



Curtin University | mwah. Research Report

happy workers

HOW SATISFIED ARE AUSTRALIANS AT WORK?

Contents


List of figures	2
List of tables	3
Foreword	5
Introduction	6
Aspects of Work Satisfaction	7
Who are the happiest workers?	8
The Generations	8
The Sexes	10
Education	11
Job Characteristics	12
Hours of work	12
Sector	15
Working from home	16
Occupation	19
Industry	20
Organisation size	23
What about where you live?	24
Does pay matter?	28
Love what you do...	30
Conclusion and discussion	31
Technical Notes	33
References	34

List of figures

Figure 1	Australians' satisfaction with aspects of work	7
Figure 2	Satisfaction with job overall – The Generations	8
Figure 3	Satisfaction with job overall – The Sexes	10
Figure 4	Satisfaction with job overall – Education attainment	11
Figure 5	Satisfaction with job overall and weekly hours of work	12
Figure 6	Satisfaction with job aspects and weekly hours of work	14
Figure 7	Satisfaction with job overall – Sector	15
Figure 8	Satisfaction with work overall and working from home	16
Figure 9	Satisfaction with job overall – Occupations	19
Figure 10	Satisfaction with job overall – Industries	20
Figure 11	Satisfaction with work overall – Organisation size	23
Figure 12	Satisfaction with job overall – Cities, Regions and Remote Australia	24
Figure 13	Satisfaction with job overall – States and Territories	25
Figure 14	Average weekly wages by satisfaction level and job aspect	28

List of tables

Table 1	Workers that report being 'very happy' at work by State and Territory	26
Table 2	Average weekly wages by satisfaction level and job aspect	29
Table 3	Association between satisfaction with various job aspects	30



I've spent my career on the people stuff, working with some of the world's biggest and best companies, but I've always thought – “we could do this better. We could make work (and leadership) better for all of us – more inclusive, more real, and more ‘human’”. It's shifting the conversations about work from the purely economic ‘work versus leisure’, or the legal debate around ‘control versus servitude’, and across to include the value of purpose and belonging. Work is fundamental to more equitable and prosperous economies and communities.

From working around the world, the value of ‘work’ is common to all of us, regardless of what we actually do. When we design work, paid or unpaid, for human beings, we all give it our everything. Our contribution, is the only part of any business that has unlimited potential. Building, leading and joining organisations has a whole bunch of responsibilities and opportunities attached for every one of us. It isn't ‘programs’ and ‘initiatives’, but more about fundamentally focusing on the actual work. Loving what we do, and who we do it with, and being valued for doing it, is at the heart of the whole thing. That's always been the key.

Rhonda Brighton-Hall

Foreword

We will spend a large part of our adult lives working – over 100,000 hours in some cases.

Work is a core component of our existence, our identity, our financial independence, and ultimately, our overall wellbeing.

For the longest time, we've looked at 'engagement', and more recently at the impact of employee experience, but beyond all that is simply happiness. What makes us happy at work? What makes us want to get out of bed and give our best? What makes us feel like we belong and that our contribution is valued?

There are a plethora of studies and espoused views on satisfaction, experience, and engagement, but this is the first time we've had a really serious national fact base. The findings of this research align to our common sense, but they challenge so much of what we've been talking about. We're hoping this report helps move us all to a different public debate and to a different debate inside businesses, about stuff that really does matter. Pay isn't always where it's at, colleagues do make a huge difference, small businesses trump big ones, mature workers are highly engaged, autonomy is important, but nothing matters more than the work we do.

We see 'work' as one of the most fundamental of human rights. The right to contribute. The opportunity to use our hands, our minds, our strength, our creativity and sometimes even our hearts, to contribute to the community in which we live. That puts work not at odds with our lives, in the old 'work versus life balance' thinking, but right in the middle of our lives, making a difference to our state of being. It's a small leap from that to looking at how work can work well, and happily for all of us.

We want to thank Curtin University and their expert team for their analysis and hard work in setting this baseline. We look forward to a continuing partnership with them, as we both seek to create the foundation for a better quality debate, and hopefully significant social change, about the way we work.



Rhonda Brighton-Hall
CEO/Co-Founder of mwah.
Making Work Absolutely Human

Introduction

In 2017, around 12 million Australians will work an estimated total of 20 billion hours in paid employment. An average Australian man can expect to spend half of their waking lives at a paying job and an average Australian woman about 38 per cent. Given the time and commitment we spend at work each day and year, shouldn't we try and make it as human as possible?

A happy workplace where people feel valued can increase productivity and reduce the amount of human resources dedicated to resolve workplace grievances. Greater satisfaction and happiness at work has also been shown to have a number of positive relationships with business performance. Organisations with happy workers tend to have lower levels of absenteeism and staff turnover (Kristensen and Westergard 2004). Happier workers and workplaces also deliver higher levels of productivity and are often more innovative (Oswald et al. 2015, Iaffaldano and Muchinsky 1985).

Given the amount of time spent at work, the standard of living and sense of identity and belonging that a job can afford us, happiness at work is also closely linked to overall life satisfaction, and more so for men than women (Dockery et al. 2003). Those that find it difficult in the labour market, especially the unemployed, are more likely to have lower levels of life satisfaction than those that are gainfully employed.

In our workplaces we are also often able to access basic needs that are intrinsic to our overall wellbeing and level of satisfaction or happiness. These needs include a sense of competency, a sense of autonomy and a sense of relatedness (Deci and Ryan 2010). If all three are being met we are likely to feel far better about ourselves overall and have increased motivation and engagement in our daily tasks – including work.

The importance of creating workplaces that are 'happy' workplaces that can deliver so many benefits to individuals and the broader community is clear. In this report we look at the relationship between elements of job satisfaction and characteristics of individuals and their work using the latest data from the Household Income and Labour Dynamics in Australia (HILDA) survey. As satisfaction and happiness are often interchangeable terms across economic and psychology studies, throughout this report we use these terms in this same way.

We look to find out who the happiest and unhappiest workers are in Australia and what contributes to greater satisfaction in the workplace. Is it the way we work – flexibility, hours, our occupation or the job itself? Is it our pay or job security? Does the size of the company we work for matter, or is it more about whether we own it or whether we work for someone else? And what about where we live and work – does that make a difference?

Aspects of Work Satisfaction

A number of components work together to make a job what it is and what it has the potential to be. This includes workplace culture, who you're working with and for, how much you get paid and what you actually do.

The HILDA survey collects information about levels of satisfaction with work overall and individual aspects of a job including job security, work flexibility, the job itself, working hours and payment. Participants in this nationally representative survey are asked how satisfied they are with these aspects and rank these accordingly on a scale of 0 (totally dissatisfied) to 10 (totally satisfied).

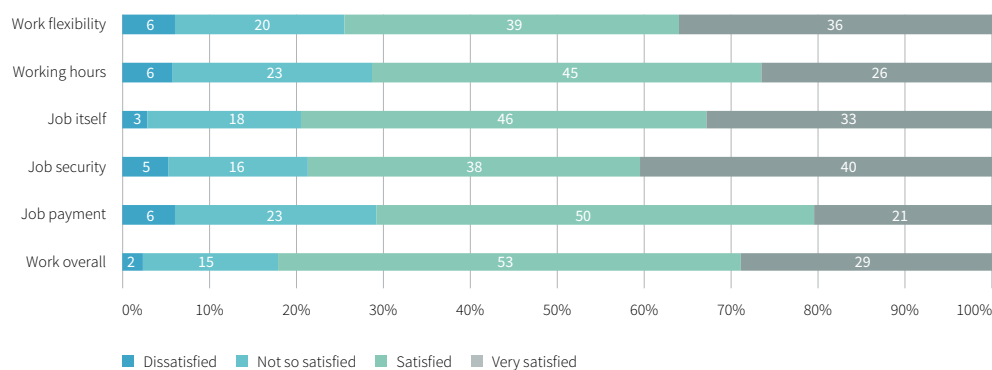
Just over 40% of Australian workers report being 'very satisfied' with their job security.

Classifying these responses into four categories – 'dissatisfied', 'not so satisfied', 'satisfied' and 'very satisfied',¹ we see that there are certain aspects of work that Australians are more or less likely to be satisfied with (Figure 1).

Australians are more likely to report greater satisfaction with their job security and work flexibility. Just over 40% of Australian workers report being 'very satisfied' with their job security and 36% with their flexibility to balance work and non-work commitments. On the other hand, 26% of workers also report being dissatisfied or not so satisfied with the level of flexibility their job afford them. This suggests that job flexibility is not necessarily accessible for everyone, but for those that do have flexible working arrangements, they are likely to be very happy with these.

Working hours and job payment attract the highest reports of dissatisfaction. Almost 30% of workers report being dissatisfied or not so satisfied with their total pay and working hours.

Figure 1 Australians' satisfaction with aspects of work



Source: Authors' calculations from HILDA Wave 15.

¹ See Technical Notes for further details.

Who are the happiest workers?

Workers that continue on beyond the age of 70 are likely to be doing so not out of necessity, but because they love what they are doing.

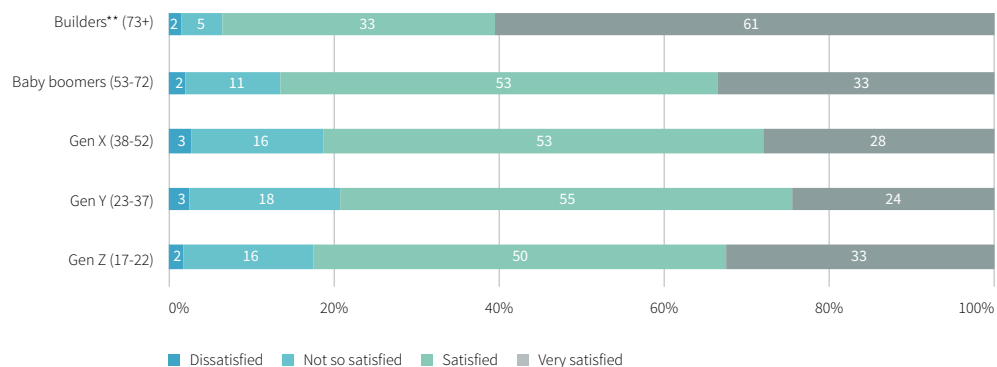
The Generations

The association between age and life satisfaction is one that is typically U-shaped (Cassells et al. 2010). The youngest generation is generally happier with their lives overall. However, as we progress towards adulthood and the responsibilities of work, families and mortgages, our overall life satisfaction deteriorates into our 20s, 30s and 40s. We then begin to regain our youthful levels of life satisfaction as we approach retirement and the pains and stresses of raising and providing for a family begin to ease.

This same pattern of satisfaction is revealed when looking at satisfaction with work overall (Figure 2). The youngest generation – Gen Z are more likely to report being very satisfied in their jobs – 33%. This compares with only 24% for Gen Y and 28% for Gen X. One-third of Baby Boomers also report feeling very satisfied with their job overall.

Workers that continue on beyond that age of 70 are likely to be doing so not out of necessity, but because they love what they are doing. Of the small sample of Builders (those currently aged 73+) still working, almost two-thirds reported they were very satisfied in their job overall. Very few of this cohort reported feeling ‘dissatisfied’ or ‘not so satisfied’ with their work.

Figure 2 Satisfaction with job overall – The Generations



Note: **Builders are a small sub-set of workers within the sample (n=99). See Technical notes for further details about the generations.

Source: Authors' calculations from HILDA Wave 15.

Diana, aged 70

I always thought at 70 that I would step back from work, but now I have reached 70, I think – step back from what? The work I do is what I am passionate about!

My career has always been something I have been proud of and something at which I have worked very hard. I have had many unique experiences (from mathematics teaching to senior roles at Apple), that have helped shape both the work I do and the way I work today. In my current role, I am using my skills and networks to drive meaningful change to encourage and support organisations to be more diverse and inclusive. I focus my time on working to create a better context within business for my granddaughters and other young women so that they will have a more equitable experience at work. This purpose is something that gives me energy, meaning and makes me happy.

Flexibility is now more important than ever before, and at this stage in my life I am fortunate to have control over how I work. Flexibility is something, I believe, our leaders need to become better at providing to all workers, including the mature aged. Flexibility will support workers at all stages in their lives to stay in the workforce to balance the important things in our lives and remain productive.

I don't know when I want to stop working, but I don't think it is anytime soon; I still have a lot to do!



The Sexes

Men and women will often work in different occupations and in different ways. Women are more likely to work part-time and in the health, caring and education sectors. Whereas men will typically work full-time and in sectors such as construction, mining and manufacturing. Women are also more likely to look for jobs that will allow them to balance work with caring for and having a family.

These differences can lead to different satisfaction levels between men and women in terms of their work (Figure 3). Similar proportions of women and men report being 'dissatisfied' or 'not so satisfied' with their job overall. However, a higher proportion of women than men report being 'very satisfied' in their jobs – 31% compared to 27%.

Figure 3 Satisfaction with job overall – The Sexes



Source: Authors' calculations from HILDA Wave 15.

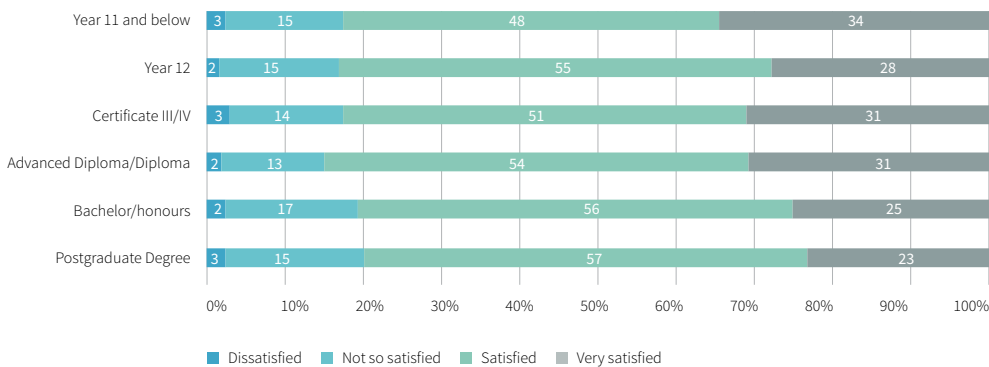
Education

Australians are more educated now than ever before. Younger generations go on to university and further studies at greater rates than their parents did and their parents before that. We pursue university degrees with an idea that it will deliver better job opportunities, accompanied by higher paid jobs and potentially more secure work. Higher levels of education will more often than not deliver higher returns through greater pay in the workforce and lifetime earnings (Cassells et al. 2012). But higher levels of education do not necessarily translate into higher satisfaction at work (Figure 4). In fact, the higher the level of education, the lower the proportion of workers that are 'very satisfied' in their job overall. Of those workers with a postgraduate degree, 23% report being 'very satisfied' in their job overall. This compares with 34% of those with Year 11 and below as their highest level of education. University graduates and postgraduate workers are also more likely to report being 'dissatisfied' and 'not so satisfied' with their jobs overall than other workers with lower educational attainment.

A higher education may not exactly go hand-in-hand with workplace happiness.

A number of explanations for the inverse relationship between educational attainment and satisfaction levels have been put forward, including the mismatch of expectations and reality (Dockery 2010). Australians with higher education levels are also more likely to come from more privileged backgrounds, which, Dockery argues may exacerbate this mismatch.

Figure 4 Satisfaction with job overall – Education attainment



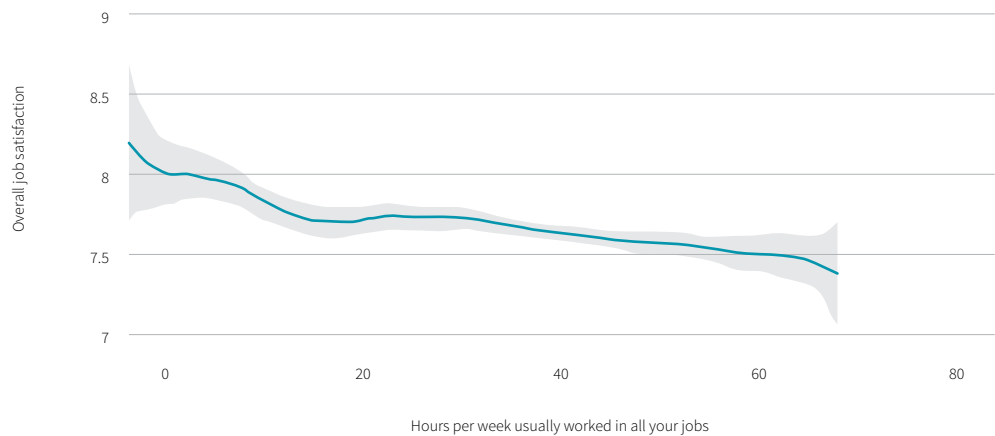
Source: Authors' calculations from HILDA Wave 15.

Job Characteristics

Hours of work

Australian men work on average 40 hours each week and women 31 hours per week. The more time we spend at work the lower our job satisfaction levels (Figure 5). Satisfaction with work overall is highest for those workers that are employed for only a few hours each week. Satisfaction then dips for workers spending between 10 and 20 hours at work each week and continues to fall gradually as the hours of work increases.

Figure 5 Satisfaction with job overall and weekly hours of work



Note: Grey shading represents 95% confidence interval around the estimates.

Source: Authors' calculations from HILDA Wave 15.

Some interesting patterns between hours of work each week and satisfaction with job aspects are revealed in Figure 6. Satisfaction with hours of work increases up to around 25 hours of work each week before dipping and rising again until it reaches around 38 hours. Beyond this point satisfaction with working hours decreases rapidly.

Satisfaction with job flexibility and hours decreases rapidly beyond 38 hours a week.

The difficulties of balancing work and other commitments as working hours increase is evident. Satisfaction with the flexibility to balance work and non-work commitment has a strong negative relationship with the number of hours worked each week. And as our lives become busier and we try and fit more and more in each week, the difficulty of this balancing act is set to increase.

Darren, aged 44

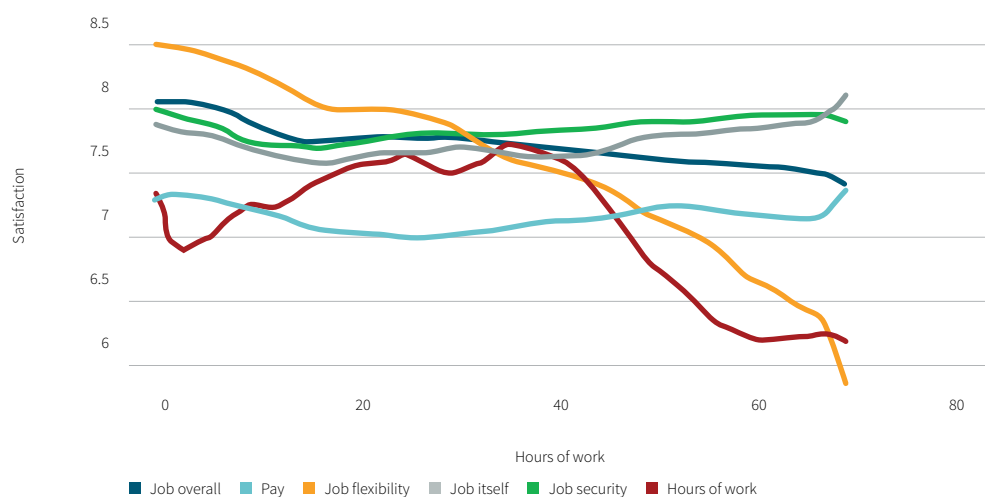
We had a new CEO and she really ramped up the pressure on the business. She had a big vision, and it felt exciting.

Initially, there was an expectation that it was a six month 'push' to get the business back into shape. We were running on adrenalin, and feeling part of something pretty special. Pretty soon, though, it became obvious that it was a big idea with not enough resources. We were all starting earlier and earlier and ending later and later. Long hours were the expected 'norm'. Then, there were cutbacks, and people were getting really tired.

It sounds silly, but it was when the little things went wrong that I realised I'd stopped loving my job, and started resenting it. My kids didn't have clean uniforms, I was late for parent teacher, I missed all the 'after school' conversations and didn't feel I was part of their lives. My wife was disappointed in me for not being around and doing my share. On top of that, I stopped exercising and looking after myself properly, so I was putting on weight and picking up colds every time one of the kids had one. I was working hard on good work, but I was feeling tired and unappreciated, plus I was missing out, all at the same time.



Figure 6 Satisfaction with job aspects and weekly hours of work



Source: Authors' calculations from HILDA Wave 15.

Working more hours each week won't necessarily lead to greater satisfaction with your weekly pay packet.

The relationship between satisfaction with job security and the work itself follow a similar pattern. Both have declining satisfaction levels as hours of work increase to just under 20 hours each week. From this point, as hours increase so too does satisfaction with the work itself and job security, suggesting that the relationship is reciprocal. The more a person enjoys the work they are doing and who they are doing it with, the more hours they spend at work. Longer work hours each week are also linked with higher satisfaction levels around job security, with full-time work likely to be driving these patterns.

Working more hours each week won't necessarily lead to greater satisfaction with your weekly pay packet. Satisfaction with pay follows a reasonably smooth line, decreasing at first then only gradually rising as hours increase.

Sector

Classifying the workforce into public, private and the not-for-profit sector, differences in job satisfaction are revealed (Figure 7). Those working in the not-for-profit sector are more likely to report being 'very satisfied' and 'satisfied' with their job overall than those working in the private and government sectors. Eighty-eight per cent of workers in the not-for-profit sector report being 'very satisfied' or 'satisfied' in their job overall, compared with 86% of government workers and only 81% of private sector workers.

A much higher proportion of employees in the private sector report being dissatisfied with their job overall (20%) compared to government (14%) and not-for-profit (12%) sector employees.

Both the nature of work, the overall aims of an organisation and the culture of a workplace can influence job satisfaction. The differentiating features of the private and not-for-profit and government sectors including motivation, workplace conditions and the type of jobs people are likely to be working in these sectors are likely to be contributing to the differences we observe. Private sector organisations tend to be motivated more by profit whereas the not-for-profit and government sectors are typically motivated by service to the community. Government and the not-for-profit sector (including universities) will generally have better working conditions including more generous leave entitlements, shorter hours of work and higher superannuation.

One-fifth of workers in the private sector report being dissatisfied with their job overall.

Figure 7 Satisfaction with job overall – Sector



Source: Authors' calculations from HILDA Wave 15.

Working from home

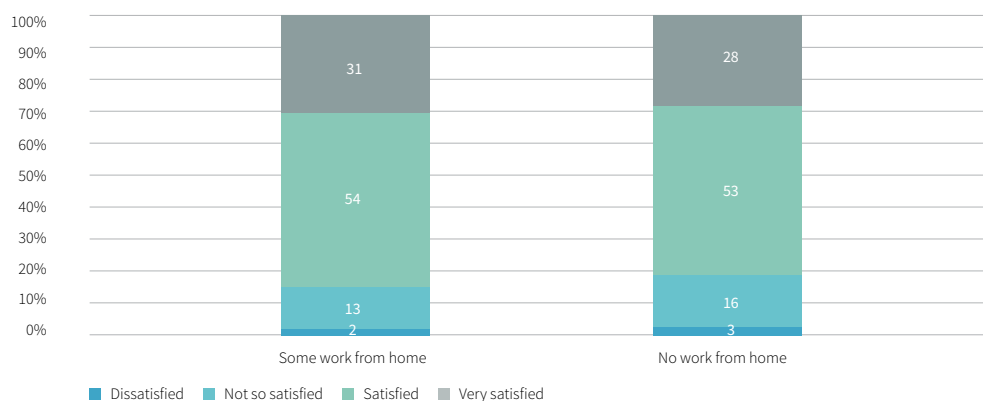
Around one-quarter of Australian's will work some of their usual hours from home each week. This proportion has remained steady over the last ten years. Working from home can offer a degree of flexibility and autonomy that workers will often look for in their jobs. It can also cut-out the unnecessary time we spend commuting each week to work.

On the other hand, working from home can also encroach upon our home lives, with our working days extending into our nights and weekends, taking up time we would normally spend resting and catching up with family and friends.

People that are able to do a little work from home each week tend to report higher levels of job satisfaction than those that aren't able to do the same. Thirty-one per cent of workers who usually work some of their hours at home each week reported feeling 'very satisfied' with their work overall compared with 28% that did no work from home. A further 19% that did no work from home each week reported feeling 'dissatisfied' or 'not so satisfied' with their job overall, whereas 15% of those working at home each week reported this dissatisfaction level.

People that are able to do a little work from home each week tend to report higher levels of job satisfaction than those that aren't able to do the same.

Figure 8 Satisfaction with work overall and working from home



Source: Authors' calculations from HILDA Wave 15.



Rony, aged 35

As a business consultant, I am very happy to be able to work from home when I want/need to, and I know this is something that has had a positive outcome on my health, wellbeing and productivity.

The great things people say about working from home are all true. I get to work without distractions, I have increased focus and I get to choose the hours I work. I also have the freedom to create my own workspace, in fact I have a dedicated comfortable ergonomic space in my house that I love to work in. As an added bonus, when I work from home I don't need to worry about the Sydney commute. I also get to work outside and have the freedom to structure my work and breaks as I want to.

The freedom and flexibility I have, to be able to work in the way I want, is something I really value and enjoy.



Jooyin, aged 26

“I love their innocence ... I love how they freely give me cuddles ... I love their sense of fun and adventure.”

Jooyin / 26 / Child Care Worker

An experienced child care worker who has worked for six years at an Early Childcare Centre in Sydney’s inner west, Jooyin moved to Australia from Korea to study economics and took a part time job as a childcare worker. It soon became apparent to Jooyin that working with children brought so much more joy to her life than studying economics.

Asking Jooyin how she made the decision to leave studying and become a full-time childcare worker, she explained:

“it was so easy, even though the work can be physically and mentally hard at the end of the day you don’t remember that, you remember the cuddles, the smiles, and cheekiness.”

Jooyin explained the other reason she loves her job is her teammates. “If the kids are getting a little unruly I know that one of my teammates will step in and help.” She credits her boss as someone who has always encouraged her, listened to her and valued her contribution to the early childcare sector.

“How lucky am I to watch children grow and learn, I have the best job in the world.”

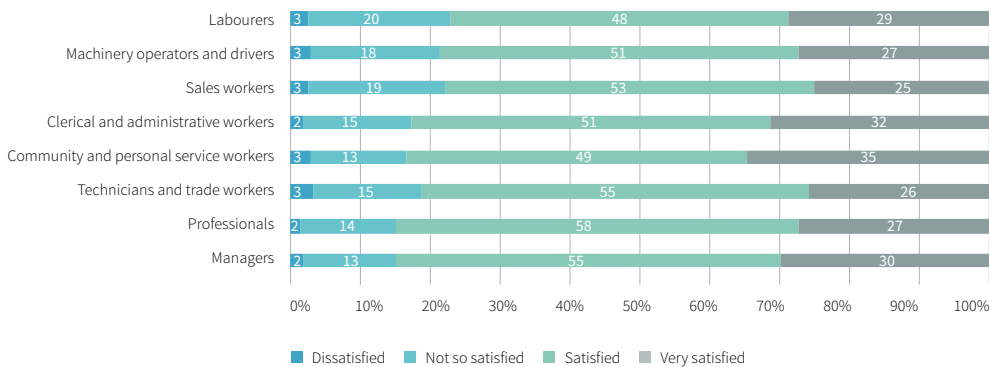
Occupation

The relationship between broad occupation categories and overall job satisfaction is shown in Figure 9. Workers in occupations with mid-range skill levels are more likely to report being 'very satisfied' with their job overall. Community and personal service workers, which include childcare and aged care workers, policing and emergency services and travel and tourism workers are more likely to report higher levels of job satisfaction overall. These workers will typically have a Certificate or Diploma qualification, with patterns of job satisfaction similar to those observed in Figure 4. Around 35% of community and personal service workers report being 'very satisfied' with their job overall and 32% of clerical and administrative workers.

35% of community and personal service workers report being very satisfied in their job overall.

Lower level occupations are more likely to report being dissatisfied with their work overall (Figure 8). Around one-fifth of labourers, machinery operators and drivers and sales workers report being 'not so satisfied' or 'dissatisfied' with their job overall.

Figure 9 Satisfaction with job overall – Occupations



Note: Occupations are ANZSCO 1-digit classification.

Source: Authors' calculations from HILDA Wave 15.

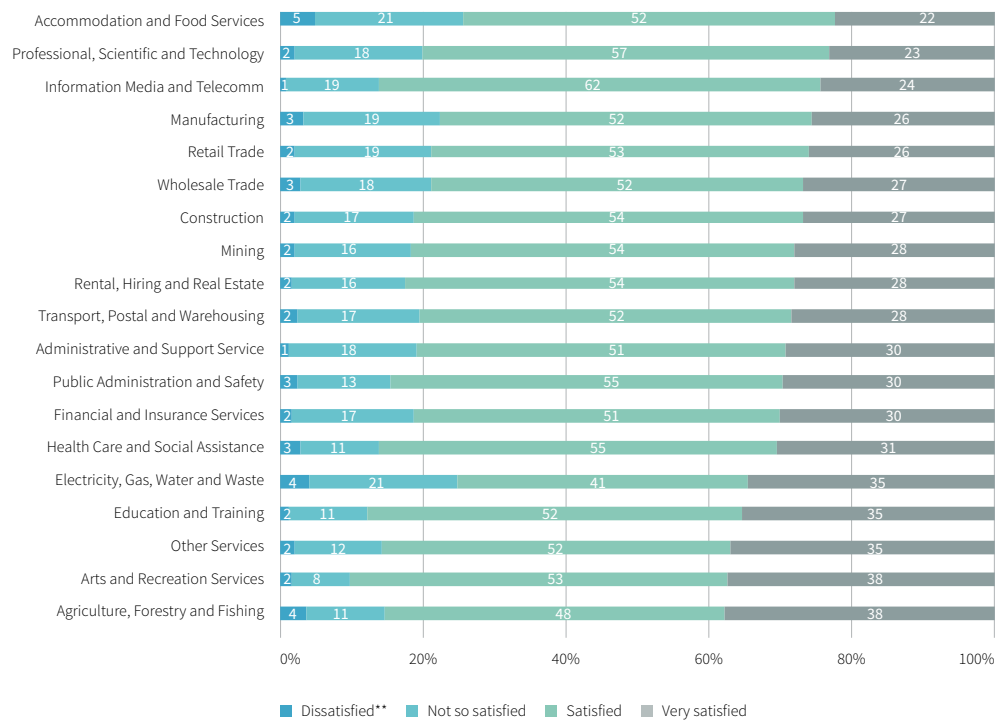
Around one-fifth of workers in the Accommodation and Food Services sector report being dissatisfied with their job overall.

Industry

While often closely related to occupation, the type of industry you work in, is also likely to play a role in overall job satisfaction (Figure 10). Agriculture, Forestry and Fishing and Arts and Recreation Services have the highest proportion of workers that are 'very satisfied' with their job overall (38%). This is followed by 'Other Services' (37%), which includes a broad range of personal services, religious, civic and interest group services (ABS 2006).

The Accommodation and Food Services sector has the highest proportion of workers that report being 'dissatisfied' or 'not so satisfied' in their work overall – 26%. Workers in this sector are typically working part-time in cafes, restaurants, takeaway food services and bars.

Figure 10 Satisfaction with job overall – Industries



Note: **Those reporting being dissatisfied are often a very small sample of workers when disaggregating the data by 19 industry classifications. Industries are ANZSIC 1-digit classification.

Source: Authors' calculations from HILDA Wave 15.

Mark, aged 54

After starting my career as a pilot, I am loving my choice to come back to my farming roots.

What living on the land gives me that I didn't get in the air is variety. No two days are the same here: whether it's crop trials, animal husbandry or marketing and promotion, there's never a dull moment. What I love most about my work it would be making a contribution to society by producing food and looking after the environment.

One constant is the close sense of community, and we farmers work as a team. A classic example was when my father passed away during a harvest season. Within 48 hours our neighbours turned up to finish the harvest for us so that we could deal with the funeral and our grief.





Anna, aged 37

Working in Corporate, I was enjoying a great career. The future was looking bright.

Then, in amongst the long hours I rediscovered my passion for fitness – and a gap in the market for high quality sport gear with a little flair.

I formed a partnership with a colleague and we started researching how to get our business off the ground. How to design. How to source and manufacture product. How to import. How to price. How to build a brand. Everything you need to create a business.

For a year, we beavered away – corporate by day and micro-business by night. When the business was built and ready to go, we started with marketing through social media, and then eased back our corporate hours to allow the business more time.

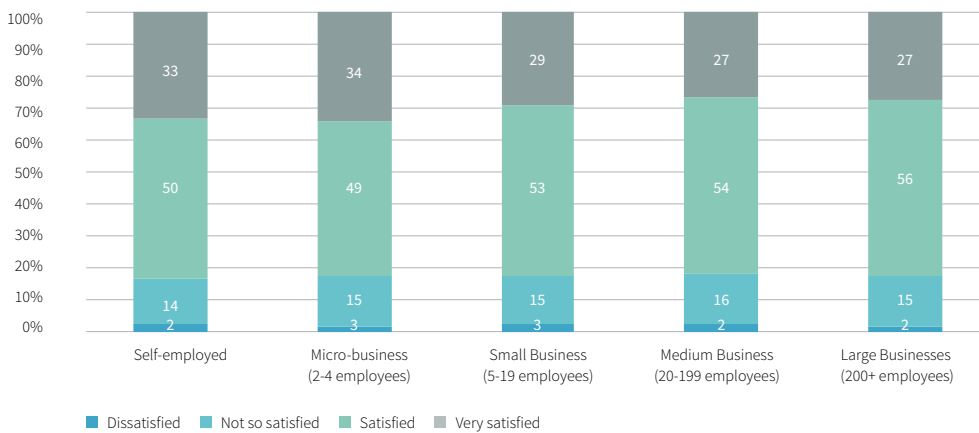
What I love about my business is that it aligns with my passion for fitness and health. It also gives me a sense of autonomy in being able to set my own direction and goals. And I can unleash creativity to do something new and collaborate with like-minded people at the same time.

As a small business, we also have the pleasure of interacting on a one-on-one basis with customers, and working alongside people we love being with.

Organisation size

There is a clear association between smaller workplaces and greater job satisfaction (Figure 11). Australians that work for themselves or are employed in a micro-business are more likely to report being very satisfied with their job overall, compared to those working in larger businesses. Around one-third of workers that are either self-employed or working in a micro-business report being very satisfied with their job overall. This compares with 27% for workers in large and medium businesses and 29% in small businesses with 5-19 employees.

Figure 11 Satisfaction with work overall – Organisation size



Source: Authors' calculations from HILDA Wave 15.

A number of studies have sought to further understand the relationship between organisation size and the level of both worker satisfaction and engagement. Inferior workplace conditions, greater rigidity and structure in the work environment, poorer management-employee relations and lower levels of autonomy over work are attributes among larger workplaces which tend to drive lower levels of employee satisfaction (Garcia-Serrano 2008; Clark and Oswald 1996; Tansel and Gazioglu 2013).

Australians that work for themselves or in Micro-businesses are more likely to report being very satisfied with their job.

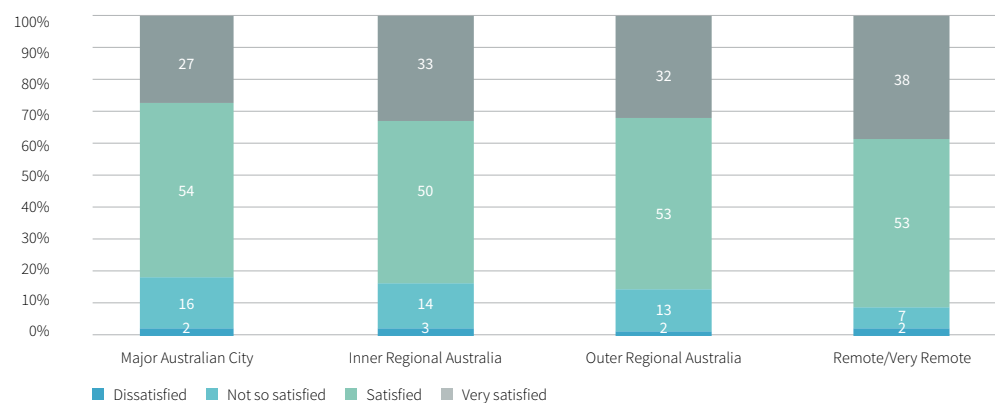
What about where you live?

The further you live from any major Australian city, the happier you are in your job.

The location in which you live and work can play a role in overall happiness and satisfaction with both life in general and the work you do. City dwellers are more likely to report being dissatisfied with their job overall and less likely to report being very satisfied with their work overall than those living in regional and remote areas of Australia (Figure 12). In fact, the further you live from any major Australian city, the happier you are in your job.

Of those workers living in remote and very remote regions of Australia, 38% report being 'very satisfied' with their job overall. This compares starkly to those living in major Australian cities, where only 27% of workers report feeling 'very satisfied' with their job overall.

Figure 12 Satisfaction with job overall – Cities, Regions and Remote Australia

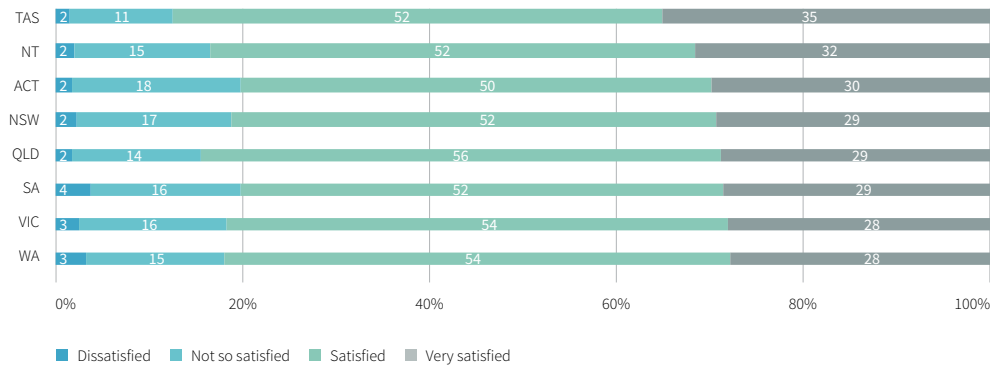


Note: Regions are classified using the Australian Standard Geographical Structure (ASGS) Remoteness Areas. Remote and Very Remote regions have been combined into one category due to sample sizes and HILDA sampling framework. See technical notes for further details.

Source: Authors' calculations from HILDA Wave 15.

Of the states and territories, Tasmania, has both the highest proportion of workers reporting being 'very satisfied' at work and the lowest proportion of workers reporting job dissatisfaction (Figure 13). Western Australia and Victoria have the lowest proportion of workers that are very happy in their job overall – 28%.

Figure 13 Satisfaction with job overall - States and Territories



Source: Authors' calculations from HILDA Wave 15.

Looking further at satisfaction with different job aspects, we can see that one state alone does not have all the answers when it comes to workplace happiness. Table 1 shows the proportion of workers in each state that report being 'very happy' with aspects of their job and ranks these accordingly.

Tasmania comes in first in three of the six job aspects – the job overall, the job itself and job flexibility. The state also ranks second in the proportion of workers citing feeling very satisfied with their pay and work hours. However, Tassie also ranks the second lowest among states for job security, but noting that this indicator has an overall higher proportion of workers reporting feeling very satisfied with this aspect of their job and a smaller range between first and last place.

35% of workers in Tasmania report being 'very satisfied' in their job overall.

Tasmania comes in first in three of the six job aspects – the job overall, the job itself and job flexibility.

Table 1 Workers that report being ‘very happy’ at work by State and Territory

State/ Territory	Job overall		Pay		Job security		Job itself		Work hours		Job flexibility	
	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank	\$	Rank
TAS	35	1	24	2	39	7	38	1	30	2	41	1
NT	32	2	28	1	46	2	33	4	28	4	24	8
ACT	30	3	22	5	46	1	36	2	30	1	40	2
NSW	29	4	19	8	38	8	34	3	26	6	35	6
QLD	29	5	20	6	42	3	31	7	25	7	36	4
SA	29	6	24	3	40	6	31	8	28	3	32	7
VIC	28	7	20	7	41	4	33	5	28	5	38	3
WA	28	8	23	4	41	5	33	6	23	8	35	5

Note: Rankings are based on non-integer values.

Source: Authors’ calculations from HILDA Wave 15.

The Northern Territory ranks first when it comes to satisfaction with pay, with most people surveyed here living in Darwin and a high proportion working in the public sector. Surprisingly, the NT comes in last when it comes to job flexibility, with less than a quarter of workers reporting feeling ‘very satisfied’ with this job aspect. This may reflect the greater share of full-time workers in the territory and the younger population composition, with more workers with young families and a greater need to balance work and non-work commitments.

Western Australia is ranked last among states when it comes to workers that are very satisfied with their job overall. The state also ranks the lowest for satisfaction with working hours and third last for satisfaction with the job itself. Full-time workers in this State record the highest average weekly hours of work – 46 hours.

Unsurprisingly, the ACT is in first place when it comes to job security and work hours, with the dominance of the public sector and the accompanying favourable work conditions driving these results.

NSW ranks last when it comes to workers that are very satisfied with both pay and job security, and South Australia when looking at the job itself.



Julian, aged 43

Working within the construction industry for just on 28 years I have worked with the same company since I started my apprenticeship just after leaving school. Now undertaking a senior management role in the business, I am able to achieve personal goals along with a challenging career that has professional satisfaction.

The construction industry in Tasmania has always been an interesting one; due to the size of the market, a builder must be diverse. From one day to the next, I could be building an office facility, a fish farm, a maximum security prison, a child care facility, a museum, a winery....

Tasmania is seeing good construction activity at the moment which is great for the economy, and Tasmania's future prospects, particularly for those working within or riding the coat tails of the construction industry and for the general confidence within the community.

Both my wife's and my own trip to work each day is only around eight to 15 minutes – and that includes dropping off the kids on the way to work.

Working and living in Tassie means my free time is spent enjoying outdoor pursuits and playing team sports, albeit not in the top flight, it is competitive and at the masters level, I play against some great people with whom I have lifelong friendships.

Does pay matter?

Satisfaction with job flexibility, security and working hours will likely incur a pay trade-off.

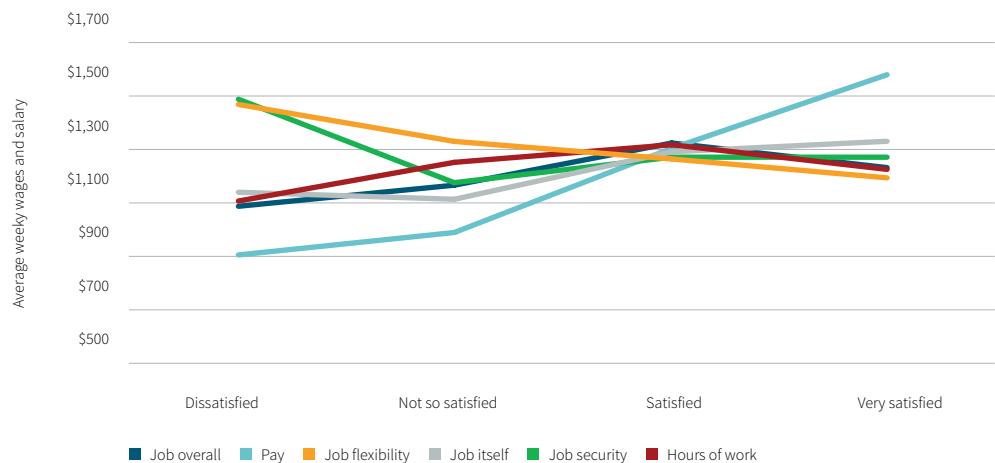
Every day millions of Australians rise and head off to work. For most of us this is so we can earn enough means to be able to afford the necessities of life – food and shelter at its most basic, and then the extras that are increasingly become a must to get by – transport, child care, electricity, gas, phones, internet – the list goes on.

But we also work to keep ourselves occupied – to feel useful and a part of a collective. Work can give us an identity and provide a valuable social network, adding to our overall wellbeing and sense of worth.

Does pay matter when it comes to how happy we are at work? To some extent – yes, but it’s not everything that we need to feel satisfied in a job. In fact, those that report being dissatisfied with both job security and flexibility will have a higher weekly wage on average than those that are very satisfied with these aspects of their job (Figure 14 and Table 2).

Not surprisingly, satisfaction with the pay you receive has a positive relationship with average weekly wages – the more you are paid, the higher your satisfaction levels. Workers that report feeling very satisfied with the pay they receive earn on average \$1,506 per week, whereas those that are dissatisfied with their pay cheque earn on average \$877 each week.

Figure 14 Average weekly wages by satisfaction level and job aspect



Note: Wages are in 2015 dollar values.

Source: Authors' calculations from HILDA Wave 15

When it comes to hours of work, those that report being ‘satisfied’ and ‘not so satisfied’ with work hours tend to earn higher weekly wages, reflecting the trade-off that is made between work and leisure. Workers that are ‘very satisfied’ with their hours of work earn on average \$1,176 each week, whereas those that are ‘satisfied’ will earn \$1,264 and those that are not so satisfied – \$1,201.

Satisfaction with your job overall is associated with higher pay, but only to a point.

Table 2 Average weekly wages by satisfaction level and job aspect

Satisfaction level	Job overall	Pay	Job security	Job itself	Work hours	Job flexibility
	\$	\$	\$	\$	\$	\$
Dissatisfied	1,045	877	1,421	1,097	1,063	1,402
Not so satisfied	1,121	958	1,131	1,070	1,201	1,277
Satisfied	1,267	1,248	1,220	1,238	1,264	1,212
Very satisfied	1,182	1,506	1,217	1,274	1,176	1,148

Note: Wages are in 2015 dollar values.

Source: Authors’ calculations from HILDA Wave 15

Satisfaction with your job overall is associated with higher pay, but only to a point. Those that report being ‘very satisfied’ with their job overall earn a lower average amount each week than those that report being ‘satisfied’ – \$1,182 compared with \$1,267.

Love what you do...

Satisfaction with the job itself has the strongest relationship with satisfaction with the job overall.

A number of elements work together to make a job what it is – the pay you receive, the hours you work, the work itself and how much flexibility and security the job has relative to other demands and pressures in life. But which aspect of a job matters the most?

The association between satisfaction with these job aspects is shown in Table 3. As expected, satisfaction with hours of work and job flexibility are reasonably highly correlated, with jobs that attract greater flexibility to balance work and non-work commitments, typically involving shorter hours on the job.

Table 3 Association between satisfaction with various job aspects

Job aspect	Pay	Job security	Job itself	Hours of work	Job Flexibility	Job overall
Pay	1	0.29	0.32	0.38	0.26	0.52
Job Security		1	0.31	0.25	0.24	0.46
Job Itself			1	0.40	0.33	0.67
Hours of work				1	0.49	0.56
Job Flexibility					1	0.52
Job overall						1

Note: Association is measured through Pearson Correlation Coefficients. All coefficients are statistically significant.

Source: Authors' calculations from HILDA Wave 15

The strongest association is between satisfaction with work itself and the job overall, with a correlation coefficient of 0.67. The strength of this relationship outweighs all other job aspects, with hours of work and pay the second and third strongest association with satisfaction with a job overall. And this relationship remains significant even after controlling for other things that influence a job overall including hours of work, occupation, age and sex, wages and education level.

The notion of doing what you love is not a new one. "Choose a job you love, and you will never have to work a day in your life"; is a statement that many a worker can relate to. But it's not just about what you do, it's also the way in which you are able to go about your work and who you are working with that matters to the overall satisfaction you receive from your job.

Deci and Ryan (2008) argue that there are three basic elements needed to motivate people and enhance their wellbeing – a sense of competence, a sense of autonomy and a sense of relatedness. If these exist in any job, workplace satisfaction and productivity are all likely to improve.

Conclusion and Discussion

The Australian labour market is undergoing rapid change, fuelled by a combination of disruptive markets and technologies, the ageing population and workforce globalisation. New jobs and markets are being created and new ways of doing business emerging every day.

The way in which we work is also changing, with more people working remotely than ever before and the 9 to 5 working day becoming less common. People are sharing office spaces, working from home, at weekends and at the ends of the day.

On the other side of the equation, work is becoming more precarious, with contract work on the rise and underemployment at an all-time high. Workplace wellbeing is also becoming a bigger issue as employers and employees alike find it challenging to navigate the changing world of work.

Having a job that provides an adequate wage and security is a right that should be available to everyone. It can mean the difference between poverty and just getting by, being able to lead an independent life versus remaining in an abusive relationship; and to just feel useful and belong somewhere.

Work is a vital part of our everyday lives and delivers numerous benefits to employees and employers alike. A happy workplace where people feel valued can increase productivity and innovation and reduce unwanted outcomes like employee absenteeism, workplace grievances and staff turnover.

A closer look at the level of satisfaction Australian's have at work and with different aspects of their jobs has revealed a number of interesting findings. Older workers beyond that age of 70 are more likely to be doing so not out of necessity, but because they love what they are doing. This leads us to think more about how the continued engagement of older people in the workforce, especially for those that are really loving what they do, could be achieved through policy initiatives.

Both life and work for younger generations is typically more satisfying, but the pressures of combining work and family for the middle generations is apparent. Flexibility in a workplace can help alleviate these pressures and it's encouraging to see the high levels of satisfaction with job flexibility for Australian workers. But still, there's work to be done in this area and not all jobs can give the flexibility that's often needed to meet non-work commitments.

Working from home may be one way to increase job satisfaction and help with the flexibility that's needed to juggle all the balls we often have up in the air at once. Around one-quarter of Australians will work some of their usual hours from home each week. This can offer a degree of flexibility and autonomy that workers will often look for in their jobs and the ability to meet our non-work commitments.

Everyone has the right to work, to free choice of employment, to just and favourable conditions of work, and to protection against unemployment.

Article 23,
UN Declaration
of Human Rights

“Choose a job you love, and you will never have to work a day in your life.”

For younger generations, decisions around education choices need to be made carefully and expectations around what type of job a higher education will give you, may need to be reined in a little. Higher levels of education do not necessarily translate into higher satisfaction at work. In fact, the happiest workers tend to be those with lower education levels or further education that was obtained at other institutions other than a university.

Location is important when it comes to satisfaction in the workplace and this is shown clearly through the greater satisfaction that non-city dwellers reported with their work compared to those living in major Australian cities. The hectic, hustle and bustle of city life, additional time spent commuting and the greater competition in workplaces along with the increased likelihood of working in a big company as a professional, are likely to make work less satisfying for city goers than those living and working in regional areas across Australia.

Tassie is leading the way when it comes to happy workers. Ranking first in three of the job satisfaction aspects and second place in two – there’s a lot we can learn about how they do things in the State. Shorter commuting times for Tasmanians, smaller workplaces and an overall less hectic lifestyle are likely to be contributing to these findings. Meanwhile, Western Australia is ranked last among states when it comes to job satisfaction. Long hours and lower levels of satisfaction with the work itself are contributing to this overall dissatisfaction.

The trade-off between happiness with certain aspects of a job and dissatisfaction with other aspects is brought to light through the report findings. It’s unlikely that a job will deliver everything that is needed to be happy at work. Greater satisfaction with flexibility and hours of work will likely mean lower satisfaction levels with the pay that you receive.

The report draws attention to that fact that pay matters, but only to an extent. More importantly, it’s what you do, how you are able to go about your work and who is alongside you that matters that most when it comes to job satisfaction. This means that as both employers and employees, we should be creating ways to make work a better place for everyone. To make sure everyone fits and that we above all else, put people and their wellbeing first. The rest will follow.

Technical Notes

The Generations

Generation	Born	Age in 2017
Gen Z	1995-2000	17-22 years
Gen Y	1980-1994	23-37 years
Gen X	1965-1979	38-52 years
Baby Boomers	1945-1964	53-72 years
Builders	1918-1944	73+

Satisfaction Classifications

Life satisfaction is a subjective measure of wellbeing. Survey respondents within HILDA are asked to rate their satisfaction levels with their job overall and certain aspects of their job on a scale of 0 to 10. Zero being totally dissatisfied and 10 being totally satisfied.

Distributional analysis was conducted to then classify responses into four categories as follows:

- 0 – 3: Dissatisfied
- 4 – 6: Not so satisfied
- 7 – 8: Satisfied
- 9 – 10: Very satisfied

Remoteness

The Remoteness Structure is a geographic classification designed by the ABS in the Australian Statistical Geography Standard (ABS Cat. No. 1270.0.55.005). The concept of remoteness is an important dimension of policy development in Australia. The provision of many government services are influenced by the typically long distances that people are required to travel outside the major metropolitan areas.

Remoteness Area classifies areas sharing common characteristics of remoteness into six broad geographical regions. The remoteness of a point is measured by its physical distance by road to the nearest urban centre. As remoteness is measured nationally, not all Remoteness Areas are represented in each state or territory. The six Remoteness Areas are: Major Cities of Australia; Inner Regional Australia; Outer Regional Australia; Remote Australia; Very Remote.

References

- ABS (2006) Australian and New Zealand Standard Industrial Classification, Cat No. 1292.0.
- Cassells R, Gong H and Keegan M (2010), 'The pursuit of happiness: Life satisfaction in Australia', AMP.NATSEM Income and Wealth Report, Issue 26.
- Cassells R, Duncan A, Abello A, D'Souza G and Nepal B (2012), 'Smart Australians: Education and Innovation in Australia', AMP.NATSEM Income and Wealth Report, Issue 32.
- Clark, A. E. and Oswald, A. J. (1996), 'Satisfaction and Comparison Income', *Journal of Public Economics*, Vol. 61, pp.359-81.
- Deci E and Ryan R (2008) Self-Determination theory: A macrotheory of human motivation, development and health, *Canadian Psychology/Psychologie canadienne*, Vol.1 49(3), Aug 2008, 182-185.
- Dockery M (2010) Education and happiness in the school-to-work transition, National Centre for Vocational Education Research.
- Dockery M (2003) Happiness, life satisfaction and the role of work: Evidence from two Australian surveys, Curtin Business School.
- Garcia-Serrano (2008) Does size matter? The influence of firm size on working conditions and job satisfaction. Institute for social and economic research No. 2008-30.
- Iaffaldano, M. T and P. M. Muchinsky (1985), "Job Satisfaction and Job Performance: A MetaAnalysis" *Psychological Bulletin*, Vol. 97 No2, 251-273.
- Kristensen and Westergard-Nielsen (2004) Does Low Job Satisfaction Lead to Job Mobility? IZA Discussion Paper No.1026.
- Oswald A, Proto E and SgROI D (2015), 'Happiness and Productivity', *Journal of Labor Economics* 33(4).
- Tait M, Badger MY and Baldwin TT (1989), 'Job and life satisfaction: a reevaluation of the strength of the relationship and gender effects as a function of the date of the study', *Journal of Applied Psychology*, 74, 502-507.

Authorship

This report was written by Rebecca Cassells from the Curtin Business School, Curtin University.

It can be cited as:

Cassells R (2017), 'happy workers: How satisfied are Australians at work?'

Acknowledgements

The author would like to thank Mike Dockery, Alan Duncan and Rachel Ong for their extremely helpful advice and suggestions around the report findings and analysis.

This report uses unit record data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey. The HILDA Project was initiated and is funded by the Australian Government Department of Social Services (DSS) and is managed by the Melbourne Institute of Applied Economic and Social Research (Melbourne Institute). The findings and views reported in this report, however, are those of the authors and should not be attributed to either DSS or the Melbourne Institute.

Curtin Business School

Curtin University

GPO Box U1987, Perth WA 6845

Tel: +61 8 9266 2873 www.curtin.edu.au

mwah. Making Work Absolutely Human

Suite 5, 1-7 Albion Place, Sydney, NSW 2000

team@mwah.live www.mwah.live