

THE WALL STREET JOURNAL.

AS WORKERS EXPECT LESS, JOB SATISFACTION RISES

Minimal raises and lean staffing have redefined what makes a position good

By Lauren Weber
September 1, 2017

Americans are happier at work, but they might just be settling for less.

For the first time since 2005, more than half of U.S. workers say they're satisfied with their jobs, according to the Conference Board, a research group. Employment is up, wages are finally rising and **layoffs are near record lows**, resulting in a more optimistic, contented workforce.

That buoyancy is giving Americans confidence to pull out their wallets. Consumer spending has risen every month this year, with a **strong pickup in August**, and the U.S. economy grew in the second quarter **at its fastest pace in more than two years**.

Yet the data also suggest U.S. workers have changing views of what makes a job good, and a decade of bruising job cuts, minimal raises and lean staffing has led them to lower their expectations, economists and labor-market experts say.

The average employee today shoulders more risk for her retirement and health care than in past generations, and enjoys **less job security** as **the idea of a job for life has vanished**. The traditional bond between employer and employee – in which companies provided job and retirement security in exchange for hard work and loyalty – has eroded so much that **young workers today** “don’t even know what they’re missing,” says Rick Wartzman, a management expert and author of “The End of Loyalty: The Rise and Fall of Good Jobs in America,” released in May by PublicAffairs.

Almost 51 percent of employees say they are very satisfied or somewhat satisfied with their jobs, according to the Conference Board, which surveyed about 1,600 workers across the U.S. last November on various aspects of their work. Workers gave top ranking to their colleagues, commutes and job tasks, but were frustrated with companies’ promotion policies, bonus plans, training opportunities and performance-review processes.

American workers remain scarred by the Great Recession, which reset expectations for a whole generation, says Peter Cappelli, a management professor at the University of Pennsylvania’s Wharton School of Business.

Unemployment reached a 25-year high of 10 percent in 2009, sending record numbers of Americans into long stretches of joblessness. Those who did remain in jobs were asked to do more with less, for smaller rewards.

“In the dot-com period, we had M.B.A. students who literally were expecting to be millionaires within two or three years,” Mr. Cappelli says, referring to the late-1990s tech bubble. “After 2009, we had people who were just glad to get any kind of job.”

Now, with unemployment at 4.4 percent and wages showing signs of lifting, workers are feeling greater peace of mind and fulfillment than they have in years, finding roles in line with their skills and ambitions.

Mechanical engineer David Hunt was let go from an engineering job in 2012 and spent the next five years unemployed or working short-term contracts, including a stint as a salesperson at a **Lowe's** Co s. store.

When Mr. Hunt, who holds two master's degrees, was offered a job at a Boston-area high-tech company in June, the firm's human-resources manager called him with good news and bad news about his salary. Mr. Hunt, 52 years old, asked for the bad first.

We can't pay what you asked for, the manager told Mr. Hunt. Instead, the company offered 10 percent above that number.

Mr. Hunt now earns enough to support his family while his wife pursues a Ph.D., and says he feels his ideas are valued. For the first time in years, he says, he's excited to go to work each day.

Worker satisfaction is mixed but improving in areas like wages and job security. Just over 52 percent of workers feel safe from a layoff, up six percentage points from 2011, and 41.6 percent say they are pleased with their wages, up from 36.1 percent five years earlier, according to Conference Board.

Average hourly earnings are growing at a slow pace by historical standards – rising 2.5 percent from July 2016 to July 2017 – but low inflation means paychecks are buying more and workers are feeling more flush.

After starting a new job as a business process analyst with an automotive supplier in May, Peter Bynarowicz, 24, was impressed to discover free coffee – regular, flavored and decaf – on every floor. "That stood out to me," he says, adding that his previous job had sparse perks.

The new job also came with a 20 percent salary increase and promises of growth. During a job interview, his manager told him, "I won't let you be in this position for two years. I want you to grow," recalls Mr. Bynarowicz, of Greenville, S.C.

Amid a continuing shift away from pensions toward 401(k) plans with unpredictable returns, satisfaction with retirement plans rose from 35 percent to 37.3 percent from 2011 to 2016, the Conference Board says, possibly reflecting higher 401(k) returns from stock investments.

Overall, Americans' sense of retirement security has dropped. In 1993, 73 percent of U.S. workers felt confident they could afford a comfortable retirement, according to the Employee Benefits Research Institute. In 2017, 60 percent felt that way.

Also, falling in workers' esteem are health-insurance and family-leave plans. Employees are paying more for health care and **coping with higher deductibles**. And though some employers have enriched parental-leave benefits for white-collar workers, **U.S. working parents get less leave** than their counterparts in other industrialized nations.

Haley O'Donnell, 33, was a manager in the corporate office of a Fortune 500 retailer a few years ago, when one of her employees became a father. The company offered no paid

paternity leave, and Ms. O'Donnell sent an angry letter to the chief executive. She never received a response.

Following a career switch, Ms. O'Donnell wrote a young-adult novel and now works part time as a writer for Armstrong & Associates, Inc., a logistics consulting firm in Milwaukee. She recently had her first child and has eight weeks' paid maternity leave, a rare benefit for part-timers.

Ms. O'Donnell contrasts her career path with that of her father, who worked in the same corporation for more than two decades. "You go into the world expecting it to be like it was," she says. "You learn the hard way when you're paying out-of-pocket for health insurance."