

## Extended Abstract

### Job Satisfaction: The Influence of Early Work and Early Family Experiences and the Formation of Non-Cognitive Skills

By Dr. Wendy Campione

As an integral part of strategic plans, businesses require innovative and successful recruitment and retention of qualified employees. Classic signals of potential productivity in the recruitment process such as education level, school ranking, and college major fail to differentiate such important characteristics as work ethic, attitudes, and potential personal and professional growth. Especially critical is retention of the newest recruits, generation Y; companies claim to rely on these new employees for development of innovative ideas, loyalty to corporate missions to broaden domestic and global markets, and potential leadership pipeline candidates. Companies offer what are often complex compensation packages, flexible workplace policies, diversity initiatives, cross training and internship opportunities. Yet despite these offerings, low retention rates of these newest employees translate into low rates of return on these corporate efforts.

In exit interviews, these young former employees often cite their disillusionment or disappointment in the company culture and philosophy and lack of fulfillment of their personal and professional expectations regarding opportunities to learn and develop. This disappointment is often credited to the actions or inactions of the immediate supervisor or management team - the most “visible” representative(s) of the company.

What is needed is a change in corporate perspective. *What if we acknowledge that young employees come into the job with attitudes, expectations, habits, tolerances, and perspectives formed early on in their lives*, not evident in standard credentials; and what if these *directly* carry over from adolescence into adulthood to affect job satisfaction and therefore retention? What if these attitudes, expectations, habits, tolerances, and perspectives *indirectly* affect job satisfaction; that is they collectively act as a “lens” through which to view corporate compensation packages and initiatives; a “lens” to view everyday interactions with their supervisor and team members?

A broad spectrum of studies demonstrates the overwhelming importance of early adolescent experiences on adult well-being. Social scientists and educators have long since studied the effects of adolescent experiences (early family life; early work experience; spoken language in home; etc.) on adult outcomes such as education attainment, employment, and health. Economists studying intergenerational relative economic mobility focus on parental income and educational attainment, family and social resources, as predictors of children’s relative economic mobility. Recent studies by Heckman have combined the human development models of neuroscience with the human capital model to explain cognitive and non-cognitive skill development.

This study develops and tests a new comprehensive *biometric model* of employee job satisfaction, to provide new directives for employer recruitment and retention, incorporating

traditional measures of job satisfaction from business models with biographical demographic histories. It utilizes a sample of one thousand 25 year old employees (not including self-employed) from the National Longitudinal Survey of Youth (NLSY97). This dataset uniquely:

- Allows the construction of Early Family Life variables (dating back 13 years); *measures of language spoken in home, parents' religiosity, family routines, family resources and enriching activities* to build early family experiences.
- Allows for the construction of Early Work Histories (dating back 13 years); *measures of hours worked, weeks worked, whether summer only, and types of jobs* for each person allowing the creation of work histories from 12 years old forward.
- Allows for Unique Demographic distinctions: *native/immigrant status; volunteer work; community involvement; voting record; role of religion in individual's life.*
- Allows for Supervisor Characteristics (often lacking in any study) and creation of "Differences Variables"; *differences in gender, race, and age of the individual employee relative to supervisor.*
- Allows for differentiation between *Hispanic and non-Hispanic employees; female and male employees; and native and immigrant employees.*

Four models are tested:

Model 1      Traditional Business Retention Model

Job Satisfaction = f (compensation, job characteristics, work environment, (excluding supervisor characteristics))

Model 2      Model 1 + supervisor characteristics + unique current demographics

Add to Model 1 (traditional business retention model) by:

1. Incorporating unique demographic characteristics of the individuals' *voting record, community service activity, unpaid volunteer work, native/immigrant status, and religious activity*
2. Incorporating supervisor characteristics of *supervisor race, age, and gender and how these differ from the employee; difference in race? Difference in gender? Difference in age?*

Model 3:      Model 2 + early work experience

Add to Model 2 by:

*Adding early work experiences of hours worked, weeks worked, types of jobs in middle school and high school*

Model 4      Model 3 + early family experiences (pre-existing conditions)

Add to Model 3 by:

*Adding early family experience of language spoken in home when growing up, parents' religiosity, family routines, and family resources and enriching activities*

This forms the basis for the three primary hypotheses:

1. Do early family and work experiences directly affect job satisfaction and therefore impact employer retention?
2. Do early family and work experiences indirectly affect job satisfaction and therefore retention by changing the effects of traditional measures – do, for example, employees with positive early family experiences and early work experiences have more positive adult work experiences, greater job satisfaction, and therefore stay at their jobs?
3. Do these early family and work experiences affect job satisfaction by changing how these adults interface with their supervisor based upon the supervisor's race, gender, and age and any differences (racial differences; gender differences; and age differences (generational differences)) between the employee and his/her supervisor?

Thus, as stated earlier, *if we acknowledge that young employees come into the job with attitudes, expectations, habits, tolerances, and perspectives formed early on in their lives*, not evident in standard credentials; and if these *directly* carry over from adolescence into adulthood to affect job satisfaction and therefore retention and if these attitudes, expectations, habits, tolerances, and perspectives *indirectly* affect job satisfaction; that is they collectively act as a “lens” through which to view corporate compensation packages and initiatives; a “lens” to view everyday interactions with their supervisor and team members; then we *should observe changes in the effects* (coefficients in the model) of traditional measures of job and work environment characteristics and supervisor characteristics when early family and work experiences are taken into account. Findings support the three primary hypotheses.