Ranking (PII) for
Present Study and Jurgensen (1947, 1948) for
Each Age Group

of respondents agreeing with the first and disagreeing with the second statement. The eight age groups of the present study were collapsed to form three age groups. The data are presented in Figures 6 and 7. Figure 6 presents the percent agreeing with PI3, "my salary level is important", for both studies. The Schuster and Clark data indicate pay being more important for the older respondents while the present study shows a slight upward trend for the middle age group. Both studies show that a high percentage of employees endorse the statement. Figure 7 shows the percent disagreeing with PI4, "other things are more important than pay", for both studies. Schuster and Clark present a positive trend between age and disagreement that "other things are more important," indicating that pay is more important for older respondents. The present study again shows a slight curvilinear relationship for age and importance with the middle age group rating pay as more important. As with the Jurgensen (1947, 1948) studies, Schuster and Clark (1970) failed to control for job and salary level and investigated professional employees which may account for the difference in results.

In the fifth investigation of the influence of age on the importance of pay, Gruenfeld (1962) asked 52 supervisors to indicate the most important job characteristic in each of 18 pairs; no age ranges were provided other than labels of "young", "middle", and "old" groups. According to the choices, pay importance decreased with age. The present study utilized a similar approach of paired comparisons but developed situational choices that one might meet in a job. As presented above, the behavioral choice PI2 showed a slight negative (non-significant) relation to age, in agreement with the findings of Gruenfeld.

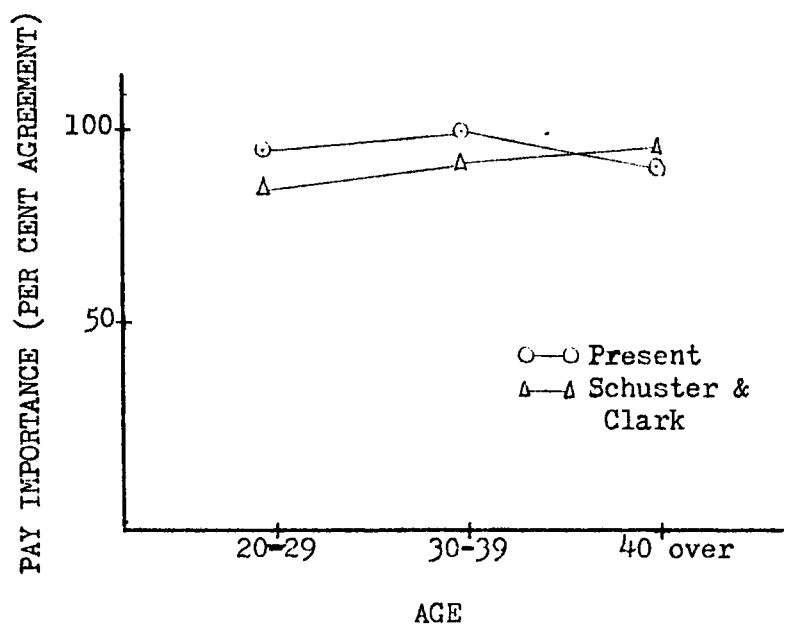


FIGURE 6

Comparison of Agreement with Statement that
"Salary level is important" (PI3) for Present
Study and Schuster & Clark (1970)

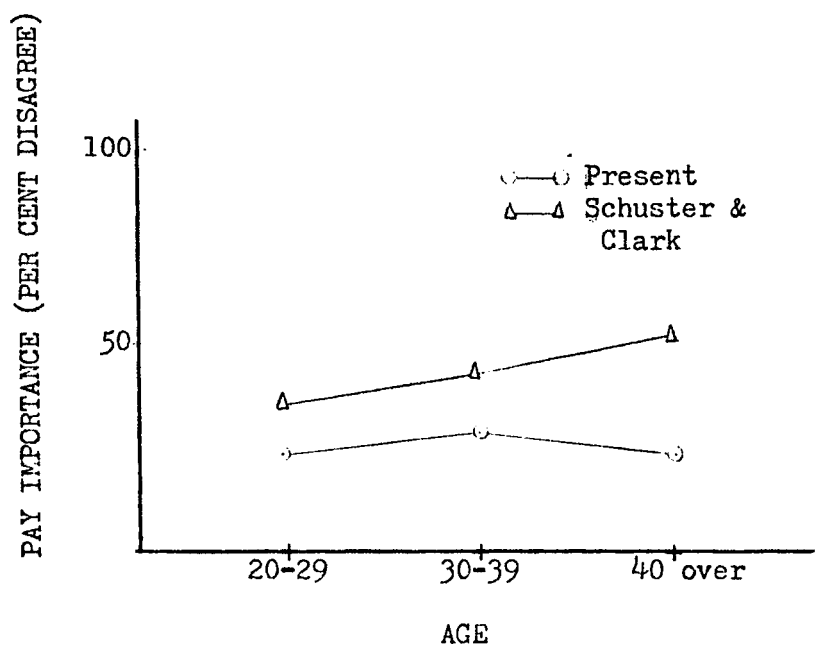


FIGURE 7

Comparison of Disagreement with Statement that
"Other things are more important than pay" (PI4)
for Present Study and Schuster & Clark (1970)

From the data presented it appears that age is not an important input variable for determining the level of pay importance and that the four methods used to estimate importance are not measuring the same construct. As discussed above and presented in Table 1, only the factor ranking PII has a significant relationship to the other three importance measures. None of the six correlations between the measures are above .30; thus, it appears that the same construct is not being rated in each instance. It may indeed be that the importance of pay cannot be measured by self report items but can only be estimated, as Opshal and Dunnette (1966) stated, by observing on the job the behavior of individuals.

Pay Satisfaction and Age

As with pay importance, age was not seen as an important input variable in determining the level of pay satisfaction when job and salary level are controlled. Five investigations of age and satisfaction were presented above in Chapter II with three of those reporting a positive relationship. All previous studies failed to control for job and salary level.

Hulin and Smith (1965) used the pay satisfaction subscale of the JDI, PS4 in this study, and found that pay satisfaction increases with age. The relationship was shown by standard partial regression coefficients and therefore comparisons, other than directional, between the studies cannot be made. The present study indicates a slight negative relation between age and satisfaction.

Gibson and Klein (1970) investigated the relationship between age and the satisfaction measure of "rate your pay considering your duties

and responsibilities", PS3, for 2,067 blue collar workers in two firms. The respondents in the first firm were divided in three age groups of low (younger than 24), medium (25-39) and high (over 40). An age x tenure analysis of variance was computed with age significant ($p < .01$) for pay satisfaction. No correlations were reported. In the second firm the respondents were divided into the five age groups of less than 24, 25-29, 30-39, 40-49 and 50 or over. Again an analysis of variance was computed with age being significant ($p < .05$) for pay satisfaction. For that firm a partial correlation between age and pay satisfaction was .14.

In the present study, the analysis of variance was not significant for age, and the correlation was in the opposite direction, $-.11$, of that found by Gibson and Klein. Again differences may be due to the confounding of age with job and salary level.

The third study reporting an increase in pay satisfaction with age was conducted by Schuster and Clark (1970). No data were provided other than a table of statements such as:

older rate their pay higher compared to others
 older feel more fairly paid
 older disagree that others are paid more

No other information, such as correlations or means for age groups, was provided and direct comparisons cannot be made. As indicated previously, there was no significant relationship between age and pay satisfaction when job and salary level were held constant.

In one study, Morse (1953), a negative relationship was found between age and pay satisfaction. Four statements were combined to give a high, medium and low degree of financial and job status satisfaction

for respondents in five age groups. The respondents were from all job levels and in different salary ranges and therefore these factors were confounded with age. In the present study all satisfaction measures had negative but nonsignificant correlation with age.

In the final investigation of the relationship between age and pay satisfaction Lawler and Porter (1966) state that there is no relationship between age and the discrepancy pay satisfaction score, PS2. Lawler and Porter report a .13 correlation between age and satisfaction, significant at the .01 level, and a partial correlation of .03. The present study reports a $-.10$ correlation of the PS2 and age, which is non-significant but in the opposite direction of the Lawler and Porter study. Lawler and Porter reported a correlation of .39 and partial correlation of .25 between age and actual pay level, while in the present study the pay level was held constant. It appears that in both studies there was no relationship between age and the discrepancy satisfaction measure.

From the discussion it appears that in previous investigations of the input variable of age other factors, such as salary and job level, may confound the results obtained. As opposed to the importance measures, it appeared that the different methods of measuring pay satisfaction were estimating the same factor. All correlations between the satisfaction measures were significant at the .01 level and range from .47 to .57. Only one other study, Wanous and Lawler (1972), investigates the relationship between various measures of satisfaction based on the previous discrepancy approaches. Wanous and Lawler present a .69 correlation between "Is Now" PS1 and

discrepancy PS2 while this study presents a correlation of .57. This study utilized two other measures of pay satisfaction not presented in the Wanous and Lawler study and therefore other comparisons cannot be made. However, the relationship between age and satisfaction appears to be consistent for each measure utilized.

Pay Importance and Pay Satisfaction

Although Lawler (1971) hypothesizes a negative relationship between pay importance and pay satisfaction, only one study, Schuster and Clark (1970) mentioned previously, investigated this relationship. Schuster and Clark found that both importance and satisfaction had a positive correlation with age, which precluded the negative relation between the two measures hypothesized. As stated in Chapter II, Schuster and Clark failed to control job and salary level which may account for differences in results. The present study found low negative relationships between importance and satisfaction measures. The relationships may be qualified by the fact that the importance measures do not seem to be measuring the same construct; therefore, it is difficult to make any conclusive statements.

Contingent and Non-Contingent Groups

It was believed that the hypothesized relationships could best be illustrated by differences created by two organizational pay systems. The two organizations were described as having two rather different pay systems but there were no significant differences in the perceptions of the organizational members. The perceived pay determiners were in the anticipated direction but because of the non-significant differences it

appears that the employees did not "correctly" perceive the system of pay as stated by the organization. It was found that the perception of pay determiners were related to pay satisfaction. This is not to imply any causal relationship but only that the respondents in the Contingent group who were satisfied with their pay also perceived that their pay was determined by how hard they try and the quality of their work but not by how long they have been with the organization. Thus, we have an instance of correct perception of the pay system related to pay satisfaction, while there was no such relationship in the Non-contingent group when try and quality were perceived as determiners.

Implications for practice are that age does not appear to be an important variable in determining the employees pay satisfaction or importance, that there appears to be a slight negative relationship between how important pay is and satisfaction with pay and most importantly, that the organizational "climate" of merit pay is not necessarily perceived by the employees. Organizations should ensure that if a system exists in which they invest money, time, and personnel, that the employees should be aware of it. Of course in practice this is seldom the case since individual supervisors often implement organizational policy in widely discrepant manners.

All respondents in the present study were female which may influence the relationships hypothesized by Lawler (1971). It may be possible that there is a difference between male and female employees regarding those factors associated with pay importance and pay satisfaction. Another consideration is the fact that, although all respondents were in the same salary range and job level, there may be differences between

employees based on other factors which were not investigated. Likewise, the same may be true for differences between organizations. Other climate factors that were not investigated may be related to the perception of pay, importance or satisfaction.

Much future research is needed and should concentrate on differences between males and females when salary and job level is the same, attempting to improve the identification and measurement of the importance construct, and the perception and influence of the organizational climate on the performance and attitudes of the employees.

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APPENDIX A
Questionnaire

For each item, please circle the appropriate category.

1 What is your age?

Under 21 21-25 26-30 31-35 36-40 41-45 46-50 51 or over

2 What is your sex? male female

3 How long have you been employed by this company?

less than 1 year 1-2 years 3-5 years 6-10 years 11-15 years over 15 years

4 How long have you been in your present job classification?

less than 1 year 1-2 years 3-5 years 6-10 years 11-15 years over 15 years

5 What is your present job group? _____

6 In how many years from now will you be eligible for retirement benefits?

currently eligible 1-5 years 6-10 years 11-15 years over 15 years

7 Are you married or not married ? (circle one)

8 How many children do you have who are either living at home or are receiving support from you?

none 1 2 3 4 5 more than 5

9 What is your present annual salary, including any bonuses?

less than \$5000	\$5000- \$7999	\$8000- \$11999	\$12000- \$14999	\$15000 \$19999	\$20000- \$29999	over \$30000 or more
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10 How much education have you had?

Did not complete high school	high school graduate	some college	college graduate	post graduate training
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11 Do you expect to be promoted to a higher level position in the next 6 months?

Definitely yes not sure Definitely no

Decide which of the following is *most important* to you and place a 1 on the line in front of it. Then decide which is second in importance to you and place a 2 in front of it. Continue listing the items in order of importance to you until the least important is ranked 10.

All the items are important, but people differ in the order in which they rank them. There are no right or wrong answers. Answer according to how you think, not how you believe others think.

12 ____ Advancement (opportunity for promotion)

14 ____ Benefits (vacation, sick pay, insurance, etc.)

16 ____ Company (employment by company you are proud to work for)

18 ____ Co-workers (fellow workers who are pleasant, agreeable, and good working companions)

20 ____ Hours (good starting and quitting time, good number of hours per day or week, day or night work, etc.)

22 ____ Pay (your income during the year)

24 ____ Security (Steady work, no lay-offs, sureness of being able to keep your job)

26 ____ Supervisor (a good boss who is considerate and fair)

28 ____ Type of work (work which is interesting and well liked by you)

30 ____ Working conditions (comfortable and clean; absence of noise, heat, cold, odors, etc.)

Presented below are two choices for a number of work situations. For each pair check which choice you would prefer.

31 ____ have a paid holiday or ____ work on the holiday at doubletime.

32 ____ have the money for a hospitalization plan added to my current salary or ____ my current salary and the hospitalization plan.

33 ____ 4 weeks vacation, 2 paid and 2 unpaid or ____ 2 weeks paid vacation.

34 ____ a promotion with no increase in my present salary or ____ increase in salary but remain in my present job.

35 ____ a 40 hour week plus 8 hours paid overtime or ____ always work a regular 40 hour week with no option for overtime.

Rate the following by circling how you feel about each statement.

- | | | | | | | |
|----|--|-------------------|----------|-----------|-------|----------------|
| 36 | My salary level is important. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 37 | Other things are more important than pay. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 38 | The amount of pay I receive depends on how hard I try to do a good job. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 39 | The amount of pay I receive depends on the quality of my work. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 40 | The amount of pay I receive depends on how much my supervisor likes me. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 41 | The amount of pay I receive depends on the speed of my work. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 42 | The amount of pay I receive depends on how long I've worked for the company. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 43 | I <u>would like</u> the amount of pay I receive to depend on how hard I try to do a good job. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 44 | I <u>would like</u> the amount of pay I receive to depend on how much my supervisor likes me. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 45 | I <u>would like</u> the amount of pay I receive to depend on how long I have worked for the company. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 46 | I <u>would like</u> the amount of pay I receive to depend on the speed of my work. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 47 | I <u>would like</u> the amount of pay I receive to depend on the quality of my work. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 48 | I <u>would like</u> the amount of pay I receive to depend on accomplishment only. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 49 | All things considered, I am very glad to be in the employ of this company. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 50 | The training I received when first starting work for the company was sufficient for me to accomplish all my duties well. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 51 | I have a clear understanding of all the policies and procedures surrounding my current position. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 52 | The training I am now receiving will enable me to improve my performance in my current position. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |
| 53 | The training I am now receiving will qualify me for the assumption of more responsibility in the next year. | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree |

- | | | | | | | | |
|----|--|------------------------------|----------------------------|------------------------------|-----------------------------------|---------|-----------|
| 54 | I believe hourly pay, that is, one and half times pay for all hours worked over 40 hours to be the fairest remuneration for work done. | | | | | | |
| | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree | | |
| 55 | I can always take my questions about policies or procedures to my supervisor and get an objective hearing. | | | | | | |
| | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree | | |
| 56 | I feel that I am an important part of the company team. | | | | | | |
| | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree | | |
| 57 | A four day work week will come this decade. | | | | | | |
| | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree | | |
| 58 | A four day work week would be good for the National economy. | | | | | | |
| | Strongly Disagree | Disagree | Undecided | Agree | Strongly Agree | | |
| 59 | How much pay is associated with your job. | | | | | | |
| | 1
low | 2 | 3 | 4 | 5 | 6 | 7
High |
| 60 | How much pay should be associated with your job. | | | | | | |
| | 1
low | 2 | 3 | 4 | 5 | 6 | 7
High |
| 61 | Rate your pay considering your duties and responsibility. | | | | | | |
| | 1
Very Inadequate | 2 | 3 | 4
More than adequate | | | |
| 62 | I have my personal business goals and plans detailed in writing.
(If yes, answer the next question.) | | | | | | |
| | Yes | No | | | | | |
| 63 | My detailed personal business goals and plans, in writing, cover: | | | | | | |
| | 6 months | 1 year | 2 years | 3 years | 4 years | 5 years | |
| 64 | The volume of work that I can accomplish with satisfactory quality is: | | | | | | |
| | Much less than is
assigned now | Less than is
assigned now | Current volume
assigned | More than is
assigned now | Much more than
is assigned now | | |
| 65 | Information I receive about the company's plans and operations that is not specifically needed for performance of my job is: | | | | | | |
| | Very inadequate | Inadequate | Adequate | More than
adequate | Much more than
adequate | | |
| 66 | Do you feel work should be: | | | | | | |
| | a. A means to an end—money to live by | | | | | | |
| | b. A major, enjoyable part of life and therefore, it should be stimulative. | | | | | | |
| 67 | Would you consider yourself to be: | | | | | | |
| | A Moderate | A Liberal | A Conservative | | | | |

Below are five aspects of jobs described by various items. Place a "Y" (yes) beside an item if the item *describes* the particular aspect of *your* job. Place an "N" (no) if the item does *not describe* that aspect, or "?" if you cannot decide.

WORK

- 1 ____ Fascinating
- 2 ____ Routine
- 3 ____ Satisfying
- 4 ____ Boring
- 5 ____ Good
- 6 ____ Creative
- 7 ____ Respected
- 8 ____ Hot
- 9 ____ Pleasant
- 10 ____ Useful
- 11 ____ Tiresome
- 12 ____ Healthful
- 13 ____ Challenging
- 14 ____ On your feet
- 15 ____ Frustrating
- 16 ____ Simple
- 17 ____ Endless
- 18 ____ Gives sense of accomplishment

PEOPLE

- 46 ____ Stimulating
- 47 ____ Boring
- 48 ____ Slow
- 49 ____ Ambitious
- 50 ____ Stupid
- 51 ____ Responsible
- 52 ____ Fast
- 53 ____ Intelligent
- 54 ____ Easy to make enemies
- 55 ____ Talk too much
- 56 ____ Smart
- 57 ____ Lazy
- 58 ____ Unpleasant
- 59 ____ No privacy
- 60 ____ Active
- 61 ____ Narrow interests
- 62 ____ Loyal
- 63 ____ Hard to meet

PROMOTIONS

- 19 ____ Good opportunity for advancement
- 20 ____ Opportunity somewhat limited
- 21 ____ Promotion on ability
- 22 ____ Dead-end job
- 23 ____ Good chance for promotion
- 24 ____ Unfair promotion policy
- 25 ____ Infrequent promotions
- 26 ____ Regular promotions
- 27 ____ Fairly good chance for promotion

PAY

- 64 ____ Income adequate for normal expenses
- 65 ____ Satisfactory profit sharing
- 66 ____ Barely live on income
- 67 ____ Bad
- 68 ____ Income provides luxuries
- 69 ____ Insecure
- 70 ____ Less than I deserve
- 71 ____ Highly paid
- 72 ____ Underpaid

SUPERVISION

- 28 ____ Asks my advice
- 29 ____ Hard to please
- 30 ____ Impolite
- 31 ____ Praises good work
- 32 ____ Tactful
- 33 ____ Influential
- 34 ____ Up-to-date
- 35 ____ Doesn't supervise enough
- 36 ____ Quick-tempered
- 37 ____ Tells me where I stand
- 38 ____ Annoying
- 39 ____ Stubborn
- 40 ____ Knows job well
- 41 ____ Bad
- 42 ____ Intelligent
- 43 ____ Leaves me on my own
- 44 ____ Around when needed
- 45 ____ Lazy

APPENDIX B
Frequency Distribution

TABLE 1

Frequency Distributions of
Biographical Data

Variable		Sample		
		Contingent	Non-contingent	Total
Age	under 21	4	7	11
	21-25	25	33	58
	26-30	24	19	43
	31-35	12	7	19
	36-40	8	3	11
	41-45	14	4	18
	46-50	5	3	8
	51 over	1	11	12
Education	High School	3	0	3
	H.S. Graduate	55	22	77
	College	30	51	81
	College Graduate	3	11	14
	Post Graduate	2	3	5
Years in organiza- tion	under 1	12	28	40
	1-2	25	25	50
	3-5	31	24	55
	6-10	21	8	29
	11-15	3	2	5
	15 over	1	0	1
Years in present job	under 1	25	46	71
	1-2	26	25	51
	3-5	31	12	43
	6-10	11	4	15
	11 over	0	0	0
Years to Retirement	0	3	0	3
	1-5	0	1	1
	6-10	0	5	5
	11-15	4	8	12
	15 over	86	73	159
Marital Status	Married	58	56	114
	Not Married	35	31	66
Dependent Children	0	40	54	94
	1	29	17	46
	2	15	12	27
	3	1	3	4
	4	6	0	6
	over 5	1	0	1

TABLE 2
Frequency Distributions For
Pay Importance Items

Variable		Frequency	Per Cent
PI1 Pay Ranking	1	41	22.8
	2	35	19.4
	3	25	13.9
	4	17	9.4
	5	16	8.9
	6	12	6.7
	7	7	3.9
	8	10	5.6
	9	6	3.3
	10	5	2.8
PI2 Behavioral Choice	0	3	1.7
	1	30	16.7
	2	59	32.8
	3	58	32.2
	4	29	16.1
	5	1	.6
PI3 My Salary level is important	1	1	.6
	2	2	1.1
	3	4	2.2
	4	94	52.2
	5	79	43.9
PI4 Others things are more important	1	13	7.2
	2	34	18.9
	3	12	6.7
	4	97	53.9
	5	23	12.8

TABLE 3
Frequency Distributions For
Pay Satisfaction Items

Variable		Frequency	Per Cent
PS1 Is now	1	13	7.2
	2	21	11.7
	3	40	22.2
	4	56	31.1
	5	32	17.8
	6	6	3.3
	7	4	2.2
PS2 Discrepancy	0	3	1.7
	1	3	1.7
	2	9	5.0
	3	26	14.4
	4	44	24.4
	5	49	27.2
	6	34	18.9
	7	3	1.7
	8	1	.6
PS3 Rate pay considering duties	1	22	12.2
	2	78	43.3
	3	67	37.2
	4	9	5.0
PS4 JDI Pay Subscale	0-10	33	18.4
	11-20	49	27.3
	21-30	44	24.5
	31-40	34	18.9
	41-50	17	9.4
	50-54	2	1.1

APPENDIX C

Analysis of Variance and Cell Means

TABLE 1
Analysis of Variance For
Pay Importance Items

Source	df	MS	F
PI1 Pay Ranking			
Age	7	3.18	.59
Group	1	2.76	.51
Age x group	7	12.03	2.24*
Within	158	5.35	
PI2 Behavioral Choice			
Age	7	1.82	1.82
Group	1	.08	.08
Age x group	7	1.47	1.47
Within	164	.99	
PI3 Salary level is important			
Age	7	.51	1.18
Group	1	.03	.06
Age x group	7	.19	.43
Within	164	.43	
PI4 Others are more important			
Age	7	.21	.16
Group	1	6.91	5.99**
Age x group	7	1.65	1.30
Within	163	1.26	

*Significant at the .05 level

**Significant at the .01 level

TABLE 2
Cell Means for Pay Importance Items

Grp Group	Age							
	under 21	21-25	26-30	31-35	36-40	41-45	46-50	51 over
PI1 Pay Ranking								
Contingent	6.25	3.56	3.37	5.08	3.50	4.21	2.20	2.00
Non-Contingent	2.86	3.73	5.05	4.14	4.33	2.75	3.00	3.82
Total	4.09	3.66	4.12	4.74	3.73	3.89	2.50	4.00
PI2 Behavioral Choice								
Contingent	2.25	2.76	2.58	2.08	2.12	2.42	2.00	2.00
Non-Contingent	3.14	2.30	2.63	2.86	0.67	2.50	2.00	2.64
Total	2.81	2.50	2.60	2.37	1.73	2.44	2.00	2.58
PI3 Salary level is important								
Contingent	4.25	4.40	4.25	4.58	4.37	4.50	3.80	5.00
Non-Contingent	4.43	4.39	4.42	4.43	4.33	4.50	4.00	4.36
Total	4.36	4.39	4.32	4.53	4.36	4.50	3.88	4.42
PI4 Others are more important								
Contingent	4.00	3.28	2.96	3.17	2.75	3.21	2.60	4.00
Non-Contingent	3.43	3.64	4.10	4.00	4.33	3.75	4.00	3.54
Total	3.64	3.48	3.46	3.26	3.18	3.33	3.12	3.58

TABLE 3

Analysis of Variance For
Pay Satisfaction Items

Source	df	MS	F
PS1 Is now			
Age	7	2.25	1.26
Group	1	2.65	1.48
Age x group	7	3.52	1.97
Within	156	1.79	
PS2 Discrepancy			
Age	7	11.07	3.70**
Group	1	5.79	1.94
Age x group	7	6.20	2.07*
Within	156	2.99	
PS3 Rate pay considering duties			
Age	7	.68	1.19
Group	1	1.24	2.17
Age x group	7	1.15	2.02*
Within	160	.57	
PS4 JDI Pay Subscale			
Age	7	218.78	1.31
Group	1	266.78	1.59
Age x group	7	59.45	.35
Within	163	167.11	

*Significant at the .05 level

**Significant at the .01 level

TABLE 4

Cell Means for Pay Satisfaction Items

Group	Age							
	under 21	21-25	26-30	31-35	36-40	41-45	46-50	51 over
PS1 Is now								
Contingent	3.75	3.57	3.92	3.64	3.12	4.15	2.60	1.00
Non-Contingent	3.86	3.87	3.10	3.50	3.00	3.50	4.00	3.80
Total	3.82	3.72	3.56	3.59	3.09	4.00	3.12	3.54
PS2 Discrepancy								
Contingent	5.75	4.04	4.21	3.67	3.50	4.71	3.80	0
Non-Contingent	5.00	4.33	4.42	2.71	5.00	3.75	4.00	4.00
Total	5.27	4.21	4.30	3.31	3.91	4.72	3.87	3.67
PS3 Rate pay considering duties								
Contingent	2.50	2.33	2.46	2.00	2.25	2.43	1.80	1.00
Non-Contingent	2.57	2.62	2.05	2.17	2.67	1.75	2.67	2.45
Total	2.54	2.50	2.28	2.05	2.36	2.28	2.12	2.33
PS4 JDI Pay Subscale								
Contingent	36.50	26.24	19.50	22.33	20.25	24.14	22.80	20.00
Non-Contingent	25.71	24.36	17.21	23.14	10.00	24.50	24.67	19.45
Total	29.64	25.17	18.50	22.53	17.45	24.22	23.50	19.50