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Happier with the Same: Job Satisfaction of Disadvantaged Workers

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NON-TECHNICAL SUMMARY

In recent years there has been progressive recognition that individuals' own perceptions of their wellbeing can be used to inform evidence-based policy, as these opinions complement more objective indicators of people's welfare levels such as income or wealth. Self-perceptions of wellbeing in relation to one's job, captured by job satisfaction reports, are not an exception, and are being researched and used in policy planning progressively more.

However, there are issues in using these subjective measures for these purposes. Particularly, it has been argued that when individuals report their job satisfaction they do not only take into account the objective circumstances that they experience. Instead, their own subjective perceptions are also used when making those judgments. Therefore, the level of job satisfaction reported by a person will be influenced by, for example, that person's goals in life, life aspirations and expectations, perceived needs and sense of entitlement. As a result, different workers doing the same type of work within the same workplace may paradoxically report different levels of job satisfaction.

In this paper, we capitalize on unique survey data from the UK in which information is collected from many workers in the same workplaces. This is used to examine to which extent the job satisfaction scores reported by different workers who are in the same job vary from each other. We also examine which type of workers report higher contentment with the same job, and which sort report lower contentment.

Our results indicate that a vast majority of the differences in job satisfaction across individuals in the UK labor market are across individuals who are in the same jobs (rather than across individuals in different jobs). Importantly, we find that individuals who belong to collectives that are generally disadvantaged or marginalized within society and the labor market, such as women, very old or very young workers, non-white workers, homosexual workers and non-degree-educated workers are happier with the same jobs than workers from more advantaged collectives (i.e. male, middle-aged, non-white, heterosexual or non-degree-educated workers).

We conclude that academic and policy planners should be careful when using survey information on job satisfaction. Specifically, they should be aware that workers with different personal traits perceive the same realities differently, and so job satisfaction scores cannot be taken as immediate indicators of job quality.

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Abstract

In recent years there has been progressive recognition that individuals' self-perceptions of their wellbeing usefully complement objective welfare indicators. Wellbeing in relation to work, captured by self-reported job satisfaction, has not been an exception. However, job satisfaction evaluations depend not only on the objective circumstances workers experience in their jobs, but also on their subjective dispositions, such as their aspirations, expectations or personal evaluation criteria. We use matched employer-employee data from the UK and a within job modelling strategy to unveil whether and how subjective dispositions influencing job satisfaction vary across workers with different socio-demographic characteristics. We find that personal characteristics matter substantially more than job characteristics in determining job satisfaction, and that workers from disadvantaged collectives (i.e. female, very old or very young, non-white, homosexual or non-degree-educated) report higher satisfaction with the same jobs than those from advantaged collectives (i.e. male, middle-aged, non-white, heterosexual or non-degree-educated).

Keywords: job satisfaction; disadvantage; subjective dispositions; matched employer-employee data; UK

1. Introduction

In recent years there has been growing interest in individuals' self-perceptions of their wellbeing on the grounds that these complement well-established objective indicators of welfare. Wellbeing in relation to work, captured for instance by measures of job satisfaction, has not been an exception. The discourse on work in post-industrial societies has shifted from perceiving labour as a means for subsistence to conceptualising it as an important aspect of individuals' identity and self-realization (Beck, 1992; Sen, 2000). Consequently, the 'utility' people gain from their work has become a significant feature of modern working life and the subject of increasing academic attention.

The concept of utility, with origins in labour economics (D'Addio et al., 2007), is difficult to delineate empirically. In social surveys it has been commonly measured by asking individuals to rate their satisfaction with their job (Hamermesh, 1977), with such satisfaction been defined as "*a pleasurable or positive emotional state, resulting from the appraisal of one's job or jobs experiences*" (Locke, 1976, p.1300). Several different measures have been used in the literature to operationalize the concept. Most frequently, empirical studies are concerned with satisfaction with one's job overall, using either responses to a single questionnaire item or composite indices based on amalgamating satisfaction with separate job domains, such as pay, job security, or the work itself (Rose, 1999; van Saane et al., 2003).

However, despite the growing importance and widespread use of survey measures of self-reported job satisfaction, their subjective nature still elicits some reservations amongst the scientific community. These emerge because self-reported measures of job satisfaction reflect not only objective factors (such as job characteristics and working conditions) but also subjective factors (such as individual aspirations or expectations), which may lead to measurement error (Freeman, 1978). As Taylor puts it "*the same amount of job satisfaction may be reported differently, and different levels of job satisfaction may be described by the same score*" (2006, p.128).

Previous research has treated such subjectivity as a nuisance, and has focused on devising statistical techniques that enable researchers to rule it out (see e.g. Ferrer-i-Carbonel and Frijters, 2004; D'Addio et al. 2007). In this paper, we take the opposite approach: we are particularly interested in the subjective components of job satisfaction evaluations. In particular, we aim to unveil whether and how workers with different socio-demographic traits rate their satisfaction with equal job conditions. To do so, we draw upon psychological,

economic and sociological theories, use matched employer-employee data from the 2011 UK Workplace Employee Relations Survey and an innovative within job model of job satisfaction. By comparing the job satisfaction scores of workers *within the same jobs*, we can gain insights into how their individual characteristics permeate their judgments.

Key results suggest that personal characteristics matter substantially more than job characteristics in determining job satisfaction, and that workers from disadvantaged collectives (i.e. those who are female, very old or very young, non-white, homosexual or non-degree-educated) report significantly higher satisfaction with the same jobs than those from advantaged collectives (i.e. those who are male, middle-aged, non-white, heterosexual or degree-educated). Therefore, subjective dispositions are important drivers of job satisfaction assessments and vary across workers with different personal traits in meaningful ways. These findings provide a strong warning against a carefree use of descriptive and cross-sectional information on self-reported job satisfaction as a proxy for job quality.

2. Individual- and job-level correlates of job satisfaction

There is substantial evidence that the characteristics of the job and the working environment are important predictors of workers' job satisfaction. Workers tend to report higher satisfaction in jobs which are high-paying (Gardner and Oswald, 1999; Lydon and Chevalier, 2002), managerial (Weaver, 1977; Gazioğlu and Tansel, 2006), unionised (Bryson et al., 2004), in the public sector (Steel and Warner, 1990; DeSantis and Durst, 1993) and in small establishments (Idson, 1990; García Serrano, 2008). Relatively high job satisfaction is also reported by workers in jobs that feature better opportunities concerning promotion (Clark, 1996; Taylor, 2006), enable the exertion of personal autonomy (Mortimer et al., 1988), or provide enhanced opportunities for training and skill development (Jones et al., 2009).

Additionally, a number of socio-demographic characteristics have been shown to influence job satisfaction. Gender differences whereby women display higher satisfaction at work than men (Lambert, 1991; Clark, 1997; Asadullah and Fernández, 2008) and a U-shaped relationship between age and job satisfaction (Clark et al., 1996) have been recurrently reported. Lower levels of job satisfaction have been identified for workers who are degree educated (Clark and Oswald, 1996), from ethnic minorities (Weaver, 1974; Gardner and Oswald, 1999) and who have poor health or a disability (Uppal, 2005; Pagán and Malo, 2009).

However, we know that workers with different personal characteristics are not randomly allocated to jobs featuring different working conditions. Instead, there is a patterning whereby workers from disadvantaged collectives tend to be overrepresented in less desirable jobs and workers from advantaged collectives tend to be overrepresented in more desirable jobs - and progressively more so in the British labour market given growing job polarization (Gallie, 1991; Felstead et al., 2007). In the UK labour market, there is ample recent evidence of work-related inequalities on the basis of age (Riach and Rich, 2010), gender (Perales, 2013), ethnicity (Brynin and Guveli, 2012; Longhi et al, 2013), education (Blundell et al., 2000; Walker and Zhu, 2008), health and disability (Berthoud, 2008), and sexual identity (Uhrig, 2014).

As a result, it is difficult to determine how much of the effect of the individual-level characteristics on job satisfaction is due to group differences in (i) the quality of jobs and (ii) aspirations, expectations and other subjective factors. In this paper, we propose a modelling strategy that rules out the effect of objective working conditions on self-reported job satisfaction to reveal patterns in the way in which people from different socio-demographic groups rate the same working conditions.

3. The role of subjective dispositions and social disadvantage

We depart from the premise that job satisfaction assessments do not solely reflect the objective job and working conditions experienced by the rater (Freeman, 1978). If they did, we would expect all workers in the same jobs to report the same degree of job satisfaction. Instead, we know (and will later demonstrate), that workers in the same jobs do not always report matching job satisfaction scores. This bears the question, why and how do workers rate the same job differently? An explanation for different ‘baseline levels’ across individuals could be that job satisfaction measures, as all survey-based subjective wellbeing evaluations, are prone to measurement error (Conti and Pudney, 2008; Pudney, 2010).

An alternative view is that within-job differences in ratings of job satisfaction are not just random noise, but are instead systematic and patterned. Theorists of subjective wellbeing have long argued that, when making satisfaction assessments, people compare their actual circumstances against their needs, aspirations and expectations (Michalos 1986). For instance, when assessing their satisfaction with their jobs, workers perform an evaluative judgement comparing their objective situation (e.g. their salary, their relationship with their

boss, the job's prestige, their work schedules, etc.) against an ideal situation that they expect or aspire to attain. This is the basis for the 'actual-aspirational gap' model, which postulates that the closer people's actual experienced conditions are to their subjective aspirations and/or expectations, the higher their ratings of their satisfaction will be (Campbell et al. 1976). Classic sociological, economic and psychological theories have highlighted the importance of different factors and processes in influencing how people construct their evaluative frameworks, i.e. the ideal scenario against which they compare their experienced realities.

One school of thought suggests that the comparative framework people use when making evaluative judgements is influenced by a person's past experiences or expected future circumstances (Clark et al., 2008a). People report increased satisfaction when their situation improves and dissatisfaction when it deteriorates, regardless of what their actual objective circumstances are. For example, a person with a very low income might be temporarily satisfied with even a small increase to her salary. However, proponents of 'homeostasis theory' argue that such effects are short lived due to adaptation and habituation processes (Cummins et al., 2003, Kahneman and Deaton, 2010; Clark et al., 2008b).

Another strand of theory, with origins in classic sociological thought, offers accompanying explanations. 'Social comparison' theory (Festinger, 1954) posits that, when making wellbeing evaluations, people compare their circumstances to those of other people, with 'reference group' theory (Hyman and Singer, 1968; Merton, 1968) specifying that comparison others tend to be people within the social groups to which the person making the comparison belongs or relates. This theory was recently revitalized within economics, particularly with regards to income comparisons (see e.g. Clark and Oswald, 1996; Ferrer-i- Carbonell, 2005). Some of the most important factors defining one's comparison group are age, race and gender (Perez-Asenjo, 2011).

Cultural and normative factors, operating at both the macro level (i.e. countries and societies) and the meso-level (e.g. families, neighbourhoods and communities), can also shape reference frameworks. For example, Luttmner (2005) finds that, controlling for a person's own income, higher income amongst her neighbours is associated with lower happiness *ceteris paribus*. Early life and socialization experiences have also the potential to influence adult-life aspirations and expectations (Hodson, 1985; Ross and Reskin, 1992; Clark, 1997). For example, girls who grow up with stay-at-home mothers tend to compare themselves to stay-at-home women as adults, subsequently developing lower labour market aspirations and

expectations (Hodson, 1989). Similarly, people who grew up under tough economic conditions or in disadvantaged environments (e.g. areas with structural unemployment) develop different frames of reference and lower aspirations/expectations than people coming from affluent backgrounds (Orrenius and Zavodny, 2009).

Similar arguments have been made from a social psychology perspective. For example, it has been argued that individuals comparing their outcomes to those of similar others and to their past outcomes leads to the emergence of different ‘reference standards’ for people from advantaged and disadvantaged social collectives. This in turn creates group differences in feelings of personal entitlement, whereby members of advantaged collectives feel that they are entitled to higher rewards than do members of disadvantaged collectives (O’Brien and Major, 2009).

4. Research hypotheses

Based on these theories, we expect socio-affective components to permeate job evaluations in patterned ways. When providing a job satisfaction score, workers will not only take into account the objective conditions in their jobs, but will also undertake social comparisons. The latter includes judging their current circumstances against those of other members of their social group(s), the circumstances of members of other social groups, and their own past and expected future circumstances. In the light of the processes described above, we expect members of the disadvantaged collectives to set their ‘comparison yardsticks’ lower when rating their jobs. Consequently, we predict that workers from traditionally disadvantaged collectives will rate the same objective working conditions more favourably than workers from traditionally non-disadvantaged collectives. In other words, workers from disadvantaged social strata will ‘settle for less’.

Based on these theoretical premises, we make the following testable research hypotheses:

Hypothesis 1: A large share of the differences in job satisfaction reports will be amongst workers within the same jobs, rather than between workers in different jobs.

Hypothesis 2: Workers who are female, very young or very old, non-white, homosexual, lowly educated and disabled will rate their satisfaction with equal working conditions

more positively than workers who are male, middle-aged, white, 'straight', highly educated and non-disabled, ceteris paribus.

In the next section we introduce the data and methods used to test these postulations.

5. Methodological approach

Our goal is to identify whether personal characteristics are associated with job satisfaction, net of any differences in the objective conditions of the jobs in which workers with different traits work. Accomplishing this requires the use of a modelling strategy that accounts for all possible differences in objective job conditions. One option would consist of adding control variables in a regression model for each and every characteristic of the job that is potentially correlated with both personal characteristics and job satisfaction. This is clearly unfeasible, as an elevated number of job traits would be relevant and the requisite data are rarely available. A second option is to apply a modelling strategy that implicitly controls for all job characteristics by, in broad terms, comparing only the job satisfaction of workers with different socio-demographic traits who work in the same job. The data requirements necessary to implement this are less stringent, namely the availability of information on detailed occupation, job satisfaction and personal characteristics from individuals working in the same firm.

The model in question, which we will refer to as a within job model, builds on the fixed-effect estimation strategy for panel data that is recurrently used to account for time-constant person-specific unobserved heterogeneity (Ferrer-i-Carbonel and Frijters, 2004; Allison, 2009) and on multilevel models for hierarchical data structures (Goldstein, 2003). A similar use of within group regression was recently made by Tomaszewski and Perales (2013) to assess the role of subjective dispositions in influencing housing satisfaction.

The within job model of job satisfaction that we use here is based on a hierarchical data structure where workers are nested within jobs:

$$JS_{jw} = a + X_{jw}b + Z_jc + u_j + e_{jw} \quad (1)$$

...where the w and j subscripts refer to worker and job; a is an intercept; JS stands for job satisfaction; X_{jw} is a vector of observable variables that vary *between workers within and across jobs* (e.g. ethnicity, age and gender); Z_j is a vector of observable variables that vary only *between workers within -but not across- jobs* (e.g. occupational prestige, remuneration, job-level sex-composition); b and c are vectors of coefficients; u_j captures job-specific unobserved heterogeneity affecting workers' reports of their job satisfaction; and e_{jw} is the usual random error in regression.

Applying the within job transformation to this equation gives the following:

$$JS_{jw} - \overline{JS}_j = a + (X_{jw} - \overline{X}_j)b + (Z_j - \overline{Z}_j)c + (u_j - \overline{u}_j) + (e_{jw} - \overline{e}_j) \quad (2)$$

This simplifies to:

$$JS_{jw} - \overline{JS}_j = a + (X_{jw} - \overline{X}_j)b + (e_{jw} - \overline{e}_j) \quad (3)$$

Therefore, the within job model in equation (2) averages out all (observable and unobservable) job-specific heterogeneity in job satisfaction evaluations captured in Z_j and u_j . When doing this, as in equation (3), the estimated coefficients on the personal characteristics will reflect the subjective dispositions of different population groups when making job satisfaction evaluations, as they are net of all job-level objective conditions.

We employ this technique to gather evidence on how subjective dispositions unevenly distributed across population groups (and not just the objective conditions to which they tend to be exposed) are important in explaining perceived wellbeing, as measured by self-reported job satisfaction.

6. Data and variables

To estimate the model described above we use data from the 2011 UK Workplace Employee Relations Survey (WERS), the sixth instalment in a long-running series of large-scale matched employer-employee surveys. The 2011 WERS has a complex design that features

several data collection instruments and a sampling strategy that incorporates workplaces participating in the 2004 WERS and a new stratified random sample of establishments drawn from the 2010 Inter-Departmental Business Register (see van Wanrooy et al. (2013) for further detail). We use the ‘Survey of Employees’ component of this study, a paper-based self-completion questionnaire filled in by up to 25 randomly selected employees in participating workplaces.

Of key importance is the fact that the 2011 WERS contains information from workers in the same firms, as this enables us to derive an operational measure of the ‘job’ that is vital for our purposes. The best way to develop approximate job identifiers with the available data is to define jobs as detailed occupations within firms. That is, workers doing the same specific line of work within the same firm will be considered as doing the same job. We use highly disaggregated occupation information from the 2010 UK Standard Occupational Classification at the four-digit level (358 occupational units). Doing this produces the distribution of employees within jobs shown in Table 1. Of 17,133 workers with no missing data on key variables, 6,613 are the only worker in their job within their firm captured in the data. As our modelling strategy relies on comparisons within jobs, information from these workers cannot be used in estimation. The remaining 10,520 workers are in jobs comprising 2 to 22 workers, and constitute our analytical sample.¹

¹ Because it is unclear how the individual-level weights provided with the WERS data could be used in the context of a model in which the unit of analysis is the job, we do not use weights to account for the complex design of the survey. As a result, our findings cannot be readily extrapolated to the British labour market as a whole.

Table 1. Number of workers per job

	n	%
1 person	6,613	38.6
2	3,005	17.5
3	1,746	10.2
4	1,182	6.9
5	918	5.4
6	768	4.5
7	505	2.9
8	464	2.7
9	394	2.3
10	267	1.6
11	214	1.3
12	242	1.4
13	188	1.1
14	174	1.0
15	102	0.6
16	153	0.9
17	83	0.5
18	47	0.3
19	17	0.1
20	31	0.2
22 people	20	0.1
n (workers)	17,133	

Notes: Data from WERS 2011.

The outcome variable of interest is self-reported job satisfaction. We use both a single composite measure of overall contentment and 8 measures of satisfaction with specific job domains:

- i. ‘The sense of achievement you get from your work’
- ii. ‘The scope for using your own initiative’
- iii. ‘The amount of influence you have over your job’
- iv. ‘The training you receive’
- v. ‘The opportunity to develop your skills in your job’
- vi. ‘The amount of pay you receive’
- vii. ‘Your job security’
- viii. ‘The work itself’

Possible satisfaction scores for each of these job domains range from 1 (very dissatisfied) to 5 (very satisfied). For simplicity, we treat these variables as if they were continuous variables. As argued elsewhere, little is lost by assuming cardinality when using this sort of subjective wellbeing measures (Ferrer-i-Carbonell and Frijters, 2004).

The additive index measure of overall job satisfaction is constructed by averaging the scores of the 8 questions on satisfaction with specific job domains, and rescaling the result so that values range from 0 (completely dissatisfied) to 100 (completely satisfied). This index proves to be highly reliable, as denoted by a Cronbach Alpha of 0.86. Additionally, results from factor analyses confirm that all the items load heavily on a single factor.

Our explanatory variables of interest capture socio-demographic traits that are known to be associated with employment outcomes and career prospects: gender, age, ethnicity, sexual identity, education and disability. The expectation is that workers from collectives that are typically disfavoured and even discriminated against in the labour market (e.g. female, very young or very old, ethnic-minority, sexual-minority, poorly educated and disabled workers) will express higher satisfaction with the same jobs than their more privileged counterparts (i.e. male, middle-aged, ethnic-majority, heterosexual, highly educated and non-disabled workers). We also control for other demographic traits (partnership status, number of dependent children and caring responsibilities) and -real or perceived- within job variations in working arrangements (income, permanent contract, on-the-job training, supervisory duties, years in current workplace, trade union membership, weekly contractual hours, salary packaging and pension contribution).

Means and standard deviations for all variables are presented in Table 2.

Table 2. Means and standard deviations for all variables

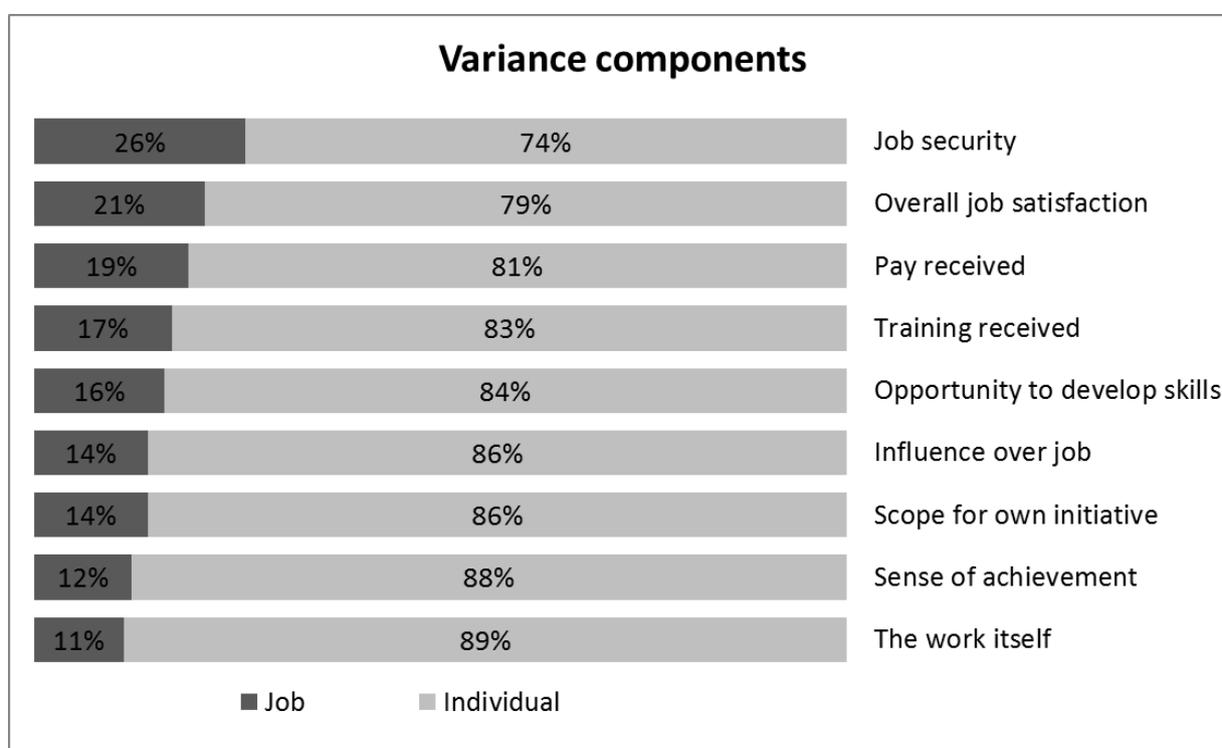
	Mean	SD
<i>Outcome variables</i>		
Overall job satisfaction (0-100)	62.84	18.11
Satisfaction with...		
... the sense of achievement	3.82	0.94
... the scope for own initiative	3.82	0.94
... the influence over job	3.52	0.97
... the training received	3.41	1.07
... the opportunity to develop skills	3.35	1.08
... the pay received	2.97	1.13
... job security	3.40	1.07
... the work itself	3.83	0.90
<i>Explanatory variables</i>		
Female	0.56	
Age		
16 to 21 years old	0.05	
22 to 59 years old	0.89	
60 years old or more	0.06	
Ethnic non-white	0.12	
No degree qualification	0.67	
Sexual identity		
Heterosexual	0.94	
Homosexual	0.02	
Other or no response	0.04	
Lasting health condition limiting daily activities	0.10	
<i>Control variables</i>		
Annual income		
£3,120 to £11,440	0.21	
£11,441 to £16,120	0.17	
£16,121 to £22,360	0.21	
£22,361 to £33,800	0.23	
£33,801 or more	0.18	
Partnered (married or <i>de facto</i>)	0.69	
Has dependent children	0.39	
Cares for a disabled or elderly person	0.19	
Years in current workplace		
0 to 2 years	0.22	
2 to 5 years	0.24	
5 to 10 years	0.24	
10 years or more	0.30	
Permanent contract	0.93	
On-the-job training in the last 12 months	0.72	
Trade union membership	0.42	
Supervisory duties	0.30	
Weekly contractual hours	32.79	10.03
Salary package		
Basic salary only	0.80	
Basic salary plus performance-based extras	0.14	
Only performance-based extras	0.05	
Receives pension contribution	0.46	
n (workers)	10,520	
n (jobs)	3,645	

Notes: Data from WERS 2011. The means and standard deviations for explanatory and control variables are for the analytical subsample in the overall job satisfaction model.

7. Job satisfaction of workers from advantaged and disadvantaged collectives

We begin by determining how much our two hierarchical levels contribute to variation in the outcome variables capturing overall and domain job satisfaction. This can be accomplished by splitting the total variance in these variables into a part that is due to person-level factors and a part that is due to job-level factors. The results of this exercise are presented in Figure 1.

Figure 1. Variance decomposition for outcome variables



Notes: Data from WERS 2011.

Surprisingly, the lion share of the variance in job satisfaction is due to person-specific rather than job-specific traits, which is consistent with the idea that personal idiosyncrasies are important drivers of wellbeing evaluations – in fact, substantially more so than actual objective conditions. There are some divergences across job satisfaction measures in the relative share of the variance that is at the individual and the job level. Job-level factors are slightly more salient for satisfaction with job security (26%), overall job satisfaction (21%), satisfaction with pay (19%) and satisfaction with training (17%), and relatively unimportant

for satisfaction with the work itself (11%), satisfaction with the sense of achievement (12%), satisfaction with the scope for own initiative (14%) and satisfaction with the influence over the job (14%).

Having established that most of the variance in job satisfaction is between people within the same jobs, rather than between people in different jobs, we now estimate within job models of the sort proposed and discussed before. These enable us to examine whether and how workers with different socio-demographic traits evaluate the same job conditions. Results are presented in Table 3. These are based on a sample of around 10,500 workers in over 3,600 jobs with no missing data on key variables. The explanatory power of the models (as for all within group models) is modest, with values for the within R^2 statistic ranging from 2% (satisfaction with the work itself) to 6% (overall job satisfaction, satisfaction with skill development). Nevertheless, many of the model coefficients of interest are statistically significant. These give the predicted change in job satisfaction associated with a *within job* one-unit increase in the explanatory variables and can be interpreted as capturing *the subjective component of job satisfaction assessments*. Positive coefficients mean that the attribute is associated with a tendency to ‘settle for less’. The (theoretically) more advantaged subgroups are used as reference categories for the independent variables, and so the model coefficients relate to the (theoretically) more disadvantaged collectives.

The coefficient on the ‘female’ variable in the overall job satisfaction model and in the domain satisfaction models is positive and, with certain exceptions, statistically significant. This suggests that given the same job conditions, women tend to express higher satisfaction than men, *ceteris paribus*, and is consistent with our second hypothesis.

Concerning age, both very young workers (i.e. those between 16 and 21 years of age) and, especially, very old workers (i.e. those 60 years of age or more) are generally more satisfied with equal job conditions than middle-aged workers, as indicated by their respective sets of positive and largely statistically significant coefficients. Additional results (not shown) show that the difference in the model coefficients on the very young and the very old workers are generally statistically significant, indicating that very old workers are more satisfied with the same job conditions than very young workers. Thus, a U-shaped age gradient is apparent: very old workers are happier with the same job conditions than very young workers, who are in turn happier than middle-aged workers. Again, this is consistent with our predictions in Hypothesis 2.

Table 3. Within job models of job satisfaction

	Job satisfaction measure								
	Overall	Achievement	Initiative	Influence	Training	Skill dev.	Pay	Job security	Work itself
Female	1.52**	0.07*	0.06(*)	0.04	0.05	0.06(*)	0.13***	0.06(*)	0.04
Age									
16 to 21 years old	2.13(*)	-0.08	-0.05	0.04	0.11	0.14*	0.30***	0.25***	-0.03
22 to 59 years old (<i>ref.</i>)									
60 years old or more	6.28***	0.29***	0.19***	0.20***	0.20***	0.28***	0.22***	0.34***	0.28***
Ethnic non-white	4.01***	0.16**	0.18***	0.29***	0.21***	0.15**	0.14*	0.09(*)	0.07
Homosexual	3.66*	0.19*	0.14(*)	0.15(*)	0.11	0.25**	0.03	0.10	0.19*
No degree education	2.43***	0.07*	0.11***	0.08*	0.08*	0.18***	0.11**	0.04	0.10***
Lasting health condition	-5.17***	-0.13***	-0.19***	-0.23***	-0.25***	-0.32***	-0.17***	-0.25***	-0.10**
n (workers)	10,520	10,502	10,479	10,451	10,450	10,476	10,486	10,401	10,481
n (jobs)	3,645	3,644	3,642	3,641	3,638	3,638	3,642	3,633	3,641
R ² (within)	0.06	0.03	0.03	0.04	0.05	0.06	0.05	0.05	0.02

Notes: Data from WERS 2011. Control variables include partnership status, number of dependent children, caring responsibilities, income, permanent contract, on-the-job training, supervisory duties, years in current workplace, trade union membership, weekly contractual hours, salary packaging, pension contribution and a residual category for missing or other sexual identity. The overall job satisfaction scale ranges from 0-100 and the job domain satisfaction measures range from 0-5. Significance levels: (*) p<0.10, * p<0.05, ** p<0.01, *** p<0.001. Standard errors are adjusted for the clustering of workers within workplaces.

Quite visibly and as hypothesized, workers who belong to a non-white ethnic group are unequivocally more content with their jobs than those who belong to the white ethnic majority (defined here as Irish, British or White other), all else being equal. This is apparent from the large, positive and statistically significant coefficients on the ‘ethnic non-white’ variable across the board.

Unlike most national-level survey datasets the 2011 WERS includes information on individuals’ sexual identity, which allows us to compare the relative contentment of heterosexual and homosexual workers with equal job conditions. The coefficient on the variable identifying homosexual people is always positive and more often than not statistically significant, suggesting that people who self-identify as homosexual express more contentment with the same job than do people who self-identify as heterosexual. This is again consistent with our expectation that workers from marginalized subpopulations, in this case on the grounds of sexual identity, are happier with equal objective conditions at work.

With regards to education, model results reveal that workers without tertiary education qualifications are happier than those who hold such qualifications when job conditions are held constant. This is evident from the positive and statistically significant effect on the ‘no degree qualification’ dummy variable for all but one model. Once more, this provides evidence in favor of our second hypothesis.

All of the predicted effects discussed so far follow the expected pattern: workers who belong to collectives that are disadvantaged, stigmatized or discriminated against are more generous when rating their satisfaction with the same jobs. However, the coefficient on the ‘lasting health issue’ variable is clearly against our theoretical postulations. This is large, negative and statistically significant across the board. Therefore, it appears that workers who suffer from lasting health impairments consistently rate equal job conditions significantly less favorably than workers with no enduring health conditions.

Altogether, our results indicate that workers who are female, very old or very young, ethnic-minority, homosexual, less educated and non-disabled rate the same job conditions more favorably than workers who are male, middle-aged, white-British, heterosexual, University educated and disabled, which suggests that some social groups do in fact ‘settle for less’ at work.

8. Discussion and conclusion

In this study we contribute to the growing literature on work-related wellbeing by devising and estimating a model that uncovers how subjective dispositions affect self-reported job satisfaction using matched employer-employee data from the UK. Overall, we demonstrate that there is substantial heterogeneity in the way in which different workers rate the same job, which supports the notion that satisfaction judgements are to a large extent idiosyncratic. Additionally, we provide associated evidence of systematic divergences in the ratings made by workers from different socio-demographic groups. This indicates that the aforementioned idiosyncrasies have their roots in the hierarchical standing of the social groups to which workers belong.

A first key finding of this study is that the characteristics of the job seem to matter much less than the characteristics of the worker in influencing job satisfaction reports. For overall job satisfaction, the share of the variance that is at the job level is an astonishingly low 21%. This finding is consistent with our first hypotheses, but the strikingly low share of the variance in job satisfaction that is at the job level is still surprising. This result can be read in two ways. First, it can be taken as evidence of a prevalence of successful job-employee matches in the British labour market. The fact that job characteristics matter little may indicate that employees with certain job-related preferences can actually gain access to jobs that feature those preferences. Second, it can be interpreted as suggesting that job satisfaction ratings say little about the quality of jobs, and are instead more informative of what individuals with different personal traits expect or aspire to attain.

A second key finding is that female, very old or very young, ethnic-minority, homosexual and less educated workers give better ratings to the same job conditions than do workers who are male, middle-aged, white-British, heterosexual and University educated, respectively. This is highly consistent with our second hypothesis and suggests that belonging to a relatively advantaged or disadvantaged socio-demographic group influences the way in which people perceive the objectivity realities of the social world that surrounds them. More specifically, it provides strong evidence that individuals from disadvantaged social collectives have a predisposition to be ‘happier with the same’ or ‘settle for less’ at work.

Interestingly, this is the exact opposite of what some strands of ‘discrimination theory’ would have predicted: lower job satisfaction amongst members of disadvantaged groups due to a ‘taste for discrimination’ amongst employers and peers (Becker, 1971). For instance, the

gender strand of this literature has noted how men can create a hostile environment for women in the workplace through sexual jokes and advances, unwanted physical contact, sabotage of their work, as well as exclusion from peer groups, informal networking and on-the-job training (Kanter, 1977; Jacobs, 1989; Taylor, 2010). Our findings may thus suggest that within-job discrimination is no longer a major issue in British workplaces, as it seems unlikely that members of disadvantaged collectives would express higher contentment than members of advantaged collectives if they were given harsher treatment or fewer opportunities at work. If this was the case, we would have observed lower rates of satisfaction within jobs amongst the disadvantaged than amongst the advantaged. Alternatively, if within-job discrimination was in fact still prevalent - something that we cannot directly test - our results would be lower bound estimates of the true gaps in same-job satisfaction between members of advantaged and disadvantaged collectives. Either way, our results do not preclude the prevalence of discrimination in access to jobs. In fact, it must be borne in mind that our models are estimated by comparing members of advantaged and disadvantaged collectives who work in the same jobs. Such jobs might be quite particular, or contain selected, over-achieving individuals from disadvantaged collectives who managed to 'break the glass ceiling'.

A major exception to our pattern of findings was the predicted effect of having a lasting health impairment on job satisfaction. Based on the reviewed theories, one would have expected a positive relationship, whereby disabled workers would be happier than non-disabled workers given the same set of working conditions. Instead, we found that workers with a lasting health condition were less satisfied with the same jobs than workers without any such condition. We can think of three reasons why this pattern emerges. First, 'group identity' or 'collective conscience' amongst the subgroup of workers with health impairments may be less heightened than amongst workers defined by ascribed characteristics such as gender, ethnicity or sexual identity - perhaps because workers with health impairments are heterogeneous in terms of the nature, current and projected duration of their health condition. This would imply that the former compare their circumstances relative to those of all workers, rather than to the circumstances of other workers with health impairments. Second, workers with health conditions often require adaptations to their workplaces and adjustments to their duties. The lower satisfaction amongst workers with health conditions could thus reflect a lack of these at their workplaces, i.e. the fact that many employers are 'disability blind'. The fact that the same objective conditions affect people with disabilities *differently*

than people without health impairments cannot be captured by our model and, in the absence of a direct control, remains a plausible source of omitted variable bias. Third, a distinctive feature of health-related disadvantage is that this is not always an ascribed trait, but often emerges later in life. Whereas people's gender and ethnicity do not change, people can acquire health impairments. The comparatively low levels of job satisfaction observed amongst workers with a long-lasting health condition might reflect that such workers generally compare their current situation to their circumstances prior to acquiring such condition.

Altogether, our results have significant practical implications. Particularly, they serve as a strong warning against a carefree use of information on self-reported job satisfaction by academic and policy planners. One way in which job satisfaction evaluations can - and have - been used is as approximate measures of job quality. We show that results of descriptive or cross-sectional analyses of these measures are contaminated by subjective dispositions correlated with socio-demographic traits and socio-economic standing, and therefore these may provide a deceitful picture of variations in job quality. As argued elsewhere (Tomaszewski and Perales, 2013) results from panel regression models that rule out the biasing effect of person-specific unobserved factors are highly preferable to make robust inferences.

A promising avenue for further research might consist of applying our modeling strategy to analyzing how subjective dispositions influence self-reports of subjective wellbeing in other contexts, such as neighborhoods or partnerships.

9. References

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