

are allowed to respond in their own words; it is possible to create questions that probe perceptions regarding reward magnitude, mix, and distinctiveness; and a very rich set of data is obtained that provides insights beyond mere rating-scale responses. On the downside, interviews are costly to schedule and conduct, data analysis is messy and time-consuming, and statistical summaries and analysis of the data are difficult. Surveys are easier to administer (especially online), and they permit statistical summaries and analyses that are very helpful in interpreting responses. The biggest downsides to surveys are the lack of richness of data and the difficulty in constructing questions that tap into employees' preferences about reward magnitude, mix, and distinctiveness.

Assuming adequate resources and expertise, a combined interview and survey approach would be best. This would allow the organization to capitalize on the unique strengths of each approach, as well as offset some of the weaknesses of each. In such cases, interviews usually are done first and then the information gathered from the open-ended responses is used as a springboard to develop specific survey questions.

A final cautionary note is that both interviews and surveys of current employees miss out on two other groups from whom reward preference information would be useful. The first group is departing or departed employees, who may have left due to dissatisfaction with the EVP. Chapter 14 discusses the exit interview as a procedure for learning about this group. The second group is potential job applicants. Presumably the organization could conduct interviews and surveys with this group, but that could be administratively challenging (especially with Internet applicants). Additionally, applicants might feel they are "tipping their hand" to the organization in terms of what they desire or would accept in a job offer. The more common way to learn about applicant reward preferences is from surveys of employees outside the organization, who might represent the types of applicants the organization will encounter.

Outside the Organization

Other Employees. Data on the reward preferences of employees outside the organization are available from surveys of employees in other organizations. To the extent these employees are similar to the organization's own applicants and employees, the data will likely provide a useful barometer of preferences. An example is the Job Satisfaction survey conducted by the Society for Human Resource Management (SHRM). It administered an online survey to a national random sample of 600 employees. The employees rated the importance of 25 extrinsic and intrinsic rewards to their overall satisfaction on a 1–5 (very unimportant to very important) scale. The percentage of employees rating each reward as "very important" is shown in Exhibit 4.18.

Possibly reflecting employee anxiety surrounding the poor economic conditions in 2010, job security was ranked as the top aspect of satisfaction. Next came the extrinsic reward of "benefits," which was closely followed by intrinsic rewards of "opportunities to use skills and abilities" and "the work itself." Note that relationships with supervisors, recognition, and communication were all rated highly.