

**Money Can't Buy Me Love:
Staff Satisfaction of Pay and Benefits in Christian Organizations**

By: Kevin Scheid

“I don't care too much for money, money can't buy me love.” The Beatles weren't the first to understand this universal truth. It's true for employers, whether in a Christian organization or not.

Employees understand financial sacrifice often goes with working at a Christian organization. After all, nobody is getting rich from the stock options. BCWI's statistical research supports these assumptions, documenting that pay is not on the list of top ten reasons staff are committed to working at a Christian workplace. As a result, some feel it is needless to be overly concerned with pay and benefits. Yet, often the problem is that leadership takes this attitude and avoids discussions about pay and benefits altogether. Completely avoiding the topic often results in suspicion and anxiety.

How satisfied are Christian workers with their pay and benefits? Results from our Best Christian Workplaces survey provide some insights into this question. With BCWI's anonymous 56 question staff survey, workers answer questions without pretense, expectation or self imposed bias towards pay and benefits. We have summarized the results from nearly 8,000 Christian workers during 2007. The BCWI survey has four questions which relate to pay and benefits, including:

Item	Statement
56	I am satisfied with my retirement plans (pension, 403(b), 401(k),RRSP etc.).
55	I am satisfied with my paid time off (vacation, sick leave).
54	I am satisfied with my medical or health plan.
53	In comparison with people in similar jobs in other Christian organizations, I feel I am paid fairly.

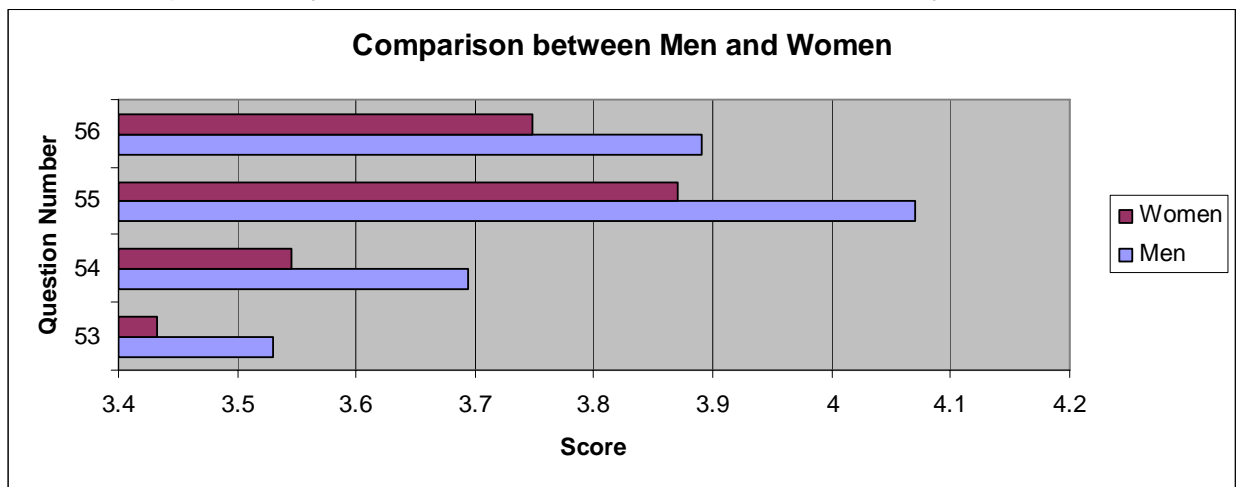
How do these questions link with overall staff satisfaction and commitment? At the risk of oversimplifying the issue, the results of the pay and benefit related questions show the lowest correlation to staff satisfaction and commitment of all the question categories. Although the correlations of pay and benefits are the lowest in the survey, there is still some positive relationship with other questions - the relationship is not negative. In other words, attention to pay and benefits will have some positive affect on workplace effectiveness, it just has the least influence of all the things leadership can do to develop committed workers.

These observations are backed up with other workplace motivational theory classifying pay and benefits as “hygiene factors.” Hygiene factors are either true or false in people's perceptions; it is seen as a black or white issue. The factors that determine the perception of hygiene are complex and unique to every organization. In the case of pay and benefits, all of these factors combine to answer the hygiene factor question of whether or not they are fair. Thus, a person who perceives that others are paid more or work less may be dissatisfied to the point of negative behavior. However, others may be paid little but are content, understanding their organization is paying the best they can and trusting that pay will be increased when possible.



Demographic Patterns in Relation to Pay and Benefits

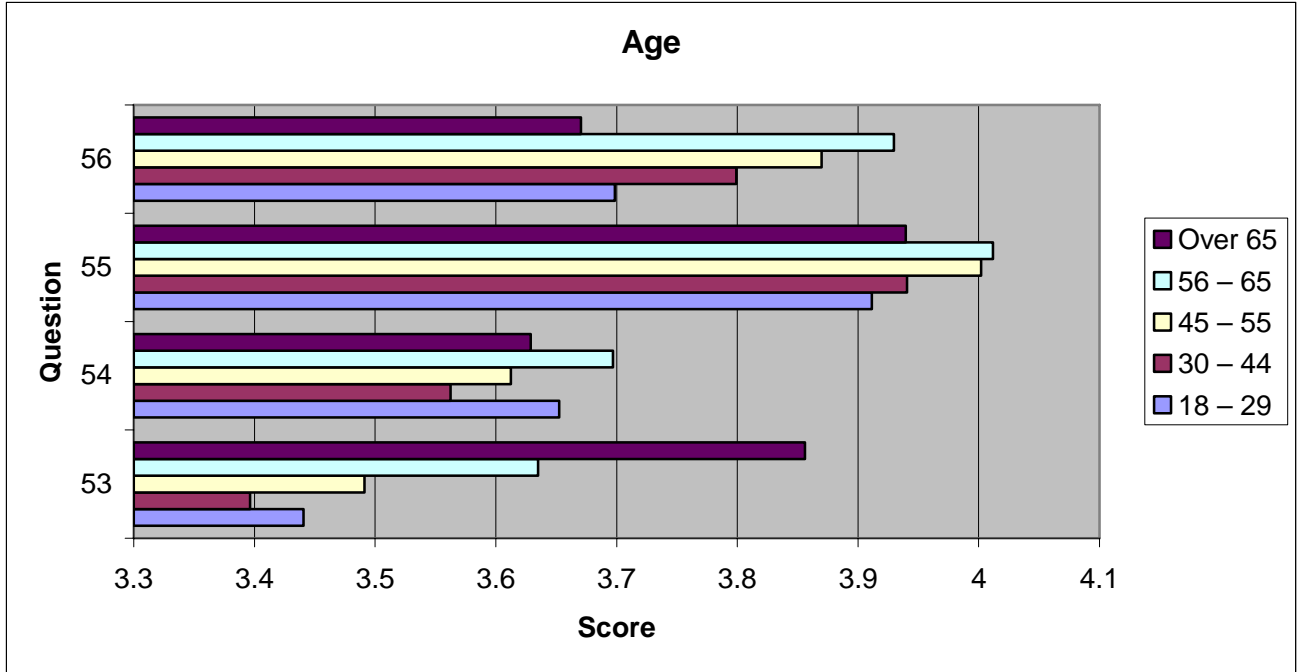
1. Women are less satisfied than men. Interesting results emerge from drilling into the survey data: women are less satisfied with pay and benefits across the board. Is this because women are paid less than men due to male bias? A closer look at the data shows something else. Although pay may differ by gender; medical plans, sick leave, vacation and retirement plans do not differ for men and women. Organizations simply cannot legally or practically administer biased benefit programs. Yet, women are less happy with those same benefits received by men. Could this be a cultural bias generated by the media suggesting women are paid less? Perhaps, but it is interesting to note the aggregate BCW survey results show no statistically significant difference between men and women – overall they have equal satisfaction levels. So, if there are no differences in attitudes at the overall survey level, yet women are less satisfied at a pay and benefit level, it begs the question, why? The data cannot answer that question any further, but additional research in this area may be of interest.



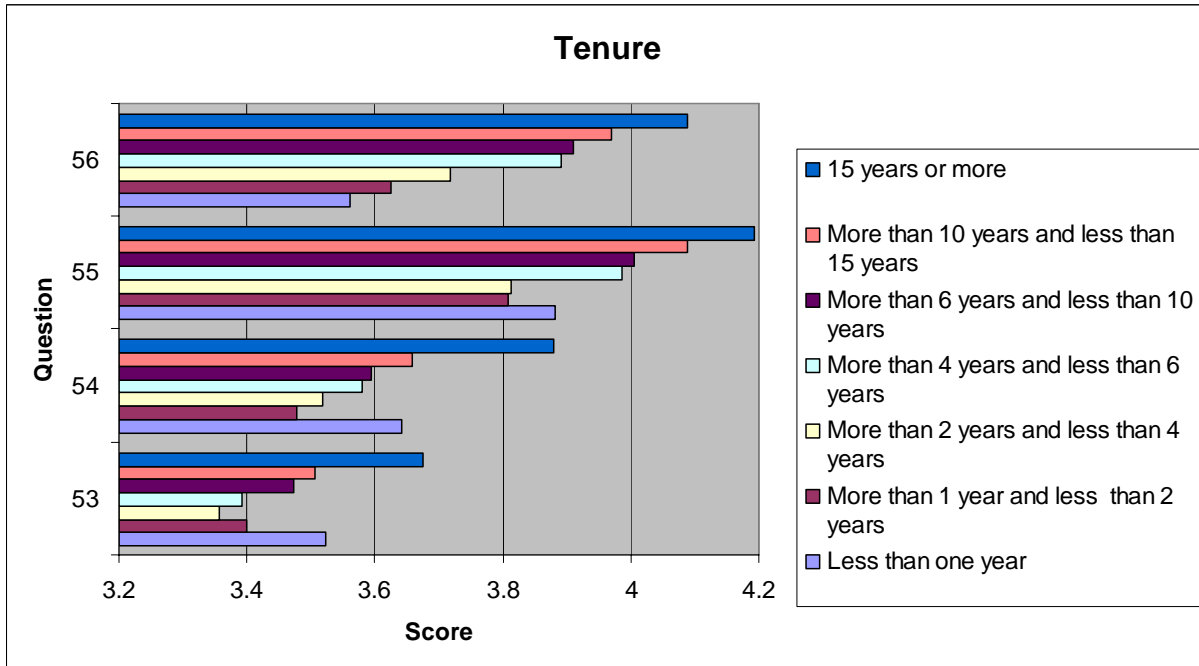
2. Attitudes improve with age...up to a point! We find that workers over 65 are the most satisfied with pay, but the least satisfied with retirement benefits. This group is possibly paid better because of tenure and experience while also needing less since they are no longer supporting a young family. Workers over 65 are generally the most satisfied workers when looking at overall survey results, so their response to retirement may indicate retirement programs are not important to them at this stage in life.

The least satisfied groups in the area of pay and benefits are people aged 18-29 and 30-44. The 18-29 year olds are relatively satisfied with medical benefits, but pay and time off are both issues with which this group is relatively not as satisfied. These results appear substantially consistent with the perception that the younger generation has higher expectations in relation to pay, they do not trust that social security will be around for them and they desire more balance between work and personal life than former generations.

It's hard to please anybody, regardless of age when it comes to providing medical coverage. The relentless price hikes have caused most organizations to pass along the increased costs. As a result we are seeing that the level of satisfaction for medical plans are lower than Paid Time Off (PTO) and retirement. The key to improving satisfaction with medical benefits is involving employees in choices and thorough communication.

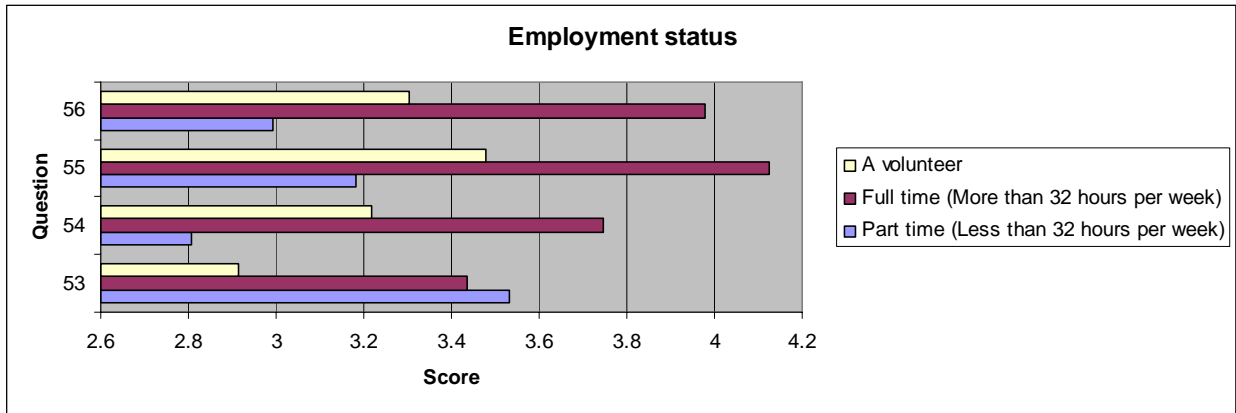


3. After the honeymoon, satisfaction with pay and benefits improves with Tenure. Tenure data shows the pattern for pay is typical of the aggregate survey data. That is, generally people with less than one year of tenure are the most satisfied, 2-6 years of tenure are the least satisfied and after 6 years people become more satisfied with time. Since pay and benefits generally increase with tenure (higher pay, more time off, retirement vesting etc.), the increases provide a possible explanation for the slightly different pattern where people with less than one year on the job are not the most satisfied with pay and benefits.

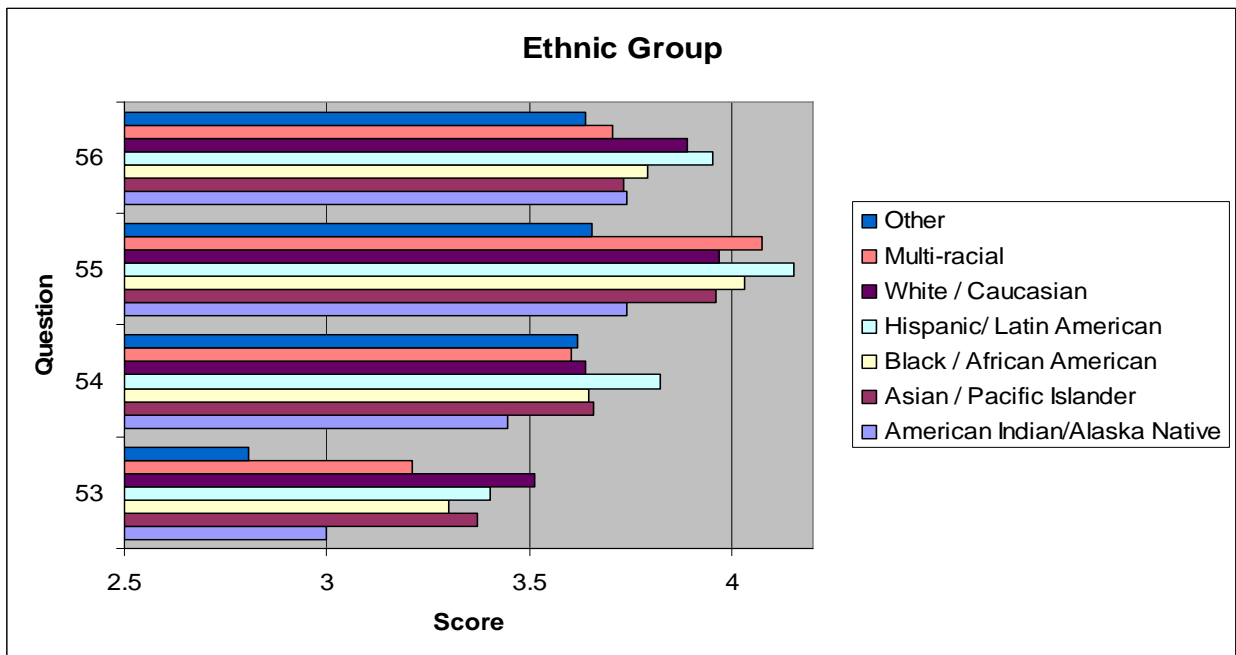


4. Part-time staff are more satisfied with pay, not benefits. Employment status shows some very predictable trends. Part-time employees are happier with their pay, but considerably less happy with their medical, PTO and retirement benefits. This is not a surprise.

Regarding the volunteer data, there is not enough information to draw any significant conclusions.



5. Hispanics are the most satisfied with benefits. Overall, Hispanics are the most satisfied with pay and benefits while American Indian/Alaska Native and those who classified themselves as Other or Multi-racial were the least satisfied. As discussed with gender issues although pay could possibly be biased, benefit programs are unlikely to be administered with any bias. Thus the variation in perceptions of pay and benefits may be related to other factors not addressed in the data. Differing perceptions of pay and benefits along ethnic lines may be an appropriate area for future research.



Conclusion:

Since, money can't buy me love, now what? We suggest leaders take a creative approach to not only addressing, but leveraging this issue. Looking deeper into the data reveals a few clues an organization can act on to increase the satisfaction level of their employees with pay and benefits. Specifically, pay and benefits do correlate with the survey items ***recognizing people for good performance, promoting the right people and rewarding top performers.***

We recommend:

1. Be sure all staff know their work is valued, recognized and rewarded.
2. Develop a total compensation philosophy and implement it. Describe how you place a monetary value on work, recognize and reward good work, communicate how pay is determined, what the benefit plans include, how pay and benefits compare to other comparable organizations and the rationale behind the pay and benefits they receive.
3. Actively listening to your staff about their satisfaction with benefits will have a significant positive impact. Listening shows that you care and are humble enough to learn; listening helps build trust.
4. The demographics of your organization may call for a different bouquet of benefits. If you have a lot of employees just out of high school and college, remember 18-29 year olds may be more interested in the time off policies than they care about having a better retirement plan. If a large percentage of your workforce are part-time employees, then increasing the time off may have little affect. You may want to tailor your benefits based on the demographics and culture of your organization.