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Employee Monetary Compensation and Employee Job Satisfaction

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Abstract

It is known employee job satisfaction is related to employee motivation, performance, retention, and other factors which are beneficial to the employee and the employer. In recent decades, some have used the work of Self-Determination Theory to claim pay is irrelevant and promote the idea it is an employee's commitment, attitude, and the programs the employer offers the employee that are important to employee satisfaction, motivation, performance, morale, and retention. However, the work of Self-Determination Theory has neither stated nor confirmed this concept. In a study considering if and to what extent a relationship exists between employee rate of monetary compensation and employee job satisfaction, it was found a statistically significant positive relationship exists between employee rate of monetary compensation and employee overall, extrinsic, and intrinsic job satisfaction. The sample consisted of N = 129 employees of Fortune 500 companies within the United States of America. Utilizing Spearman's rank-order correlation employee overall job satisfaction resulted in $\rho = .290$, employee extrinsic job satisfaction resulted in $\rho = .227$, and employee intrinsic job satisfaction resulted in $\rho = .325$ all demonstrating a positive relationship with employee rate of monetary compensation. This article discusses the current literature, results, and implications.

Keywords

Employee Satisfaction, Employee Motivation, Employee Performance, Monetary Compensation, Income, Minnesota Satisfaction Questionnaire, MSQ, Theory of Work Adjustment, Self-Determination Theory, Employee, LinkedIn, Fortune 500 Companies, United States of America

1. The Relevance of Employee Monetary Compensation

The purpose of this article is to evaluate the recent trend within employers taking the work of Self-Determination Theory and claiming an employee's pay is irrelevant in consideration of the employee's satisfaction, motivation, performance, and likelihood to remain with the employer. Books aimed at educating managers and human resource departments have cited the work of Self-Determination Theory as evidence monetary compensation and other rewards harm an employee's satisfaction and motivation (Pink, 2011). As demonstrated by decades of lab experiments by Deci, Ryan, and colleagues, it is true a non-employee worker's satisfaction, motivation, and performance are affected by extrinsic rewards provided in a controlling manner (Deci & Flaste, 1995; Ryan & Deci, 2017). However, there is a foundational difference between a participant in a three-day lab experiment and an employee who needs to maintain long-term relationships with supervisors and coworkers to continue to earn an income to provide for extrinsic needs such as housing, food, clothing, transportation, and communication such as a phone or computer (Hill et al., 2019; Van Damme et al., 2019; Watkins, 2020). This article reviews the background of the problem, the known benefits of a satisfied employee, the relationship between employee monetary compensation and employee job satisfaction of N = 129 employees of Fortune 500 companies within the United States of America, and the implications of these results.

2. Review of the Literature

Maslow's hierarchy of needs details basic human needs where physical or extrinsic needs are the foundation or required to be achieved prior and psychological needs are at the top of the pyramid building upon physical needs (Ghatak & Singh, 2019; Maslow, 1943). As Maslow detailed, every person has basic physiological needs. The need to food, shelter and safety are universally understand as human basic needs (Ghatak & Singh, 2019; Maslow, 1943). While Deci et al.'s (2017) work demonstrated workers are motivated to a greater extent by intrinsic motivational factors when basic physical needs are met.

A worker's motivation is based upon extrinsic and intrinsic factors affecting an employee's relationship with the job, workplace, coworkers, and supervisors (Herzberg, 1987; Ryan & Deci, 2017; Weiss et al., 1967). Haddad (2017) and Richard (2018) agreed with Dawis et al. (1968), finding an employee's correspondence with the place of work leads to higher rates of worker satisfaction. It is known higher rates of employee satisfaction result in higher rates of employee performance (Huang et al., 2018; Krishnan et al., 2018). Deci et al. (2017) demonstrated external rewards can damage intrinsic motivation. Ryan confirmed if implemented in a non-controlling manner it is possible however difficult for external rewards not to harm intrinsic motivation (Deci & Flaste, 1995; Ryan & Deci, 2017; Ryan et al., 1983).

Darma and Supriyanto (2017) stated future research is needed to understand employee monetary compensation and employee satisfaction. Kuvaas et al. (2018) suggested further researched is needed to understand employee financial incentives and employee job satisfaction. Walker and Kono (2018) also recommend the need for research evaluating other forms of worker need satisfaction. While Deci et al. (2017) stated more research is needed to understand employee monetary compensation and employee satisfaction within the workplace.

The history of research into worker satisfaction took root in the late 1950s with the Work Adjustment Program (Dawis et al., 1958; Weiss et al., 1967). The Work Adjustment Program was focused on worker satisfaction and worker motivation leading to the Theory of Work Adjustment (Dawis et al., 1968); by doing so, becoming one of the first formal conversations acknowledging workers have general satisfaction as well as extrinsic and intrinsic satisfaction (Weiss et al., 1967). The Theory or Work Adjustment recognized a worker's need to be fulfilled by the worker's place of work and the need for an exchange between worker and workplace where the worker preformed a task which benefitted the place of work and the worker received a basic level of satisfaction for a job well done, such as monetary compensation or seeing those who the work benefitted (Weiss et al., 1967).

In the mid to late 1900s, Skinner promoted his early research suggesting rewarding a person for positive behavior (Black & Allen, 2018; Skinner, 1965). With respect to employment this belief in rewarding positive behavior has been seen by incentivizing workers to meet goals, schedules, and other metrics (Bennett et al., 2017). The approach of monetary incentives was the standard for much of history and is often still the standard within goal-oriented organizations (Carter et al., 2020; Herzberg, 1987).

In 2011, Pink published a book called Drive: The Surprising Truth About What Motivates Us. Pink (2011) claimed people are either extrinsically motivated or intrinsically motivated. Further claiming it is not how much someone is paid that affects how satisfied, motivated, productive, and committed the person is. Pink (2011) promoted the idea pay is irrelevant and it is employee commitment and employer programs which matter. Deci et al. (2017) referenced the misuse of the research of self-determination theory clarifying extrinsic rewards are not necessarily bad and have their place in motivating a person. Olafsen et al. (2018) further stated self-determination theory has not explored compensation and satisfaction within the workplace, suggesting satisfaction is determined by an employee's perception of needs being met. These include physiological and psychological needs. An employee's perception the employer is providing for the employee's physiological needs supports employee job satisfaction. The assumption, the research of self-determination theory proves employee psychological needs such as income are not relevant to employee satisfaction and motivation is false.

Within the long unsupported argument stating pay is irrelevant Pink (2011) undermined his argument on page 47 stating "people have to earn a living" … "if someone's baseline rewards aren't adequate or equitable, her focus will be on the unfairness of her situation and the anxiety of her circumstance". How can pay be irrelevant if people work for pay and need to earn a living.

Benefits of Employee Satisfaction

There are many benefits to higher rates of employee job satisfaction. The work of Self-Determination Theory and the Theory of Work Adjustment provide extensive literature demonstrating the effects of employee job satisfaction. Higher rates of employee job satisfaction lead to greater employee performance (Krishnan et al., 2018). Higher rates of employee job satisfaction lead to lower rates of employee intention to leave (Lee & Chen, 2018). Higher rates of employee job satisfaction and employee retention lead to greater organizational performance (De Winne et al., 2019) and lower organizational cost (Kiernan, 2018). As such, the knowledge of factors related to employee satisfaction can have a significant effect upon a wide range of issues for employees and employers.

3. Purpose of the Present Study

The purpose of the present study is to understand if there is a relationship between the rate of employee monetary compensation and employee job satisfaction. The literature establishes the need for this study. Deci et al. (2017) while discussing autonomous versus controlled motivation stated future research is needed to understand employee monetary compensation and employee satisfaction. While exploring employee managerial needs support and psychological support, Olafsen et al. (2018) stated the need for further research to understand factors contributing to employee satisfaction and motivation. Echoing a similar statement, Yen and Huang (2017) while focusing on employee compensation declared the need for future research related to employee monetary compensation and employee satisfaction. The gap within the literature investigated by this study is the stated need for further research to understand if a relationship exists between employee monetary compensation and employee general, extrinsic, and intrinsic satisfaction (Darma & Supriyanto, 2017; Deci et al., 2017; Kuvaas et al., 2018; Olafsen et al., 2018).

4. Research Questions

This study was guided by the following research questions and hypothesis:

RQ_1: If and to what extent is there a relationship between employee's monetary compensation and employee general job satisfaction in Fortune 500 companies?

$H1_0$: There is no significant correlation between employee monetary compensation and employee general satisfaction ($\rho = 0$).

$H1_a$: There is a significant correlation between employee monetary compensation and employee general satisfaction ($\rho \neq 0$).

RQ_2: If and to what extent is there a relationship between employee's monetary compensation and employee extrinsic satisfaction in Fortune 500 companies?

$H2_0$: There is no significant correlation between employee monetary compensation and employee extrinsic satisfaction ($\rho = 0$).

$H2_a$: There is a significant correlation between employee monetary compensation and employee extrinsic satisfaction ($\rho \neq 0$).

RQ_3: If and to what extent is there a relationship between employee's monetary compensation and employee intrinsic satisfaction in Fortune 500 companies?

$H3_0$: There is no significant correlation between employee monetary compensation and employee intrinsic satisfaction ($\rho = 0$).

$H3_a$: There is a significant correlation between employee monetary compensation and employee intrinsic satisfaction ($\rho \neq 0$).

5. Method

This study used a quantitative method with a correlational design. A quantitative method was selected as it is useful with a validated instrument preventing the researcher from leading the participant, used with a Likert scale resulting in numerical data to be evaluated through statistical analysis (Bennett, 2019; Guetterman, 2019; Mikalef et al., 2019; Weiss et al., 1967). When paired with a validated instrument, a quantitative method ideally leads to unbiased results evaluated through statistical analysis (Guetterman, 2019).

5.1. Sample

The setting of this study was an online questionnaire with the population of interest being employees of Fortune 500 companies within the United States of America. The sample size was determined by performing a Correlation: Bivariate normal model test within the G*Power application with a power of .80 and an alpha of .05, then adding a Bonferroni correction and an additional 15% buffer. G*Power resulted in a sample of 84, the Bonferroni correction resulted in a sample of 112, with a 15% buffer the sample size resulted in N = 129. A Bonferroni correction was applied due to conducting three univariate tests with the same independent variable (Weisstein, 2004).

This study utilized LinkedIn an employment focused social media network to identify the target population and distribute the Minnesota Satisfaction Questionnaire. No incentives were provided to participants leading to the expectation of a 5% return of completed questionnaires. As a result, it was estimated at least 2580 questionnaires needed to be distributed. After 43 days of distribution to the target population N = 129 completed usable questionnaires was achieved.

5.2. Instrument

This study utilized the Minnesota Satisfaction Questionnaire and demographic questions as an online questionnaire with SurveyMonkey and LinkedIn. The Minnesota Satisfaction Questionnaire was developed to measure employee job satisfaction (Dawis et al., 1968) and has been established as a validated instrument utilized to study employee general, extrinsic, and intrinsic satisfaction (Abedini et al., 2019; Obeta et al., 2019). The Minnesota Satisfaction Questionnaire consists of 20 Likert scale questions. All 20 questions are used for measuring general satisfaction, 6 of the 20 are used for extrinsic satisfaction and 12 of the 20 used to measure intrinsic satisfaction (Bennett, 2019; Weiss et al., 1967). Martins and Proença (2012) evaluated the reliability of the Minnesota Satisfaction Questionnaire using Cronbach's internal consistency coefficient. Findings found the Minnesota Satisfaction Questionnaire to be reliable with general satisfaction α = .91, extrinsic satisfaction α = .88, and intrinsic satisfaction α = .86.

The Minnesota Satisfaction Questionnaire. The Minnesota Satisfaction Questionnaire was developed in the 1960 as part of the Work Adjustment Program (Weiss et al., 1967). Validated over 50 years of research the Minnesota Satisfaction Questionnaire is useful for measuring employee general, extrinsic, and intrinsic job satisfaction (Abedini et al., 2019). Saly (2019) used the Minnesota Satisfaction Questionnaire with performance appraisals to understand employee satisfaction within restaurants. Saly (2019) validated the Minnesota Satisfaction Questionnaire utilizing a Cronbach's alpha finding the Minnesota Satisfaction Questionnaire to be consistent with a Cronbach's alpha of .939. Ts (2019) conducted a study validating the Minnesota Satisfaction Questionnaire for understanding an employee's job satisfaction with the goal of assisting organizations to lower employee turnover intentions. The Minnesota Satisfaction Questionnaire has been used throughout the world since the 1960s to measure employee job satisfaction and a relationship with another variable. The Minnesota Satisfaction Questionnaire has demonstrated a strong alpha overtime (Martins & Proença, 2012). Through a long history of successfully being used to study employee job satisfaction and in recent studies the Minnesota Satisfaction Questionnaire has been validated and deemed useful in evaluating a relationship between employee job satisfaction and another variable such as employee monetary compensation.

6. Results

6.1. Response Rates

LinkedIn was contracted to distribute the questionnaire while response rates were monitors to ensure a sample of N = 129 was achieved. LinkedIn sent 16,508 messages to the target population with an overall return rate or completed usable questionnaire rate of 0.78% resulting in 129 completed usable questionnaires (See **Table 1**).

Table 1. Response Rates—LinkedIn.

Messages Sent	Opened Messages	Questionnaire Opens	Questionnaire Submissions	Usable Questionnaire	
16,508	8457	316	198	129	
	Message Open Rate	Click Rate	Submit Rate	Usable Rate	Overall Rate of Return
	51%	3.7%	62.7%	65%	0.78%

6.2. Descriptive Findings

Fifteen questionnaires were removed for not working for Fortune 500 company, two for not working in the United States of America, two for not completing all 20 questions of the Minnesota Satisfaction Questionnaire, nine for not answering the rate of monetary compensation and 41 for being incomplete (no answers other than consenting to participate). Removal of 69 incomplete questionnaires resulted in N = 129 completed usable questionnaires from employees of Fortune 500 companies within the United States of America.

The sample included 68 males and 61 females (see **Table 2**). Sixteen participants identified as US veterans. Fifteen participants were 18 - 24 years old, twenty-eight were 25 - 34 years old, thirty-two were 35 - 45 years old, thirty were 45 - 54 years old, twenty-one 55 - 64 years old, and three were 65+ years old (see **Table 3**). One participant did not complete high school, 15 graduated high school or earned a GED, 47 completed some college, 29 graduated with a bachelor's degree, 35 graduated with a master's degree and two completed a doctorate (See **Table 4**). Twenty-four percent have been with the current employer for one-year, 33% two to five years leaving less than half being with the employer more than five years (See **Table 5**).

The rate of employee monetary compensation is the variable that was evaluated against employee general, extrinsic, and intrinsic job satisfaction. Three participants have a rate of monetary compensation of $9999 or less, five $10,000 to $19,999, eight $20,000 to $29,999, seven $30,000 to $39,999, twenty $40,000 to $49,999, fourteen $50,000 to $59,999, eleven $60,000 to $69,999, nineteen $70,000 to $79,999, six $80,000 to $89,999, five $90,000 to $99,999, nine $100,000 to $109,999, four $110,000 to $124,999, eleven $125,000 to $149,999, three $150,000 to $174,999, and four $200,000 to $224,999 (See **Figure 1** and **Table 6**).

Table 2. Gendar.

		n	Percent
Valid	Male	68	53%
	Female	61	47%
	Total	129	100%

Table 3. Age.

		Frequency	Percent
Valid	18 - 24	15	11.6%
	25 - 34	28	21.7%
	35 - 44	32	24.8%
	45 - 54	30	23.3%
	55 - 64	21	16.3%
	65+	3	2.3%
	Total	129	100%

Table 4. Education.

	Level of Education	Frequency	Percent
Valid	Did not complete High School	1	0.8%
	GED	2	1.6%
	High School Diploma	13	10%
	Some College	47	36.4 %
	Batchelor's Degree	29	22.5%
	Master's Degree	35	27.1%
	Doctorate	2	1.6%
	Total	129	100%

Table 5. Years with employer.

	Years with Employer	Frequency	Percent
Valid	1	31	24%
	2 - 5	43	33.3%
	6 - 10	19	14.7%
	11 - 20	25	19.4%
	21 - 30	10	7.8%
	Did not Answer	1	.8%
	Total	129	100%

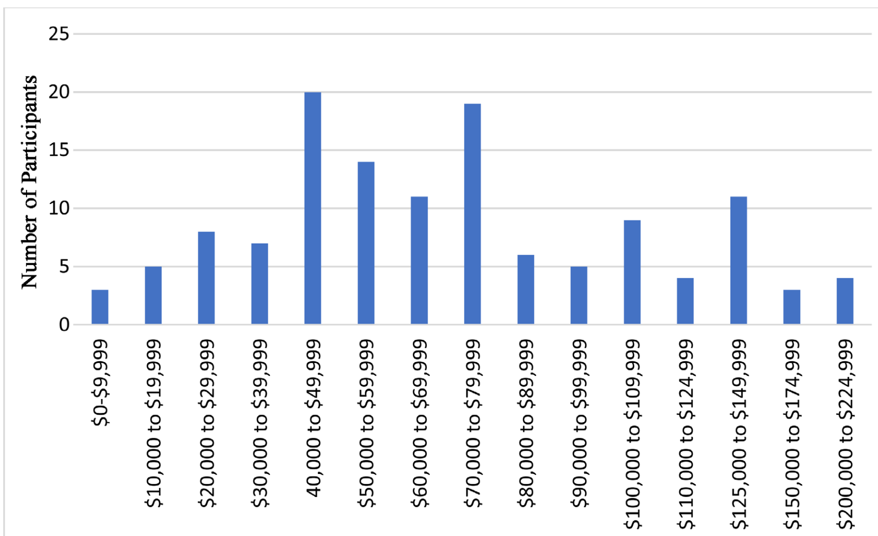

Figure 1. Rate of monetary compensation.

6.3. Data Analysis Procedures

Data cleaned and scored followed by being checked to ensure assumptions were met. There are three assumptions to a Spearman's correlation. One, data consists

Table 6. Rate of monetary compensation.

	Rate of Monetary Compensation	Frequency	Percent
Valid	$0 - $9999	3	2.3%
	$10,000 to $19,999	5	3.9 %
	$20,000 to $29,999	8	6.2%
	$30,000 to $39,999	7	5.4 %
	40,000 to $49,999	20	15.5%
	$50,000 to $59,999	14	10.9%
	$60,000 to $69,999	11	8.5%
	$70,000 to $79,999	19	14.7%
	$80,000 to $89,999	6	4.7%
	$90,000 to $99,999	5	3.9%
	$100,000 to $109,999	9	7%
	$110,000 to $124,999	4	3.1%
	$125,000 to $149,999	11	8.5%
	$150,000 to $174,999	3	2.3%
	$200,000 to $224,999	4	3.1%
	Total	129	100%

of two continuous or ordinal variables, two, these variables are a paired observation, and three, the data results in a monotonic relationship (Laerd Statistics, 2018). The data for this study consists of paired ordinal variables satisfying the first two assumptions. A monotonic relationship dictates as one variable increases the other variable either increases or decreases. A monotonic relationship was tested through a scatter plot (Laerd Statistics, 2018). With a monotonic relationship the third assumption is met (see **Figures 2-4**). With each research question meeting the assumptions a Spearman's rank order correlation was conducted for each research question.

Legend-Rate of Employee Monetary Compensation in US$.

Category	Value	Category	Value
1	$0 - $9999	10	$90,000 - $99,999
2	$10,000 - $19,999	11	$100,000 - $109,999
3	$20,000 - 29,999	12	$110,000 - $124,999
4	$30,000 - 39,9999	13	$125,000 - $149,999
5	$40,000 - $49,999	14	$150,000 - $174,999
6	$50,000 - 59,999	15	$175,000 - $199,999
7	$60,000 - $69,999	16	$200,000 - $224,999
8	$70,000 - 79,999	17	$225,000 - $249,999
9	$80,000 - $89,999	18	$250,000+

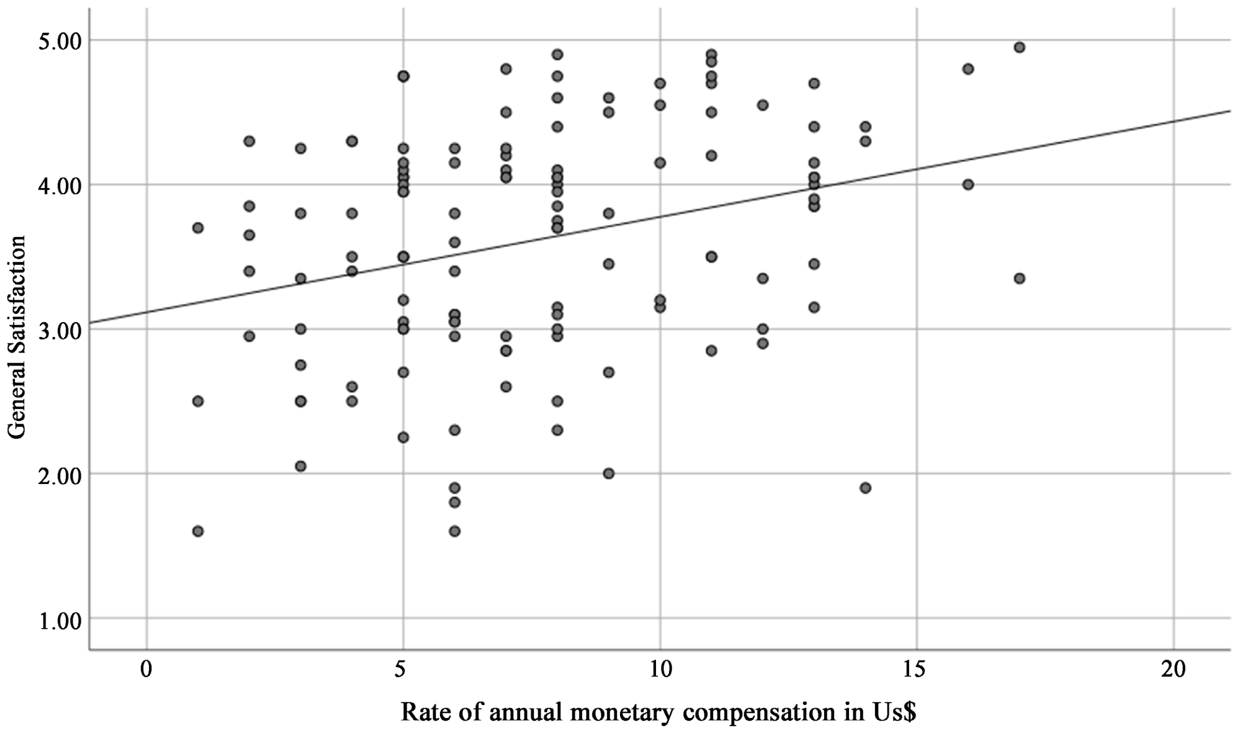

Figure 2. Employee monetary compensation and employee general satisfaction.

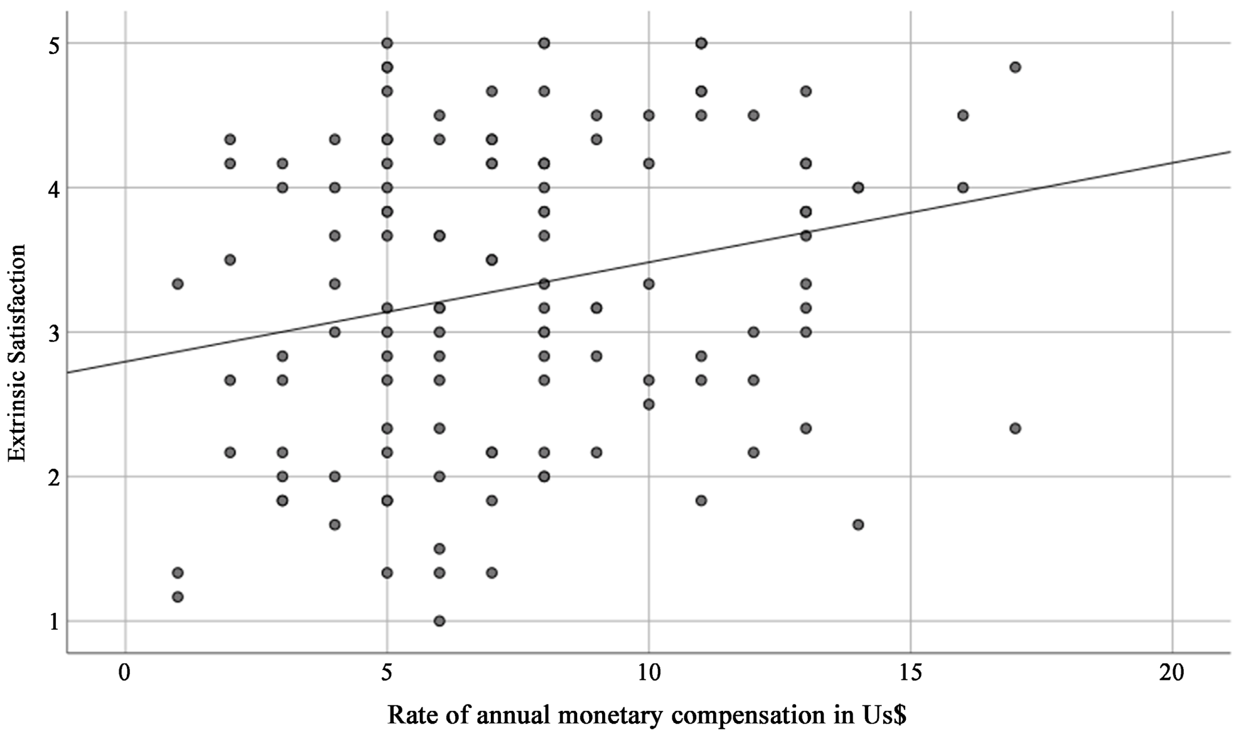

Figure 3. Employee monetary compensation and employee extrinsic satisfaction.

6.4. Reliability

The reliability of the Minnesota Satisfaction Questionnaire within this study was evaluated utilizing a Cronbach's alpha (See Table 7). The first variable, employee

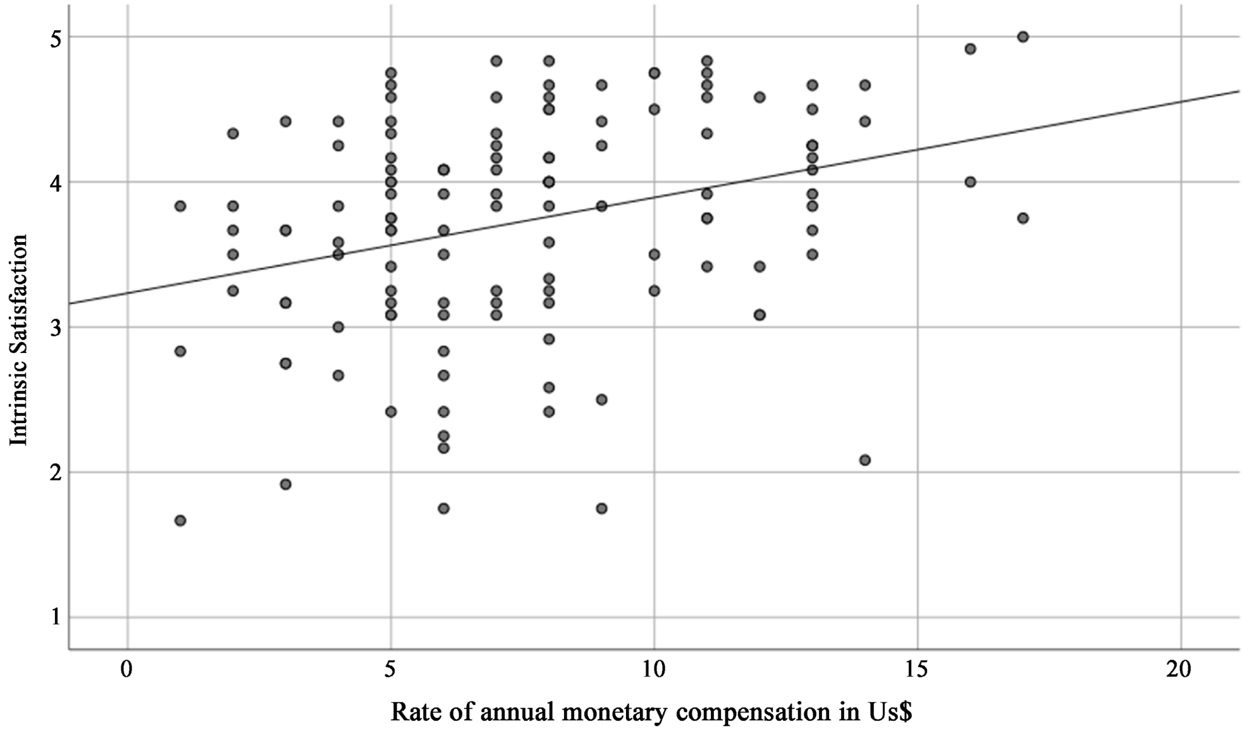

Figure 4. Employee monetary compensation and employee intrinsic satisfaction.

Table 7. Reliability.

Variable	Cronbach's Alpha	Level of Consistency	Scale Standard Deviation	Number of Items
General Satisfaction	.940	High	16.179	20
Extrinsic Satisfaction	.888	High	6.331	6
Intrinsic Satisfaction	.897	High	9.129	12

general job satisfaction consisted of 20 questions. The scale had a high level of internal consistency with a Cronbach's alpha of .940. The second variable, employee extrinsic job satisfaction consisted of 6 questions. The scale had a high level of internal consistency with a Cronbach's alpha of .888. The third variable, employee intrinsic job satisfaction consisted of 12 questions. The scale had a high level of internal consistency with a Cronbach's alpha of .897. With a strong level of consistency, the Minnesota Satisfaction Questionnaire demonstrated reliable within this study.

6.5. Results

The following is the statistical results of this study organized by each research question.

RQ_1: If and to what extent is there a relationship between employee's monetary compensation and general job satisfaction in Fortune 500 companies?

A Spearman's rank-order correlation was performed to evaluate the relationship between employee monetary compensation and employee general job satisfaction. (**Table 8**)

Resulting in ρ = .290 the Spearman's correlation shows a statistically significant, moderate positive correlation between the rate of employee monetary compensation and employee general job satisfaction with employees of Fortune 500 companies within the United States of America. With a significance level of $p = .001$ there is a 0.1% possibility the null hypothesis is true (Laerd Statistics, 2018). Thus, the null hypothesis is rejected, and the alternative hypothesis accepted.

RQ_2: If and to what extent is there a relationship between employee's monetary compensation and extrinsic satisfaction in Fortune 500 companies?

A Spearman's rank-order correlation was performed to evaluate the relationship between employee monetary compensation and employee extrinsic job satisfaction. (**Table 9**)

Resulting in ρ = .227 the Spearman's correlation shows a statistically significant, weak to moderate positive correlation between the rate of employee monetary compensation and employee extrinsic job satisfaction with employees of Fortune 500 companies within the United States of America. With a significance level of $p = .010$ there is a 1% possibility the null hypothesis is true (Laerd Statistics, 2018). Thus, the null hypothesis is rejected, and the alternative hypothesis accepted.

RQ_3: If and to what extent is there a relationship between employee's monetary compensation and intrinsic satisfaction in Fortune 500 companies?

A Spearman's rank-order correlation was performed to evaluate the relationship between employee monetary compensation and employee intrinsic job satisfaction. (**Table 10**)

Table 8. Results of spearman's rank-order correlation with employee general job satisfaction and rate of monetary compensation.

Correlation Coefficient	Significance (2-tailed)
.290**	.001

Note. **. Correlation is significant at the 0.01 level (2-tailed).

Table 9. Results of spearman's rank-order correlation with employee extrinsic job satisfaction and rate of monetary compensation.

Correlation Coefficient	Significance (2-tailed)
.227**	.010

Note. **. Correlation is significant at the 0.01 level (2-tailed).

Table 10. Results of spearman's rank-order correlation with employee intrinsic job satisfaction and rate of monetary compensation.

Correlation Coefficient	Significance (2-tailed)
.325**	.000

Note. **. Correlation is significant at the 0.01 level (2-tailed).

Resulting in ρ = .325 the Spearman's correlation shows a statistically significant, moderate positive correlation between the rate of employee monetary compensation and employee intrinsic job satisfaction with employees of Fortune 500 companies within the United States of America. With a significance level of $p < .0005$ there is a 0.005% possibility the null hypothesis is true (Laerd Statistics, 2018). Thus, the null hypothesis is rejected, and the alternative hypothesis accepted.

7. Discussion

Traditionally, research has focused on intrinsic satisfaction and motivation (Ryan & Deci, 2017) leading to a need to understand overall or general, extrinsic satisfaction of an employee in relation to the rate of monetary compensation (Locke & Schattke, 2019; Olafsen et al., 2015; Ryan & Deci, 2017; Weiss et al., 1967). The results provided by the data demonstrate there is a positive relationship between employee general, extrinsic, and intrinsic job satisfaction and employee rate of monetary compensation. Considering the difference between an employee and a worker in a lab experiment is the employee works to earn an income, it is important to understand how prior research focused on workers applies to employees. It is interesting to note, the relationship between intrinsic satisfaction and monetary compensation is the strongest within this study.

The findings of this study add to what is known by demonstrating an employee's rate of monetary compensation has a statistically significant positive relationship with the employee's general, extrinsic, and intrinsic job satisfaction. Specifically, there is a relationship between the more an employee is monetarily compensated and how satisfied the employee is with the employee's job. This adds clarity to the existing literature demonstrating there is a difference between a worker and an employee where monetary compensation does not have a negative relationship with an employee's satisfaction as it may with a worker's general satisfaction.

With worker satisfaction and worker motivation being interwoven, the findings of this study agree with Prasetio et al. (2019) and Ahmat et al. (2019) who demonstrated higher rates of monetary compensation lead to higher rates of employee motivation. Candradewi and Dewi (2019) also found a positive relationship between employee compensation and employee performance this study adds to the body of literature demonstrating employee job satisfaction has a positive relationship with employee monetary compensation. While Olafsen et al. (2015) found a relationship between employee compensation and employee perception of fair treatment aligning with the findings of this study, demonstrating monetary compensation has a relationship with employee satisfaction.

7.1. Implications

The results of this study indicate what is known about a worker or an employee should not always be assumed to apply to the other as the subtle differences could cause a variable to apply differently to each group. The implications of this study suggest employers should consider an employee's rate of monetary compensation part of the equation for creating and maintaining a satisfied high performing workforce. Considering the results of this study it would be wise for organizations to stop stating pay is irrelevant and start using monetary compensation as a means to recruit and maintain satisfied employees who are likely to be more productive (Krishnan et al., 2018) and remain with the employer (Lee & Chen, 2018).

The first significant point at which an employer demonstrates to the employee the employer's perceived value and competence of the employee is when the employer makes a job offer. If the employer offers a fair or above fair market rate of compensation the employer's perceived value of the employee is high (Deci & Flaste, 1995; Weiss et al., 1967). However, if the employer provides an offer less than what is perceived as appropriate compensation, the employee's perception is the employer has a low opinion of the employee's level of competence (Curhan et al., 2009). A similar experience occurs throughout the employee employer relationship. For example, when performance reviews and raises take place or when the employee realizes the employer has not updated the rate of monetary compensation to be consistent with the current market.

Within books utilized by human resource departments, the work of self-determination theory has been misused and misunderstood (Olafsen et al., 2018; Pink, 2011) promoting the concept pay is irrelevant and employee programs not pay are what matter. This study supports Olafsen et al. (2018) statement, self-determination theory does not state or support the concept that pay is irrelevant. In contrast, this study demonstrates employee pay is relevant and has a statistically significant positive relationship with employee general, external, and internal job satisfaction. The study has demonstrated through the data what many employees know from experience, how much the employer pays the employee does matters.

Considering most employees work as it is required to earn an income to provide for physiological needs such as housing, transportation, food, and a phone (Deci & Flaste, 1995) a new approach needs to be taken when discussing worker and employee satisfaction and motivation seeking to ensure the approach is honest and accurate to each group. Hopefully, research will continue to deepen and define satisfaction and motivational factors and how those respectively apply to workers and employees. Ideally, this study is the start to a long-detailed conversation seeking to understand employee satisfaction and motivation for years to come.

7.2. Limitations

As is the case with any study, within this study there is the potential for sources of error, missing data, and outliers to affect the results. This study did not fill-in or assign values to responses with missing data. The removal of incomplete questionnaires was unavoidable and likely did not affect the results of this study.

The most notable possible source of error is the rate of monetary compensation is self-reported. However, this source of error is mitigated by the sample size and by the ability for future researchers to conduct repeat studies.

7.3. Recommendations for Future Research

Future research could include

- A study not limited to employees of Fortune 500 companies.
- A study not limited to employees within the United States of America.
- Examining other variables such as employee age, time with the employer, job position, and or adding a qualitative element.

8. Conclusion

In conclusion, the purpose of this study was to evaluate if a relationship exists between employee rate of monetary compensation and employee job satisfaction. Utilizing the Minnesota Satisfaction Questionnaire to examine the rate of employee monetary compensation against general, extrinsic, and intrinsic employee job satisfaction this study found a statistically significant positive relationship exists between the rate of employee monetary compensation and employee job satisfaction.

The findings of this study demonstrate there is a fundamental difference between what is known about a worker and what is known about an employee. A worker's satisfaction and motivation maybe negatively affected by extrinsic factors such as monetary rewards; the findings of this study demonstrate an employee's satisfaction is not. Rather this study demonstrates a positive correlation between an employee's monetary compensation and an employee's job satisfaction. These findings suggesting higher rates of monetary compensation led to higher rates of employee satisfaction. Therefore, higher rates of monetary compensation could lead to higher rates of employee performance (Krishnan et al., 2018), higher rates of employee retention (Lee & Chen, 2018), higher rates of employees arriving on time and lower rates of employees complaining (Cooper & Lu, 2018; Gellatly & Hedberg, 2016).

Although the literature does not support the statement pay is irrelevant, the main source cited to oppose the findings of this study is Pink (2011). Hoping to drown out the truth, the majority of Pink's book argues the point pay is irrelevant. However, on page 47 Pink makes the statement "the best use of money as a motivator is to pay people enough to take the issue of money off the table." As such, Pink's argument is more accurately stated, pay is irrelevant as long as you pay someone enough to make pay irrelevant. This is a negotiation tactic rather than a scientifically supported view.

The findings of this study are just the beginning of continued research which started with the work adjustment program, Deci and Ryan continued with self-determination theory, now seeking deeper and more specific understanding of how concepts and principles apply to an employee as opposed to a general worker.

It is the hope of those who conducted this research others would add to this pursuit working towards an understanding of factors affecting employees supported by the data. This study adds to what is known, clarifying pay is relevant in the conversation of employee satisfaction and motivation but this study is just the beginning of the conversation.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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