

# Is Our Ladder on the Right Wall?

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For decades, enlightened companies and caring organizations around the world have bombarded their employees with survey after survey asking opinions about their satisfaction with their job, their satisfaction with their manager or supervisor, their satisfaction with their compensation, with their benefits, with their work environment – almost everything *except* asking if they are satisfied with their life – if they're happy?

A recent meta-analysis of 223 studies spanning more than 40 years published in April, 2010 suggests that well-meaning companies and their dedicated human resource departments may need to move their ladder to a new wall when it comes to job satisfaction. These study results indicate a causal link between an individual's "subjective well-being" (psychology-speak for their level of happiness) and their subsequent levels of job satisfaction. As Nathan Bowling, co-author of the study, says: "These results suggest that if people are, or are predisposed to be happy and satisfied in life generally, then they will be likely to be happy and satisfied in their work." And, even more significantly, he goes on to suggest: "However, the flipside of this finding could be that those people who are dissatisfied generally and who seek happiness through their work, may not find job satisfaction. Nor might they increase their levels of overall happiness by pursuing it."

What might these findings mean for companies today?

If people who are unhappy in their life are unlikely to find satisfaction at work, then gauging each employee's happiness level and working to increase their overall happiness with their life may need to become a *primary* objective – instead of, or, at least, in addition to continuing to try to increase job satisfaction. Even more controversial would be the next logical step – not currently supportable by any research – of seeking to only hire people who are already high in "subjective well-being" – who are already happy and satisfied with their life.

No matter which approach to job satisfaction is chosen, though, clearly something needs to be done.

The most recent report by The Conference Board finds that only 45% of those surveyed say they are satisfied with their jobs. This result is down from 61% in 1987 -- the first year in which the survey was conducted – and represents the nadir of employee satisfaction in the past 22 years. Not only has satisfaction decreased significantly in the past two decades, but the least satisfied are the under 25 age group with only 35.7% satisfied. This raises concerns about the overall engagement of the newest generation of U.S. employees and, their performance, productivity and retention as well as about our overall competitiveness in the global world. This drop in satisfaction is true for all categories in the survey – from interest in work (down 18.9%) to job security (down 17.5%) – and the level of dissatisfaction includes all of the key drivers of employee engagement: job design, organizational health, managerial quality and extrinsic rewards.

While certainly the latest economic downturn has impacted these responses, the overall downward 20+ year trend is more disturbing. Possible reasons are many including one highlighted in the recent Rockefeller Foundation study of the Economic Security Index released in July, 2010. This study found, among other findings, that the feeling of economic insecurity in the U.S. is higher than at any time in the past 25 years – and has been increasing steadily since 1985. One possible reason – often cited – is that, while overall wealth in the U.S. has risen dramatically over the past 40 years, these gains have been

concentrated among the wealthiest. According to the Congressional Budget Office, between 1979 and 2006 the average after-tax income rose by 21% for the middle fifth of American households, but increased by 112% for the richest 10% and by 256% for the top 1% of households. The rich *have* been getting richer – and the middle class is insecure and dissatisfied – and the gap is widening. Historically, this is not a recipe for peace and tranquility either here in the US or in countries around the world.

So, while public policy decisions to address these issues may (or may not) occur in due time, enlightened companies today might do well to determine if they need to make some changes in their focus on employee satisfaction with their job and work. One possibility would be to take steps to try to better ensure their most valuable assets – their employees – are satisfied with their *life* in addition to being satisfied with their company, workplace, managers and job – and then to reap the resulting benefits of improved job satisfaction, performance and productivity.

### **About the Author**

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