Job Satisfaction and Workforce Demographics

a longitudinal study of the U.S. forest products industry



by Zi Wan Liam E. Leightley

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Table of Contents	Introduction1
	Results and Discussion2
	Demographic Characteristics2
	Job Satisfaction2
	Impacts of Workforce Demographics on Job Satisfaction2
	Differences in Job Satisfaction across Income, Occupation, and Age2
	Forest Products Industry vs. Textile Products Industry
	Forest Products Industry vs. Manufacturing Industry4
	Summary and Conclusions5
	References7

Introduction

Workforce is the most important factor and the only sustainable long-term competitive advantage of an organization. In today's intensely competitive global environment, there is a strong demand for workforce participation in organizational decision making to enable the achievement of higher productivity of an organization. One aspect of workforce participation is job satisfaction. Job satisfaction is defined as how much employees like or dislike their work and the extent to which their expectations concerning work have been fulfilled. Understanding job satisfaction is critical to the success of an organization and continues to be a major topic of research interest.

In this study, the effect of personal demographic characteristics—income, education, occupation, age, and gender on job satisfaction are investigated. The goal of the study is to assist managers in making decisions relevant to employee job satisfaction in the U.S. forest products industry, including the U.S. wood furniture industry. In addition, the relationship of these workforce demographics and job satisfaction were compared with the U.S. textile products industry and with the entire U.S. manufacturing sector, excluding the forest products industry.

The data employed in the present analysis were based on 23 independent nationwide surveys conducted yearly from 1972 to 2002 (with the exception of 1979, 1981, 1992, 1995, 1997, 1999, and 2001) and administrated by National Opinion Research Center at the University of Chicago. The study includes 688 responses of the U.S. workforce in lumber and wood products, the furniture and fixtures industry (SIC 25), and the paper and allied products industry (SIC 261-266). The study also includes 1,090 responses of the U.S. workforce in the textile products industry (SIC 221-229, 231, 238 and 239) and 7,904 responses of the U.S. workforce in the entire U.S. manufacturing industry, not including the forest products industry.

The industries of respondents were determined according to the Standard Industrial Classification (SIC) used by the U.S. Bureau of the Census. Respondents were classified into industries based on their answers to the questions: "What kind of place do you work for? What do they make?"

Job satisfaction, the dependent variable, was measured by the response to the question: "On the whole, how satisfied are you with the work you do—would you say you are very satisfied, moderately satisfied, a little dissatisfied, or very dissatisfied?" The independent variables were the personal demographic characteristics-income, education, occupation, age and gender. Income was measured by the response to the question: "In which of these groups did your earnings from (the occupation identified earlier) for last year fall? That is, before taxes and other deductions." Education was measured in terms of years of formal education completed for which credit was received. Respondents were classified into occupations based on their answers to the questions about the kind of work they do and what their jobs were called. Occupation was then dichotomized into blue-collar and white-collar based on 1970 and 1980 census occupational classifications. Age was recorded in exact years since date of birth. Gender was interviewer coded into male and female.

Results and Discussion

Demographics

To clarify the demographic characteristics of forest products industry respondents, respondents' income, education and age were classified into three groups, respectively: less than \$10,000, \$10,000-\$24,000 and \$25,000 or over; less than high school, high school, and more than high school; and 18-29 years, 30-49 years, and 50+ years. Income, education, occupation, age, and gender characteristics of the U.S. forest products industry respondents are shown in Table 1.

Job Satisfaction

A description of job satisfaction as indicated by respondents in the U.S. forest products industry is presented in Figure 1. Almost eighty-five percent of the respondents were very satisfied or moderately satisfied with their job.

Impacts of Workforce Demographics on Job Satisfaction

The results of the one-way ANOVA are presented in Table 2 which provides the impacts of workforce demographics on job satisfaction in the U.S. forest products industry. Income, occupation and age had significant effects on job satisfaction at $\alpha = 0.05$. There were differences in job satisfaction of the employees across the different levels of income, occupation and age in the U.S. forest products industry. Education and gender had no significant effects on job satisfaction. No evidence was found that higher levels of education were related to higher job satisfaction. There were no differences in job satisfaction across male and female workers.

	lotal			
Income	Less than \$10,000	\$10,000 - \$24,999	\$25,000 or over	
%	33.4	39.9	26.7	100
n	144	172	115	431
Education	Less than high school	High school	More than high school	
%	21.5	57.5	21.0	100
n	147	394	144	685
Occupation	Blue-collar	White-collar		
%	77.9	22.1		100
n	536	152		688
Age	18 - 29 yr.	30 - 49 yr.	50+ yr.	
%	20.6	40.2	39.2	100
n	141	276	269	686
Gender	Female	Male		
%	32.3	67.7		100
n	222	466		688

Table 1. Demographic characteristics of forest products industry respondents.



Figure 1. Job satisfaction of the U.S. forest products industry respondents.

Differences in Job Satisfaction across Income, Occupation, and Age Table 3 profiles mean and standard

deviation of job satisfaction for employees across the different levels of income, occupation and age. Again, for the purpose of a clear description, respondents' income and age were classified into three groups, respectively: less than \$10,000, \$10,000-\$24,000 and \$25,000 or over; and 18-29 years, 30-49 years, and 50+years. Job satisfaction has a minimum score of 1 meaning very dissatisfied and a maximum score of 4 meaning very satisfied. Table 3 indicates that in the U.S. forest products industry, including the U.S. wood furniture industry, workforces with higher income, white-collar employees, and workforces in higher age categories enjoyed higher job satisfaction.

Forest Products Industry vs. Textile Products Industry

As shown in Table 4, the comparison of the impacts of personal demographics on job satisfaction between the U.S. forest products industry and the U.S. textile products industry yielded no significant difference between these industries. For both of these two industries, income, occupation and age had significant effects on job satisfaction. All these three regression coefficients were positive and were significant at $\alpha = 0.05$. The evidence suggested that, in these two industries, higher levels of income, occupational position, and age were related to higher job satisfaction. Education and gender had no significant effects on job satisfaction. No evidence was found that

		Sum of Squares	df	Mean Square	F	Sig.
Income	Between Groups Within Groups Total	153.127 3786.418 3939.545	3 392 395	51.042 9.659	5.284	.001
Education	Between Groups Within Groups Total	35.994 4860.055 4896.050	3 521 524	11.998 9.328	1.286	.278
Occupation	Between Groups Within Groups Total	1.533 96.965 98.498	3 524 527	.511 .185	2.762	.042
Age	Between Groups Within Groups Total	5659.171 96716.298 102475.470	3 522 525	1886.390 185.472	10.171	.000
Gender	Between Groups Within Groups Total	.906 116.092 116.998	3 524 527	.302 .222	1.363	.253

Table 2. Impacts of workforce demographics on job satisfaction in the U.S. forest products industry.

Respondents	Job Satisfaction				
Income	Ν	Mean	Std. Deviation		
Less than \$10,000	124	3.1290	0.87390		
\$10,000 - \$24,999	161	3.3230	0.72113		
\$25,000 or over	111	3.3784	0.70135		
Occupation	Ν	Mean	Std. Deviation		
Blue-collar	397	3.2091	0.79080		
White-collar	131	3.4122	0.75315		
Age	Ν	Mean	Std. Deviation		
18-29 yr.	132	3.0152	0.85592		
30-49 yr.	256	3.2930	0.75415		
50+ yr.	138	3.4275	0.78660		

Table 3. Differences in job satisfaction across income, occupation and age.

higher levels of education were related to higher job satisfaction. There were no differences in job satisfaction across male and female workers.

Forest Products Industry vs. Manufacturing Industry

As shown in Table 5, a comparison of the impacts of personal demographics on job satisfaction between the U.S. forest products industry and the entire U.S. manufacturing industry, not including the forest products industry, indicated that there was no significant difference of the impacts of personal demographics on job satisfaction. Income, occupation and age had significant effects on job satisfaction. All these three regression coefficients were positive and were significant at $\alpha = 0.05$. The evidence suggests that higher levels of income, occupational position, and age were related to higher job satisfaction. Education and gender had no significant effects on job satisfaction. No evidence was found that higher levels of education were related to higher job satisfaction. There were no differences in job satisfaction across male and female workers.

Summary	
and	
Conclusions	

The forest products industry makes a major contribution to Mississippi's economy. According to the study by Munn and Henderson (2003), the total industry output of Mississippi forest products industry was \$13.38 billion and value added production was \$5.33 billion annually. The Mississippi forest products industry accounted for 8.5% of all jobs in Mississippi. This industry had a total of 119,575 full or part-time jobs in Mississippi. This longitudinal study indicates that, in the U.S. forest products industry, employees with higher income, white-collar workers, and older workers had higher job satisfaction. Education and gender had no significant impacts on job satisfaction.

A workforce with high job satisfaction leads to an improvement in work quality and productivity, and leads to satisfied loyal customers. A workforce who dislikes his/her

Model		Unstan Coeff	dardized ficients	Standardized Coefficients		
		В	Std. Error	Beta	t	Sig.
1	(Constant)	2.846	.190		14.989	.000
	Income	.025	.010	.100	2.471	.014
	Education	013	.013	040	-1.004	.315
	Occupation	.170	.079	.082	2.164	.031
	Age	.008	.002	.117	3.177	.002
	Gender	.026	.068	.015	.376	.707
	Industry	105	.068	063	-1.552	.121

Table 4. Job satisfaction between forest products industry and textile products industry.

Dependent Variable: Job Satisfaction

Table 5.	Job satisfaction between fore	est products industry	and manufacturing
industry.			

		Unstan Coeff	dardized ficients	Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	2.820	.082		34.519	.000
	Income	.022	.004	.085	5.177	.000
	Education	009	.005	030	-1.727	.084
	Occupation	.166	.027	.101	6.073	.000
	Age	.008	.001	.121	8.033	.000
	Gender	.024	.026	.014	.919	.358
	Industry	080	.046	028	-1.904	.057

Dependent Variable: Job Satisfaction

Summary and Conclusions (continued)

job is more likely to have higher absenteeism and turnover (Spector 1997).

Job satisfaction directly influences an organization's competitive advantage. It is very important for managers to understand workforce job satisfaction, as it highlights the issues that need to be addressed. The results of this study indicate that employees with lower income were less satisfied with their jobs. The level of income impacted job satisfaction significantly in the forest products industry. This indicates that there is a high probability that employees are willing to leave the forest products industry for a more financially rewarding employment.

Younger workers were less satisfied with the job. This scenario suggests that the turnover rate among younger workers may be high. Managers in the forest products industry should be aware of this situtation and work on methods to retain and attract young quailified employees. If this trend is not altered, there is a risk of shortage of workforce in the forest products industry.

As expected, blue-collar workers had lower job satisfaction than white-collar workers. The forest products industry is a relatively labor-intense industry. Blue-collar workers play an important role in this industry. Managers need to determine the reasons for lower satisfaction in these essential jobs.

Given the importance of job satisfaction, it is imperative that managers in the U.S. forest products industry determine ways to improve the job satisfaction of lower income, bluecollar workers and younger employees. The same conclusions apply when comparing the forest products industry to the U.S. textiles industry and the entire manufacturing industry. References

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