

Job seekers willing to accept lower pay for preferred employer attributes

With labor shortages, a competitive talent market and changing views of the workplace, employees are looking at work differently. What is most important to employees may surprise you and challenge employers in the attraction and retention of talent in this new normal?

Employers are facing a challenge in attracting and retaining talent. Employees and job seekers are looking for more than the status quo from employers. So, what can employers do to be more attractive to job seekers and competitive in war for talent?

Bucky Fairfax, DBA '21, and colleagues sought to find out what is most attractive to employees through two studies. The first study investigated 23 job seekers' preferred employer attributes (PEA) that were particularly compelling in the current social landscape. The second study surveyed 129 employees to explore the relationship between employer attractiveness and salary sacrifice.

One of their findings showed that three attributes of most importance for employees and job seekers were people, organizational purpose, and opportunity for career growth and development. They also found that job seekers would be willing to accept lower pay (WTALP) in exchange for attractive job qualities like organizational purpose.

Generationally, their findings suggested that Millennials and Gen Z were more motivated by purpose than older generations. In addition, Gen Z was associated with a higher WTALP. Lastly, employment at for-profit firms was associated with higher WTALP.

Employers should be mindful of the relative importance of PEAs. Although this study may suggest that employers can consider lower pay if they are offering PEAs. More significant is the relative importance of PEA to prospective job seekers, their WTALP, and the competitive importance of these attributes in the talent market. for employer attraction.

MAJOR TAKEAWAYS:

- People, organizational purpose, and opportunity for growth and development were the primary preferred employer attributes (PEA) above traditional attributes of pay, benefits, flexibility, etc.
- Job seeker willingness to accept lower pay (WTALP) in exchange for particularly attractive job qualities highlights the relative importance of these attributes in the competitive talent market.
- Millennials and Gen Z were more motivated by organizational purpose than older generations.

WHO NEEDS TO KNOW:

- Employers
- Management
- HR professionals

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- Exploring Variables Impacting on Employee Willingness to Accept Lower Pay for a Preferred Employer Attribute: Generation, Gender, Race, and Salary. *Journal of Applied and Behavioral Management*.
<https://doi.org/10.21818/001c.84552>