Effects of "old-developed" versus "young-developing" country type and age-related factors on work engagement, job satisfaction, & organizational commitment

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Effects of “Old-Developed” versus “Young-Developing” Country Type and Age-Related Factors on Work Engagement, Job Satisfaction, & Organizational Commitment

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Introduction

To gather information from a global perspective about the work experiences of employees of diverse ages, the Sloan Center on Aging & Work at Boston College conducted a study titled “Generations of Talent” (GOT). We collected data from 11,298 people working for seven multinational employers at 24 different worksites in 11 countries in Africa, Asia, South America, North America, and Europe.

The center prepared many reports on the GOT’s findings. This one focuses on three dimensions of work experience of special interest to employers:
- work engagement
- job satisfaction
- organizational commitment

We present information from two types of analyses related to these dimensions:
- comparisons of two clusters of countries with distinctive economic and demographic characteristics
- examination of differences among employees by age, career stage, and life stage

When we looked at the 11 countries in our study in terms of their demographic and economic characteristics, two clusters emerged: countries with older populations and developed market economies and countries with younger populations and developing market economies (see Table 1, below).

Two simple criteria—demographic and economic—shaped the framework that determined these clusters. To come up with a demographic standard, we averaged the percentages of the populations in all 11 countries who are 65 and older; the result was 10.8 percent. We then deemed countries whose senior populations were more than 10.8 percent “older” and those whose senior populations were less than 10.8 percent “younger.” The economic standard we used was the World Bank’s definition of high-income countries as those with a gross national income (GNI) of more than $12,195.

Table 1. Two clusters of “Generations of Talent” countries

<table>
<thead>
<tr>
<th>“Old-developed countries”</th>
<th>“Young-developing countries”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>Brazil</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>China</td>
</tr>
<tr>
<td>Spain</td>
<td>India</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Mexico</td>
</tr>
<tr>
<td>United States</td>
<td>South Africa</td>
</tr>
<tr>
<td></td>
<td>Botswana</td>
</tr>
</tbody>
</table>

Using this framework as a starting point, this report uses the GOT data to answer two key questions:
- Do employees in old-developed and young-developing countries perceive their work experiences differently?
- Are employees’ perceptions of their work experiences influenced by chronological age, career stage, and life stage?
Age-Related Factors

When considering the implications of demographic changes for their organizations, employers might well ask, “Who is a younger worker? Who is an older worker?” These questions are important, because the experience of age is complex, particularly in the context of the workplace. Although people tend to think that the term “age” refers primarily to chronological age, the experience of aging has many dimensions. As the table below shows, this study focuses not only on chronological age but also on career stage and life stage (as indicated by degrees of responsibility for the care of dependents—obligations commonly associated with generational cohorts).

Table 2. Three dimensions of the experience of aging

<table>
<thead>
<tr>
<th>Chronological age</th>
<th>Career stage</th>
<th>Life stage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30 years of age</td>
<td>Early career</td>
<td>Neither child care nor elder care</td>
</tr>
<tr>
<td>Ages 30 to 39</td>
<td>Mid-career</td>
<td>Child care only</td>
</tr>
<tr>
<td>Ages 40 to 49</td>
<td>Late career</td>
<td>Elder care only</td>
</tr>
<tr>
<td>Ages 50 and older</td>
<td></td>
<td>Both child care and elder care</td>
</tr>
</tbody>
</table>

What differences in chronological age, career stage, and life stage did the GOT study find between the multinational company employees in old-developed countries and young-developing countries? ¹

People younger than 30 account for a higher percentage of employees in the young-developing countries (45.8 percent) than in the old-developed countries (10.1 percent). A lower percentage of employees at worksites in the young-developing countries are between the ages of 40 and 49 (12.7 percent) than in the old-developed countries (32.4 percent). Similarly, the share of those who are 50 and older is smaller in the young-developing countries (5.6 percent) than in the old-developed countries (24.9 percent).

Figure 1. Chronological age distribution by country clusters (N=9,388)

Source: Generations of Talent Study

¹ Distributions are calculated using post-stratification weights that adjust for the composition of the workforce at each worksite by age, gender, and part-time/full-time employment status.
The percentage of employees who define themselves as early career is higher in the young-developing countries (47.8 percent) than in the old-developed countries (22.5 percent). The percentage of employees who define themselves as mid-career is lower in the young-developing countries (47.1 percent) than in the old-developed countries (58.3 percent). The percentage of employees defining themselves as late career is only 5.1 percent in the young-developing countries; it is 19.2 percent in the old-developed countries.

Figure 2. Career stage distribution by country clusters (N=9,223)

The percentage of employees who provide child care is lower in the young-developing countries (28.0 percent) than in the old-developed countries (40.3 percent). However, many more employees in the young-developing countries are providing elder care for parents and parents-in-law (14.9 percent) than in the old-developed countries (7.1 percent).

Figure 3. Life stage distribution by country clusters (N=8,817)
Work Engagement

“Work engagement” refers to employees’ positive feelings about their work. When employees are engaged, they find their work to be personally meaningful, have positive feelings about their work, consider their workloads to be manageable, and look forward to continued employment. Their work fulfills them.

In the GOT study, we measured work engagement using 11 indicators adapted from the Utrecht Work Engagement Scale (UWES). This scale is a standardized tool used worldwide to assess employee work engagement. For the GOT study, we asked employees to note how frequently they experienced their work in each of 11 positive ways. Possible scores ranged from one (never) to seven (always). Averaging the scores yields a measure of work engagement, with one representing no engagement and seven representing maximum engagement.

When we tallied the scores of all the respondents, controlling for demographic factors, job characteristics, and age-related factors, employees working in the young-developing countries showed a higher level of work engagement on our seven-point scale (5.77) than did those in the old-developed countries (5.26). The difference is small but statistically significant.

Figure 4. Work engagement by country clusters (N=9,545)

Note: The difference is statistically significant at a threshold of p<.05.

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When evaluating overall differences in all measures of work outcomes between the two country clusters, we controlled for gender, work hours, full-time/part-time status, occupation type, supervisor status, education, income, partnered status, age, career stage, and life stage. Missing data were handled using multiple imputation with chained equations. Values of measures of work outcomes reported in the text and in the figures represent predicted values calculated on the basis of regression equations using mean values of control variables.
Levels of work engagement do not vary by career stage or life stage, but they do vary by chronological age. Specifically, work engagement is greater among employees who are 50 and older (5.70 on our seven-point scale) and those between the ages of 40 and 49 (5.64) than it is among employees between the ages of 30 and 39 (5.43) and those who are younger than 30 (5.37).\textsuperscript{iii}

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Figure 5. Work engagement by chronological age groups (N=9,545)

![Graph showing work engagement by age groups](image)

Note: a=significantly different from those under 30 years of age; b=significantly different from those who are 30 to 39 years old; c=significantly different from those who are 40 to 49 years old; d=significantly different from those who are 50 and older (p<.05).

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\textsuperscript{iii} When evaluating the differences in work outcomes between groups defined by age, career stage, or life stage, we controlled for gender, work hours, full-time/part-time status, occupation type, supervisor status, education, income, partnered status, and country cluster. Missing data were handled using multiple imputation with chained equations. Joint significance tests for groups of dichotomies representing each of the age-related factors were conducted to make decisions regarding the statistical significance of a given age-related factor. Values of work outcomes reported in the text and in the figures represent predicted values calculated on the basis of regression equations using mean values of control variables.
**Job Satisfaction**

“Job satisfaction” refers to the pleasure attached to an employee’s positive appraisal of his or her work. It can be a revealing indicator of current and future behavior on the job, influencing work performance, absenteeism, and turnover.

In the GOT study, we measured job satisfaction using 13 indicators drawn from two standardized scales and from research by the Sloan Center on Aging & Work. We asked employees to respond to 13 statements (one for each indicator) describing aspects of their work, using a scale ranging from one (strongly dissatisfied) to six (strongly satisfied). Averaging the scores yields a measure of job satisfaction, with one representing little satisfaction and six representing maximum satisfaction.

Controlling for demographic factors, job characteristics, and age-related factors, we find that job satisfaction is about the same for employees working in the young-developing countries and in the old-developed countries. However, job satisfaction does vary by age, career stage, and life stage.

Controlling for demographic factors and job characteristics only, we find that job satisfaction is highest among employees who are 50 and older (4.50 on our six-point scale) and nearly as high among those who are younger than 30 (4.47). Employees between the ages of 30 and 39 evidenced the least satisfaction with their jobs (4.38). Those between the ages of 40 and 49 were somewhat more satisfied at work (4.42).

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**Figure 6.** Job satisfaction by chronological age groups (N=9,265)

![Graph](image-url)  

Note: a=significantly different from those under 30 years of age; b=significantly different from those between the ages of 30 and 39; c=significantly different from those between the ages of 40 and 49; d=significantly different from those who are 50 and older (p<.05).

Job satisfaction appears to be higher among employees who consider themselves in the early stage of their careers (4.48 on our six-point scale) than it does among those in mid-career (4.40) and in the late stage of their careers (4.38), after controlling for demographic factors and job characteristics.
Controlling for demographic factors and job characteristics, we find that job satisfaction is lower among employees having elder care responsibilities (4.37 on our six-point scale) than it is among employees with neither child care nor elder care responsibilities (4.45). In contrast, child care responsibilities do not appear to be associated with lower job satisfaction.

Figure 7. Job satisfaction by career stage groups (N=9,265)

Figure 8. Job satisfaction by life stage groups (N=9,265)
Organizational Commitment

“Organizational commitment” generally refers to the relative strength of a person’s involvement in a particular organization—for our purposes, an employee’s involvement in the organization where he or she works. Among the dimensions of this involvement are a strong psychological attachment to and acceptance of the organization’s goals and values, a willingness to exert considerable effort on behalf of the organization, and a strong desire to remain in the organization.

For the GOT study, we measured these dimensions using the organizational commitment scale adapted from Mowday et al. (1979) by the National Opinion Research Center for its General Social Survey of trends in the United States. We asked employees to rate their agreement with nine statements reflecting their commitment to their employers, on a scale ranging from one (strongly disagree) to six (strongly agree). Averaging the scores yields a measure of organizational commitment, with one representing little commitment and six representing maximum commitment.

Controlling for demographic factors, job characteristics, and age-related factors, we find that organizational commitment is higher among employees in the young-developing countries (4.6) than it is among employees of the old-developed countries (4.22).

Figure 9. Organizational commitment by country clusters (N=9,802)

Note: The difference is statistically significant at a threshold of p<.05.
Organizational commitment does not vary either by career stage or life stage, but it does vary by chronological age. Controlling for demographic factors and job characteristics, we find that organizational commitment for employees aged 40-49 (4.50) and those aged 50 and above (4.52) is higher than that for employees under 30 years of age (4.38) and those aged 30-39 (4.32).

Figure 10. Organizational commitment by chronological age groups (N=9,802)

Note: a=significantly different from those under 30 years of age; b=significantly different from those between the ages of 30 and 39; c=significantly different from those between the ages of 40 and 49; d=significantly different from those who are 50 and older (p<.05).
Considerations for Employers

- Employers with worksites in the “old-developed” countries may find that they have relatively older workforces. These employers may need to focus their attention on assessing their talent management policies to provide more advancement opportunities for workers aged 40 and older.

- Employers with worksites in the young-developing countries may find that they have relatively large percentages of early career employees. These employers might consider innovative ways to provide these employees with experiences that will facilitate smooth transitions to mid-career and prepare them for leadership roles. In addition, these employers might consider how well the benefits they offer match the needs of particular age cohorts in different career stages.

- Employers with worksites in the old-developed countries may find that relatively large percentages of their employees have child care responsibilities. Employers with worksites in young-developing countries may find that relatively large percentages of their employees have elder care responsibilities. Both groups of employers might evaluate how demands associated with these responsibilities affect their workers. They could offer scheduling flexibility, ensuring that supervisors support the practice and understand the unpredictable demands of caregiving.

- Employers with worksites in old-developed countries need strategies to strengthen their employees’ work engagement and organizational commitment. The companies could assess whether specific benefits increase the work engagement or organizational commitment of their workforces. To identify such benefits, employers must keep in mind that work engagement and organizational commitment are distinct from job satisfaction: even though employees in old-developed countries report lower work engagement and organizational commitment than those in young-developing countries, the two country clusters do not differ in terms of job satisfaction. It is possible, however, that the same factors that suppress work engagement and organizational commitment among employees in old-developed countries also lower job satisfaction, but are outweighed by some other, compensating factor—one that enhances job satisfaction but has no effect on work engagement and organizational commitment. Thus, efforts to enhance work engagement and organizational commitment in old-developed countries might serve to increase job satisfaction, after all.

- Given the relatively low levels of work engagement and organizational commitment among the younger employees we surveyed, employers might pay particular attention to what motivates members of this group to engage with their work and be loyal to their companies. Support for professional advancement is one possibility.
Given that work engagement and organizational commitment do not vary by career stage and life stage, employers wishing to strengthen them might look for incentives that are valuable to all employees rather than only to specific groups.

Employers could examine whether their own employees in the 30-to-39 age group exhibit the dip in job satisfaction that we observed for that age group in our study. Companies that find this pattern can try to identify job characteristics and work expectations that lower job satisfaction in this age group.

Mid-career and late career employees in this study evidenced less satisfaction with their jobs than early career employees did. This finding should prompt employers to pay special attention to these groups. For instance, employers could assess whether mid-career and late career employees are more satisfied with some advantages of their jobs (for example, health and wellness programs) and less satisfied with others (for example, training and development opportunities) and address deficiencies.

Employers who find reduced job satisfaction among employees with elder care responsibilities could assess whether specific types of benefits improve morale for this group.


About the Sloan Center on Aging & Work

Established in 2005, the Sloan Center on Aging & Work at Boston College promotes quality of employment as an imperative for the 21st century multi-generational workforce. We integrate evidence from research with insights from workplace experiences to inform innovative organizational decision-making. Collaborating with business leaders and scholars in a multi-disciplinary dialogue, the center develops the next generation of knowledge and talent management.

Since our founding, we have conducted more than 20 studies in collaboration with employers: for example, studies on “Age & Generations,” “Talent Management,” and “Generations of Talent.” Studies under way are “Assessing the Impact of Time and Place Management” and “Engaged as We Age.” The Sloan Center on Aging & Work is grateful for the continued support of the Alfred P. Sloan Foundation.

For more information about the Sloan Center on Aging & Work at Boston College, please visit: http://agingandwork.bc.edu.

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About the Generations of Talent (GOT) Study

To gather business-relevant information about the work experiences of employees of diverse ages who work in different countries, the Sloan Center on Aging & Work at Boston College conducted the Generations of Talent (GOT) Study.

From May 2009 through November 2010, the Sloan Center on Aging & Work collaborated with seven multinational companies. In total, 24 worksites in 11 countries participated in the study, and 11,298 employees responded to the survey. Employees were invited to complete one 30-minute online survey during work time, which they were able to access on a secure website. The survey was translated into Japanese, Mandarin Chinese, Brazilian Portuguese, and Spanish.

The survey consists of core questions (questions that were included in the surveys made available to each respondent) and module questions (additional, complementary questions, a subset of which was randomly assigned to the respondents). The survey focused on employees’ perceptions of their work experiences, workplace-based resources, demographic information, and employees’ assessments of their health and well-being at work and in their lives in general.
Other Reports from the Generations of Talent Study Currently Available


For all of the Sloan Center on Aging & Work publications, visit our website at www.bc.edu/agingandwork.