

# PAY AND OFFER OF BENEFITS AS SIGNIFICANT DETERMINANTS OF JOB SATISFACTION – A CASE STUDY IN THE CZECH REPUBLIC

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## Introduction

Human resources have long been the most essential factor that affects the performance of an organization, its organizational culture or its innovation processes. They are more or less connected with everything that is going on within the organization, but they are also the key players in relation to the organization's surroundings, communicating with customers, suppliers and other relevant partners and institutions (Šoltés & Gavurová, 2014). Human resources form an element of each system and influence it significantly, not only through their abilities and skills, but also through their attitudes and emotions. Emotions are an important factor that influence the performance of employees as well as affect their job satisfaction or dissatisfaction. They are one of the significant components of emotions, whether in the positive or negative sense of the word.

Classic definitions describe job satisfaction as a positive emotional response and experience resulting from the evaluation of one's work (Locke, 1976; Pavelka et al., 2014). The level of job satisfaction is made up of internal and external satisfaction (Ryan & Dezi, 2000). Typically, internal satisfaction is formed by success, responsibility or recognition, while external satisfaction is formed by pay and other compensation, relationships with co-workers and working conditions. Job satisfaction impacts work performance, and dissatisfaction can be the cause of labour turnover, absenteeism and lead to associated costs (e.g. Judge et al., 2001). Moreover, job satisfaction is related to one's overall life satisfaction (Drobnič et al., 2010; Judge & Watanabe, 1993).

A number of studies were conducted in non-Western cultures over the last decade (Borooah, 2009; Eskildsen et al., 2010; Lange, 2009). There are studies from Taiwan (e.g. Chen & Silverthorne, 2008) and China (e.g. Liu et al., 2008), as well as from Russia (Linz, 2003). However, only little is known about the factors influencing job satisfaction in the post-communist countries of Central and Eastern Europe, including the Czech Republic.

The first empirical data examining job satisfaction in the Czech Republic have been available since 1997 from the International Social Survey Programme (hereinafter referred to as "ISSP") that was also focused on, within the framework of one module, work orientation (working conditions, job characteristics, subjective experience of work, etc.). Using these data and the results of other research, several studies have been published (Medgyesi & Robert, 2003; Večerník, 2003; Franěk & Večeřa, 2008; Franěk et al., 2014) that show that the level of job satisfaction in the countries of Central and Eastern Europe was relatively low in comparison to the values of job satisfaction in the countries of Western and Northern Europe. The Czech Republic ranked among those states with the lowest satisfaction.

As mentioned above, there are many components affecting job satisfaction including, inter alia, the possibility of career growth and further professional development, working conditions and the actual work; pay and fringe benefits are also a very significant component. (Mohelská & Sokolová, 2015; Mohelská & Sokolová, 2011)

The aim of this study is to analyse how the level of pay and the offer of benefits determine job satisfaction in the Czech Republic.

## 1. Research Objective and Methodology

The presented study examines how the level of pay and the offer of benefits determine job satisfaction in the Czech Republic.

### *Subject-matter of examination*

The aim of this study is to answer the research question, *whether there is a correlation between the level of pay and fringe benefits on the one hand and overall job satisfaction on the other, or with satisfaction with pay and fringe benefits.*

To determine the development of the level of pay and fringe benefits, the available official data of the Czech Statistical Office are primarily used (CZSO, 2015), which concern the development of the level of pay and fringe benefits. Data mining was carried out in this area and the key trends in this area can be ascertained.

To determine the level of job satisfaction, the same study was conducted twice (in 2013 and 2015). It was conducted as a questionnaire survey – the Czech version of the “Job Satisfaction Questionnaire” (Spector, 1985; Spector, 1997). Obtained data were used for the purpose of this study with attention being focused on the analysis of overall job satisfaction and two determinants, pay and fringe benefits.

### *Sample of respondents*

The aim of the project was to create a sample of employees from various branches from both the profit and non-profit sectors. Since a cross-sectional sample could not be obtained, the data were collected through cooperation with distance learning university students. The fact that these students worked in various types of organizations in at least three regions of the Czech Republic was taken advantage of.

The data used in this study were collected in January and February 2013 and then again in the same months of 2015. Students in distance learning bachelor's degree programs were asked in certain subjects at the Faculty of Informatics and Management at the University of Hradec Králové to have their work colleagues complete the questionnaire. Typically, each student collected about 15 questionnaires. Altogether, 1,950 and 1,547 respondents respectively participated in the study. However, 174 and 77 questionnaires respectively were excluded from the sample due to various errors

and missing values. Respondents are described below, in the chapter entitled Results.

Statistical analyses were performed using Statistica 8 software.

### *Questionnaire*

The questionnaire included four sections. Three demographic questions were in the first part: gender, age and the level of education of the respondent. The second part included five questions concerning characteristics of the organization in which the respondent worked: ownership of the organization (Czech owner, foreign owner, international corporation or public/governmental organization), size of the organization (up to 50 employees, up to 250 employees, up to 500 employees and more than 500 employees), and the respondent's position (manager/supervisory responsibility employee, non-supervisory responsibility employee) and the sphere of business.

The third part contained the Czech translation of Wallach's questionnaire (1983) – Organizational Culture Index (OCI). OCI describes organizational cultures in three dimensions: bureaucratic, innovative and supportive. The questionnaire consists of 24 items, the four-point Likert scale is used for evaluating answers ranging from 0 (does not describe our organization) to 3 (describes our organization in most cases). Subsequently, the answers were evaluated for the individual dimensions of organizational culture (eight items for each dimension) – the results are not a part of this paper.

The fourth part was devoted to the Czech version of the “Job Satisfaction Questionnaire” (Spector, 1985), which consists of 36 items and was used to measure the perception of the level of job satisfaction. The questionnaire contained nine categories of factors: pay, career growth, supervision, fringe benefits, recognition, working conditions, co-workers, nature of work and communication. Respondents were instructed to determine the extent of their agreement with each item on a six-point scale ranging from “strongly disagree” (1) to “completely agree” (6).

### *Study limitations*

The research had several limitations. The first limitation is the selection of respondents. This shortcoming is not so crucial because the Czech Republic currently has a relatively

homogenous socio-economic composition. Another limitation is the fact that the category of employees with a lower level of education was underrepresented in our sample. The method of data collection through distance learning students may also pose a certain limitation (Pudlo & Gavurová, 2012). However, this disadvantage partially eliminates the diversification of jobs held by these students because they worked in various areas of both the private and public/governmental sector.

In spite of these limitations, we are convinced that our data provide results that expand our knowledge of job satisfaction.

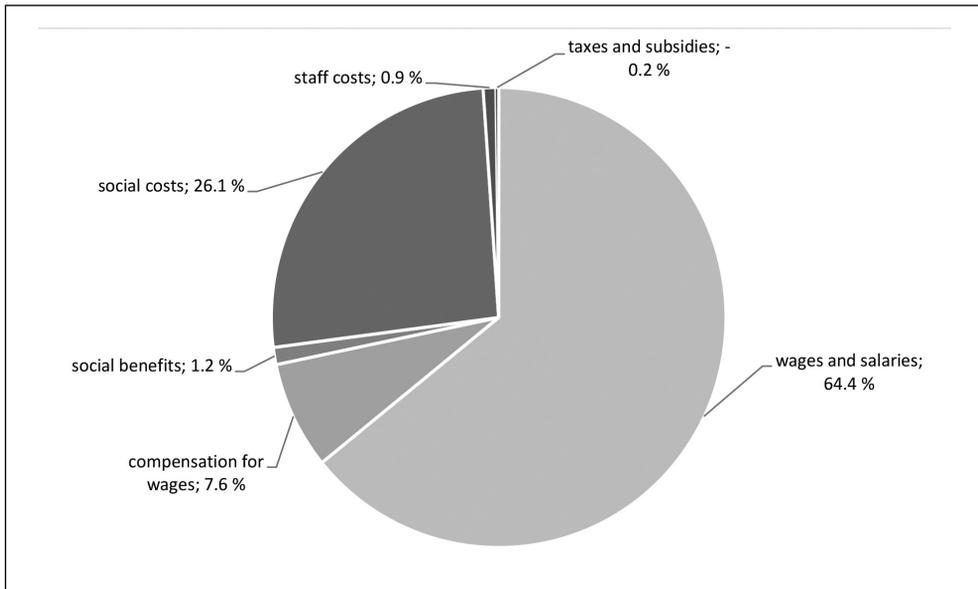
## 2. Development of Pay and Other Labour Costs

Labour costs consist primarily of pay and related social security payments. The remaining non-pay costs are considerably lower and thus less visible. It was these costs through which the employers tried to save money during the time of the crisis, after 2008 (CZSO, 2015).

Total labour costs are comprised of direct and indirect costs. Direct costs consist of wages and salaries for work done and of compensation

for wages and salaries (compensation for national holidays, for holidays, for obstacles on the part of the employee or the employer). Wages or salaries are paid for work performed in the Czech Republic. Wages are monetary payments and monetary value payments (wages in kind) provided by an employer to an employee for work in the private sector. A salary is a monetary payment provided to employees for their work by employers who remunerate these employees wholly or mainly from public resources (funds from the state budget, other public budgets or from public health insurance). Such employers include the state, a self-governing territorial unit, a state fund or a legal school entity established by the Ministry of Education, Youth and Sports, by a region, municipality or voluntary association of municipalities. Wages and salaries are expressed in gross amounts. Indirect costs consist of social costs, social benefits, staff costs and taxes and subsidies. Social costs consist of statutory social security and other social costs. Company cars for private purposes, housing allowances or meal allowances etc. are included in social benefits. The most significant

**Fig. 1: Structure of labour costs in 2013 (in %)**



Source: own processing based on CZSO (2015)

**Tab. 1: Labour cost components (CZK/month) per one employee (recalculated numbers)**

Year	Labour costs	Direct costs			Indirect costs				
		<i>total</i>	<i>wages and salaries</i>	<i>compensation for wages</i>	<i>total</i>	<i>social benefits</i>	<i>social costs</i>	<i>staff costs</i>	<i>taxes and subsidies</i>
1994	10,244	7,240	6,546	694	3,004	220	2,618	169	-3
1995	12,028	8,536	7,706	830	3,492	253	3,068	175	-4
1996	14,415	10,240	9,208	1,032	4,175	280	3,680	224	-9
1997	15,499	11,058	9,944	1,114	4,441	289	3,956	215	-19
1998	17,014	12,170	10,969	1,201	4,844	318	4,331	210	-15
1999	18,321	13,078	11,812	1,266	5,243	321	4,713	221	-12
2000	19,905	14,088	12,744	1,344	5,817	334	5,240	262	-19
2001	21,777	15,330	13,791	1,539	6,447	419	5,741	299	-12
2002	23,190	16,298	14,655	1,643	6,892	450	6,165	303	-26
2003	24,567	17,255	15,528	1,727	7,312	475	6,522	347	-32
2004	26,428	18,597	16,722	1,875	7,831	500	7,029	338	-36
2005	28,036	19,796	17,886	1,910	8,240	587	7,259	424	-30
2006	28,941	20,540	18,560	1,980	8,401	561	7,513	385	-58
2007	31,020	21,854	19,594	2,260	9,166	670	8,132	413	-49
2008	32,468	23,223	20,778	2,445	9,245	499	8,367	421	-42
2009	32,610	23,425	20,909	2,516	9,185	472	8,425	356	-68
2010	33,275	23,904	21,459	2,445	9,371	467	8,633	338	-67
2011	34,048	24,466	22,012	2,454	9,582	446	8,864	331	-59
2012	34,786	25,100	22,538	2,562	9,686	424	9,004	317	-59
2013	34,825	25,055	22,417	2,638	9,770	428	9,089	312	-59

Source: own processing based on CZSO (2015)

staff costs include e.g. clothing allowances, contributions towards training and recruitment of new employees. Taxes and subsidies include received subsidies and taxes and sanctions associated with employing people.

The structure of labour costs in 2013 is shown as percentages in the following chart (Fig. 1). Nearly two-thirds (64.4%) of all labour costs are formed by wages and salaries. Another important item is social costs (26.1%) and the third largest item is compensations for wages (7.6%).

Over the long term, labour costs have practically remained the same; from 1994–

2013, direct costs ranged between 70–72%, social costs between 25–27%, social benefits between 1–2.5%.

The time series (Tab. 1) shows steady growth in the period from 1994 to 2013, but it slows down in later years. The average monthly labour costs per employee amounted to 10,244 CZK in 1994. Ten years later, in 2004, they equalled 26,428 CZK, and in 2013 they equalled 34,825 CZK per employee.

Thus, total labour costs increased by nearly 3.5 times during the monitored period, mainly due to direct costs. The highest amount of growth occurred at the beginning of

**Tab. 2: Average gross monthly wages (per full-time equivalent employee)**

Period	CR total			Business sphere			Non-business sphere		
	Nominal wage in CZK	Nominal wage index, CPPY=100	Real wage index, CPPY=100	Nominal wage in CZK	Nominal wage index, CPPY=100	Real wage index, CPPY=100	Nominal wage in CZK	Nominal wage index, CPPY=100	Real wage index, CPPY=100
2000	13,219	.	.	13,170	.	.	13,457	.	.
2001	14,378	108.8	<b>103.9</b>	14,304	108.6	<b>103.7</b>	14,733	109.5	<b>104.6</b>
2002	15,524	108.0	<b>106.1</b>	15,380	107.5	<b>105.6</b>	16,197	109.9	<b>108.0</b>
2003	16,430	105.8	<b>105.7</b>	16,149	105.0	<b>104.9</b>	17,692	109.2	<b>109.1</b>
2004	17,466	106.3	<b>103.4</b>	17,191	106.5	<b>103.6</b>	18,714	105.8	<b>102.9</b>
2005	18,344	105.0	<b>103.0</b>	18,019	104.8	<b>102.8</b>	19,877	106.2	<b>104.2</b>
2006	19,546	106.6	<b>104.0</b>	19,244	106.8	<b>104.2</b>	20,977	105.5	<b>102.9</b>
2007	20,957	107.2	<b>104.3</b>	20,661	107.4	<b>104.5</b>	22,387	106.7	<b>103.8</b>
2008	22,592	107.8	<b>101.4</b>	22,439	108.6	<b>102.2</b>	23,334	104.2	<b>98.0</b>
2009	23,344	103.3	<b>102.3</b>	23,104	103.0	<b>102.0</b>	24,411	104.6	<b>103.6</b>
2010	23,864	102.2	<b>100.7</b>	23,733	102.7	<b>101.2</b>	24,453	100.2	<b>98.7</b>
2011	24,455	102.5	<b>100.6</b>	24,447	103.0	<b>101.1</b>	24,494	100.2	<b>98.3</b>
2012	25,067	102.5	<b>99.2</b>	25,078	102.6	<b>99.3</b>	25,014	102.1	<b>98.8</b>
2013	25,035	99.9	<b>98.5</b>	24,986	99.6	<b>98.2</b>	25,255	101.0	<b>99.6</b>
2014	25,607	102.3	<b>101.9</b>	25,546	102.2	<b>101.8</b>	25,879	102.5	<b>102.1</b>

Source: own processing based on CZSO (2015)

the period, in 1995 and 1996 (18% and more). On the contrary, the slowest growth occurred towards the end of the period, in 2009 (+0.9%) and 2010 (+2.0%); in 2013, wages even dropped in comparison with the previous year (-0.2%).

In 2008, there was a large drop in social benefits and staff costs within indirect costs. However, their influence was negligible due to their small share of total costs.

The economic crisis manifested itself in the period from 2009 to 2013, when organizations sought to save on optional costs and when staff costs and social benefits dropped.

The time series of total labour costs in the period from 1994 to 2013 showed an average growth rate of 106.7%, which slowed down to 101.4% in the period from 2009 to 2013. (CZSO, 2015)

The same trend is seen in the following

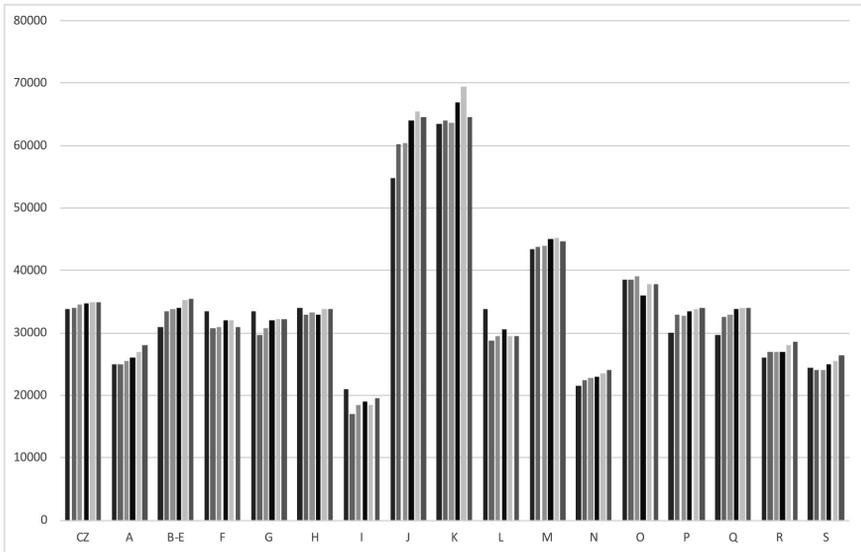
table (Tab. 2) that tracks average gross monthly wages. 2014 is also shown here when an increase in average gross wages was renewed. This trend should continue according to the current indicators in 2015.

The table of average gross wages (Tab. 2) also shows that differences in gross wages did not differ much in the entrepreneurial and non-entrepreneurial sectors.

On the other hand, *very large differences can be seen by sector of activity*. These differences are shown in Fig. 2.

Industries with the highest labour costs include, over the long term, “Information and communication” and “Financial and insurance activities” – average labour costs exceed 60,000 CZK per month, but even here, social benefits decreased in 2013 to 83% of the 2008 level. At the opposite end, well below average, we can find “Accommodation and food service

**Fig. 2: Labour costs by sector of activity, 2008–2013 (in CZK)**



Note: **A** Agriculture, forestry and fishing, **B-E** Total industry, **F** Construction, **G** Wholesale and retail trade; repair of motor vehicles and motorcycles, **H** Transportation and storage, **I** Accommodation and food service activities, **J** Information and communication, **K** Financial and insurance activities, **L** Real estate activities, **M** Professional, scientific and technical activities, **N** Administrative and support service activities, **O** Public administration and defence; compulsory social security, **P** Education, **Q** Human health and social work activities, **R** Arts, entertainment and recreation, **S** Other service activities

Source: own processing based on CZSO (2015)

**Tab. 3: Selected characteristics of the examined samples – for 2013 and 2015**

Item	2013		2015	
	Percentage	Frequency	Percentage	Frequency
<b>Gender</b>				
Males	42.9	762	42.1	619
Females	57.1	1,014	57.9	851
<b>Age</b>				
Less than 30	32.4	576	32.4	476
30–40	35.2	625	34.7	510
41 and above	32.4	575	32.9	484
<b>Education</b>				
Elementary educational level	1.2	22	0.7	11
Skilled worker	9.7	172	6.4	94
Secondary school	42.3	752	48.8	717
Higher professional school	6.4	113	6.5	96
Undergraduate (distance learning)	8.2	145	8.9	131
University degree education	32.2	572	28.6	421
<b>Years of experience (tenure)</b>				
Less than 5 years	44.0	781	42.2	621
5–10 years	29.5	524	29.9	440
11–15 years	11.9	211	12.9	190
More than 15 years	14.6	260	14.9	219
<b>Organization ownership</b>				
Czech owner	42.0	746	44.5	654
Foreign owner	21.1	375	21.5	316
International corporation	13.4	238	14.3	210
Public/governmental organization	23.5	417	19.7	290
<b>Organization size</b>				
up to 50 employees	35.9	637	33.3	490
up to 250 employees	30.1	535	27.9	410
up to 500 employees	9.1	161	8.2	120
more than 500 employees	24.9	443	30.6	450
<b>Job level</b>				
Manager/supervisory responsibility employee	24.4	434	29.2	429
Non-supervisory responsibility employee	75.6	1,342	70.8	1,041

Source: own

activities” and “Administrative and support service activities”.

The *share of social benefits* in total labour costs is only 1.22 to 1.54%. Social benefits declined steadily from 2008 to 2012 from 499 CZK per employee per month down to 424 CZK, which represents a decrease to 85% of the 2008 level. Only 2013 brought a slight increase to 428 CZK; due to increasing wages, their share in total costs is still decreasing. The most important component of social benefits are company cars for private purposes and meal allowances.

### 3. Results of the Study Focused on Job Satisfaction in the Czech Republic

1,776 respondents participated in the study in 2013 and 1,470 respondents participated in the repeated survey (2015). Respondents were aged 17–74 years and 16–77 years respectively; their average age was 36.3 years (SD = 10.80) and 36.19 years (SD = 10.70) respectively. 762 men and 1,014 women participated in 2013, 619 men and 851 women participated in 2015. In both cases they mostly lived in the north-eastern regions of the Czech Republic – the Hradec Králové Region, the Pardubice Region and partially also in the Vysočina Region (the Czech Republic consists of 14 regions). The characteristics of employees and organizations are shown in Tab. 3. It can

be seen from these characteristics that both surveys are comparable as far as the examined samples are concerned.

Table 4 presents average values of the satisfaction level of individual determinants of job satisfaction.

The results of this study show that the total job satisfaction level was identical in both researched years (3.73), but the influence of individual determinants on the total satisfaction has changed. The determinants such as promotion, pay, operating conditions and fringe benefits decrease the total job satisfaction level because the average level of these determinants is lower than the average total job satisfaction. On the contrary, the total job satisfaction is increased by other factors such as supervision, coworkers, nature of work and communication, whose average satisfaction is higher than 4.00.

Despite the same level of the total job satisfaction in both surveys, the level of satisfaction of the analyzed determinants pay and fringe benefits have been increased; in pay the average satisfaction has risen from 3.18 to 3.31 and in fringe benefits it has moderately grown from 3.42 to 3.48.

Tab. 5 shows the average score of overall job satisfaction as well as the average score of the two selected aspects of job satisfaction – pay and fringe benefits – for both surveys.

The results show that overall job satisfaction is still at a very low level, which confirms earlier

Tab. 4:

**Average values of satisfaction level of individual determinants of job satisfaction (2013 and 2015)**

	2013	2015
Pay	3.18	3.31
Promotion	2.96	3.04
Supervision	4.25	4.27
Fringe Benefits	3.42	3.48
Contingent rewards	3.45	3.53
Operating conditions	3.35	3.26
Coworkers	4.45	4.35
Nature of work	4.32	4.26
Communication	4.20	4.07
<b>Total satisfaction</b>	<b>3.73</b>	<b>3.73</b>

Source: own

**Tab. 5:** The average score of overall job satisfaction and of the selected aspects of job satisfaction – pay and fringe benefits (2013 and 2015)

Item	2013			2015		
	Pay	Fringe Benefits	Overall satisfaction	Pay	Fringe Benefits	Overall satisfaction
<b>Gender</b>						
Males	3.36	3.50	3.79	3.44	3.54	3.78
Females	3.05	3.35	3.69	3.21	3.44	3.70
<b>Age</b>						
Less than 30	3.21	3.43	3.77	3.33	3.53	3.77
30–40	3.22	3.46	3.74	3.32	3.48	3.71
41 +	3.12	3.35	3.68	3.27	3.45	3.71
<b>Education</b>						
Elementary educational level	3.06	3.30	3.75	2.75	3.30	3.51
Skilled worker	3.10	3.27	3.64	2.98	3.28	3.59
Secondary school	3.14	3.39	3.70	3.25	3.43	3.69
Higher professional school	3.26	3.47	3.78	3.33	3.51	3.74
Undergraduate (distance learning)	3.05	3.37	3.70	3.29	3.56	3.79
University degree education	3.29	3.50	3.80	3.48	3.60	3.81
<b>Years of experience (tenure)</b>						
Less than 5 years	3.22	3.47	3.79	3.37	3.54	3.80
5–10 years	3.22	3.44	3.71	3.24	3.43	3.68
11–15 years	3.06	3.25	3.61	3.19	3.44	3.64
More than 15 years	3.11	3.33	3.70	3.35	3.47	3.73
<b>Organization ownership</b>						
Czech owner	3.17	3.39	3.74	3.36	3.43	3.79
Foreign owner	3.41	3.58	3.82	3.45	3.68	3.80
International corporation	3.56	3.77	3.87	3.38	3.74	3.77
Public/governmental organization	2.79	3.11	3.56	2.97	3.22	3.49
<b>Organization size</b>						
up to 50 employees	3.20	3.38	3.79	3.42	3.54	3.87
up to 250 employees	3.08	3.30	3.68	3.20	3.29	3.63
up to 500 employees	3.11	3.50	3.73	3.25	3.45	3.68
more than 500 employees	3.32	3.56	3.70	3.30	3.60	3.69
<b>Job level</b>						
Manager/supervisory responsibility employee	3.53	3.64	3.91	3.60	3.64	3.85
Non-supervisory responsibility employee	3.10	3.34	3.68	3.18	3.42	3.68

Source: own

published studies (Franěk & Večeřa, 2008; Franěk et al., 2014; Medgyesi & Robert, 2003; Večerník, 2003).

For overall satisfaction, none of the sets of data show significant differences in terms of gender, age, work experience or company size. However, we can see a change in overall job satisfaction for the examined years in cases of education characteristics where the job satisfaction of people with an elementary education significantly decreased (but the sample of people is relatively small); on the other hand, a slight increase of job satisfaction in people studying at universities. Furthermore, overall job satisfaction decreased in people working in multinational corporations and in state, semi-budgetary and budgetary organizations.

As far satisfaction with pay is concerned, the data show that satisfaction with pay slightly increased or remained the same on average. A somewhat significant increase in satisfaction with pay occurred e.g. in the case of women, older people and people with a higher education.

As far as fringe benefits are concerned, a slight increase of satisfaction occurred on average during the examined years.

The average level of satisfaction with fringe benefits is higher than in the case of pay.

#### 4. Discussion

The average level of overall job satisfaction is above the average level of satisfaction with pay and fringe benefits with the average level of satisfaction with pay being lower than in the case of fringe benefits. Therefore, one could say that these two determinants reduce the level of overall job satisfaction.

The relatively low level of satisfaction with pay, although the pay level increased during the examined years, may be caused by the significant slowdown in the pay growth rate since 2009. Although pay even dropped in 2013, this fact was not significantly reflected in overall satisfaction according to the survey conducted at the beginning of 2015; on the contrary, satisfaction with pay slightly increased. This may be due to the fact that respondents were happy that slight growth occurred again in 2014.

No significant changes of satisfaction occurred in fringe benefits.

However, this issue can be caused by many other circumstances such as a development of

other economic indicators, for example, inflation or a level of unemployment. The key role is also influenced by future expectations of employees who assume that economy will recovery and grow and these expectations are reflected in their attitudes.

For a deeper analysis, it is necessary to evaluate the development of satisfaction over the long term so that a longer time series can be created.

#### Conclusion

Pay and fringe benefits are significant factors that affect job satisfaction. The results of the study show that they lower the overall level of job satisfaction since the average level of these determinants is lower than the average level of overall job satisfaction. Overall job satisfaction is increased by other factors, such as supervision, co-workers and the nature of work and communication, whose average level of satisfaction exceeds 4.00. Therefore, the emerging trend of rising pay levels is definitely good for increasing overall job satisfaction. On the other hand, it is impossible to prove that the trends in pay are followed by overall job satisfaction, which is also significantly affected by other factors.

Job satisfaction was examined in the conducted study, where pay, career growth, supervision, fringe benefits, recognition, working conditions, co-workers, nature of work and communication are the key determinants affecting job satisfaction. But is job satisfaction affected only by these factors? Certainly not, because people live in specific communities and that also affects them. On the contrary, job satisfaction is one of the determinants of life satisfaction. Very often, overall life satisfaction, job satisfaction and family satisfaction are analysed as separate phenomena. However, it is obvious that these areas are mutually interconnected and that people who are satisfied in one area of life tend to be satisfied in the other area as well (Williams & Alliger, 1994). This can be interpreted in two ways: first, a general psychological pessimistic/optimistic disposition, and secondly, that successes/problems in one area of life are reflected in an evaluation of the other area (Near et al., 1980; Bělík & Hoferková, 2014). Here we can mention the relationship between job satisfaction and family satisfaction. ISSP data confirm that there is a connection between family satisfaction

and job satisfaction, even if it is not very strong (a correlation coefficient of 0.30 with statistical significance at a level of 0.01). It is impossible to determine, based on ISSP data, whether job satisfaction is the primary aspect that is then reflected in the positive evaluation of family life, or whether, on the contrary, family life satisfaction is more important, which then positively affects one's perception of work. Hamplová (2004) states in her study that the power of influence may be indicated by two independent regression models. In the first model, family satisfaction is the independent variable while job satisfaction is the explanatory variable. In the second regression model, job satisfaction is the variable being explained, while family life satisfaction is the explanatory variable. Based on these models, we can estimate that if an evaluation of family life deteriorates or improves by one point, job satisfaction will change by 0.36 points. If attitude towards work changes by one point, the evaluation of family life will change by 0.30 points. These conclusions indicate that family life affects professional life more strongly than professional life is reflected in family life.

It would be suitable, within the framework of further surveys, to expand the area of examination to include additional determinants, such as family life satisfaction, or to examine how job satisfaction affects life satisfaction.

*The paper was written with the support of the specific project 2016 grant "Determinants affecting job satisfaction" granted by the University of Hradec Králové, Czech Republic.*

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## Abstract

**PAY AND OFFER OF BENEFITS AS SIGNIFICANT DETERMINANTS OF JOB SATISFACTION – A CASE STUDY IN THE CZECH REPUBLIC****Marcela Sokolová, Hana Mohelská, Václav Zubr**

*Emotions are an important factor that affects employee performance; job satisfaction or dissatisfaction represent one of the important components of emotions. There are very few studies dealing with determinants that affect job satisfaction in the Czech Republic. The studies published so far show that the Czech Republic has ranked and still ranks among the states with the lowest level of satisfaction. The aim of this study is to answer the research question whether changing trends in the level of pay and fringe benefits correlates to overall job satisfaction, or satisfaction with pay and fringe benefits. Pay and fringe benefits are significant determinants that affect job satisfaction. The results of the study show that they lower the overall level of job satisfaction since the average level of these determinants is lower than the average level of overall job satisfaction. Overall job satisfaction is increased by other factors, such as supervision, co-workers, nature of work and communication, whose average level of satisfaction exceeds 4.00. Therefore, the emerging trend of rising pay levels is definitely good for increase the level of overall job satisfaction. On the other hand, it is impossible to prove that changing trends in pay correlates to overall job satisfaction, which is also significantly affected by other determinants. It would be suitable, within the framework of further surveys, to expand the area of examination to include additional determinants, such as family life satisfaction, or to examine how job satisfaction affects life satisfaction. The paper was written with the support of the specific project 2016 grant "Determinants affecting job satisfaction" granted by the University of Hradec Králové, Czech Republic.*

**Key Words:** Job satisfaction, pay, fringe benefits, human resources.

**JEL Classification:** M12.

**DOI:** 10.15240/tul/001/2016-1-008