

# **The Compensatory Effects of Non-Pecuniary Attributes and the Moderating Effects of Applicant Dispositions on Applicants' Acceptance of Lower-Pay Jobs**

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## **ABSTRACT**

Applicants' job choices are influenced by pay level as well as non-pecuniary attributes, but no research has presented evidence regarding the compensatory effects of non-pecuniary attribute. According to self-determination theory, applicants would accept lower-pay jobs with favorable relatedness and growth attributes in order to fulfill basic psychological needs. In addition, the occurrence of this compensatory effect may depend on applicants' dispositions. Thus, the aim of the present study is to examine the effects of the difference in relatedness attributes and growth attributes between lower-pay jobs and higher-pay jobs on applicants' acceptance intention and choice for lower-pay jobs, and the moderating effects of applicant dispositions such as need for affiliation and need for growth. A  $2 \times 2$  between-subjects experimental design was conducted with 151 graduating students in Taiwan, and written scenarios were used to simulate a job-choice setting. Results show that applicants (1) had greater intention of accepting and (2) were more likely to choose a lower-pay job when only the lower-pay job possessed favorable growth or relatedness attributes than when both jobs possessed favorable growth or relatedness attributes. In addition, applicants with a relatively high need for growth were more likely than participants with relatively low need for growth to accept the lower-pay job with favorable growth attributes when large growth-attribute differences were present between the two jobs.

**Keywords:** job choice, job-acceptance intention, need for affiliation, need for growth, self-determination theory

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# 非財務面工作特性對於求職者接受較低薪工作的補償效果以及求職者人格特質的調節效果

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## 摘要

求職者的工作選擇受職缺的薪資水準及非財務面特性所影響，但未有研究針對後者的補償效果提供證據。根據自我決定理論，求職者會接受較低薪但具較佳關係與成長屬性的職缺以滿足基本心理需求。而此補償效果，亦可能取決於求職者的特質。因此本研究欲檢驗高低薪職缺在關係與成長屬性上的差距，是否會影響求職者對較低薪職缺的接受度，以及求職者的親和與成長需求，對上述關係的調節效果。本研究針對 151 位畢業生，以 2 × 2 的受試者間設計來模擬職缺選擇情境。結果顯示：相對於兩份職缺在成長與關係屬性上差異不大的情況，當低薪職缺有較佳的成長或關係屬性時，求職者有較高意願接受低薪職缺。而成長需求較高的求職者，則較可能接受成長屬性較佳的低薪職缺。

**關鍵詞：**職缺選擇、職缺接受意圖、親和需求、成長需求、自我決定理論

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## INTRODUCTION

Pay level has been recognized as an important factor influencing applicants' job choices (Cable & Judge, 1994; Chapman, Uggerslev, Carroll, Piasentin, & Jones, 2005; Jurgensen, 1978; Rynes & Cable, 2003). Applicants seek a job that will allow them make a decent material living (Cable & Judge, 1994) and prefer higher-pay jobs to lower-pay jobs (Rynes & Cable, 2003). The wider the range of pay level within the applicants' job pool, the greater the salient effect the pay level has on job choice (Highhouse, Luong, & Sarkar-Barney, 1999). For this reason, employers who provide more monetary incentives than other prospective employers are more likely to successfully attract targeted applicants. However, not all employers are able to provide attractive monetary incentives to their targeted applicants. For example, it is generally difficult for small and medium-sized enterprises to provide high pay to targeted applicants owing to limited financial resources (Rynes & Barber, 1990). Thus, identifying alternative approaches to recruitment has become an important issue for these organizations.

Research has shown that employers who provide smaller monetary incentives than their competitors are not necessarily less able to attract targeted applicants, as non-pecuniary attributes also contribute to job seekers' decision-making during the recruitment process (Boswell, Roehling, LePine, & Moynihan, 2003). According to motivation theories, applicant job decisions are driven not only by extrinsic motivation but also by intrinsic motivation (Deci & Ryan, 2000; Gagné & Deci, 2005; Porter & Lawler, 1968). Extrinsic motivation is derived from linkages between job choice and external rewards such as pecuniary factors, while intrinsic motivation comes from applicant interests in a job and can be induced by non-pecuniary job attributes of the job. Although applicants' extrinsic motivation might decrease due to lower pay for a job, the increase of intrinsic motivation, which is often triggered by non-pecuniary job attributes, still can strengthen applicant intentions to accept the job. One meta-analytic study also suggested that non-pecuniary attributes such as job, organization, and recruiter attributes were all related to applicant-acceptance intention and job choice, and that the sizes of the correlations between pay and the two outcome variables of applicant decision-making were only moderate (Chapman et al., 2005). This means that many applicants acquire a great deal of information about jobs and their corresponding organizations, taking these factors into consideration simultaneously (Boswell et al., 2003). It is crucial to clarify how different factors, especially pecuniary and non-pecuniary factors, affect applicant job decisions, and whether non-pecuniary factors would compensate for relatively low pay.

The present study examines whether non-pecuniary factors would positively affect applicants' job-choice decisions, especially when the pay for a given job is at relatively low levels. Although a few studies have investigated the effects of pecuniary and non-pecuniary factors on job choice simultaneously, little attention has been paid to the compensatory effects<sup>1</sup> that non-pecuniary attributes might have on applicants'

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<sup>1</sup> Compensatory effect in this study means that non-pecuniary factors not only can strengthen applicants' interest in a job but also can reduce the differential effects between lower-pay and higher-pay jobs on applicant attraction. Past studies have also recognized compensatory effect as a non-additive and an interactive model (e.g., Côté & Miners, 2006; Kehr, 2004).

job choices and acceptance intention for lower-pay jobs. For instance, Turban, Campion, and Eyring (1995) found that the type of work such as “challenging and interesting work” and “opportunities to use one’s own abilities” was positively related to applicants’ job acceptance intentions, and this effect was stronger than the effect of pecuniary factors such as compensation and benefits. Another study found that the nature of work (e.g., challenging) was considered a factor important to applicants’ job-choice decisions, and that the factor was mentioned more frequently than the monetary compensation was (Boswell et al., 2003). It seems that the literature has identified the main effect of non-pecuniary attributes, but it remains unclear as to whether these non-pecuniary attributes, along with monetary incentives, would affect applicants’ acceptance for lower pay job in a non-additive way. That is, past studies have not clarified how to enhance applicants’ acceptance for lower pay job by non-pecuniary attributes.

To fill this gap, we conducted an experiment that compared two jobs with different pay levels and investigated the compensatory effect of non-pecuniary attributes (i.e., growth and relatedness attributes) on the decision-making process. According to self-determination theory (SDT; Deci & Ryan, 2000), individuals have motives to fulfill such basic psychological needs as the need for competence, autonomy, and relatedness. Jobs supporting for these needs, through providing corresponding non-pecuniary attributes such as growth and relatedness attributes, can increase applicants’ intrinsic motivation to choose these jobs (Gagné & Deci, 2005). Growth attributes are concerned with training opportunities, utility of expertise, work challenges, job meaningfulness, and autonomy and related to applicants’ fulfillments of need for competency and autonomy, while relatedness attributes refer to the relationships with colleagues and supervisors and correspond to applicants’ fulfillments of need for relatedness. These attributes would have influences on applicants’ job choices because applicants expect to fulfill their basic needs through these attributes (Deci & Ryan, 2000; Gagné & Deci, 2005; Sheldon, Turban, Brown, Barrick, & Judge, 2003). It is these attributes that may compensate for the effects of pay level so that applicants would be more willing to choose lower-pay jobs when the lower-pay jobs are accompanied with more favorable growth or relatedness attributes.

Moreover, applicants’ dispositions such as their needs may affect how they weigh relevant attributes, which in turn, can affect the applicants’ job choices (Slaughter, Richard, & Martin, 2006). Applicant job acceptance can be enhanced if the job or organizational features fit with and meet applicants’ needs (Kristof-Brown, Zimmerman, & Johnson, 2005). Accordingly in the current study, we have focused on job seekers’ needs for affiliation and needs for growth as they can be satisfied especially by relatedness and growth attributes. That is, applicants high in such needs are more likely than those low in such needs to value and be influenced by growth and relatedness attributes. In sum, the purpose of the present study is twofold: (1) to clarify the possible compensatory effects of relatedness and growth attributes for lower-pay jobs on applicants’ job choices and acceptance intention for lower-pay jobs and (2) the moderating effects of job seekers’ dispositions like need for affiliation and growth on the compensatory effects themselves. From both

theoretical and practical standpoints, it is important to clarify the circumstances in which some applicants would choose lower-pay jobs whereas other applicants would not.

## THEORETICAL BACKGROUND AND HYPOTHESIS

### Pecuniary and Non-Pecuniary Attributes

Most motivation theorists agree that individuals' behaviors or decision-making are driven by extrinsic as well as intrinsic motivation toward such activities (Deci & Ryan, 2000; Porter & Lawler, 1968). Extrinsic motivation involves individuals doing an activity because they can obtain outcomes such as tangible rewards (e.g., pecuniary rewards) or social approval, and thus they are satisfied and motivated by the utility of such external outcomes instead of the activity itself. Relatively, intrinsic motivation indicates that individuals engage in an activity as they are interested in that, and their satisfaction comes from the activity itself such as contents and characteristics of the activity (Porter & Lawler, 1968). In job choice contexts, applicant decision making is also determined by both extrinsic and intrinsic motivation, and applicants are motivated to choose a job which provides external rewards and possesses characteristics they are interest in. Pecuniary factors such as pay for a job can induce applicants' external motivation, while non-pecuniary attributes may affect their intrinsic motivation to accept the job. Known that both motivations determine applicants' job choice, applicants may choose a lower pay job with favorable non-pecuniary attributes as they are motivated by intrinsic motivation rather than extrinsic motivation.

Research has also uncovered evidence that applicants consider non-pecuniary attributes during the recruitment process (Cable & Judge, 1994; Chapman et al., 2005; Jurgensen, 1978; Rynes & Cable, 2003)<sup>2</sup>. In a longitudinal study conducted by Boswell et al. (2003), 96 graduating students reported the factors they had considered during their job-search process, and the results reveal that non-pecuniary attributes such as advancement opportunities, the nature of the work (e.g., challenging), and the amount of training provided were cited as the main reasons for acceptance of a job offer. Moreover, a meta-analytic study showed that the effect size of the relationship between pay and job-acceptance intension and the effect size of the relationship between pay and job choice were only moderate ( $r = .28$  and  $r = .12$  respectively), and that these effect sizes were even lower than the effect size of the relationship between non-pecuniary job attributes such as type of work and acceptance intension (Chapman et al., 2005). These results imply that there may be determinants of job seekers' decisions other than pay level, in turn raising the possibility that other attributes, especially non-pecuniary attributes, may have compensatory effects on job seekers' acceptance of lower-pay jobs.

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<sup>2</sup> Although the distinction between job attributes and organizational attributes is a meaningful one, we don't emphasize this distinction in the present study. Instead, we are more interested in the distinction between pecuniary attributes and non-pecuniary attributes, which implies that a certain category of attributes (e.g., non-pecuniary attributes) may in fact include both job characteristics and organizational characteristics.

According to self-determination theory (Deci & Ryan, 1980, 1985, 2000), people have basic psychological needs for relatedness, autonomy, and competence and innate motives for pursuing goals that contribute to the fulfillment of these needs. The need for relatedness concerns people's desire to develop close relationships with others and belong to particular social groups; the need for autonomy concerns people's desire to determine their own behaviors and to act with a sense of volition; and the need for competence concerns people's desire to feel competent (Deci & Ryan, 2000; Deci, Ryan, Gagné, Leone, Usunov, & Kornazheva, 2001). Based on SDT, applicants are more likely to accept a job with non-pecuniary attributes that can fulfill their basic psychological needs than a job without such attributes. Similarly, these attributes may have compensatory effects on job choice of lower-pay jobs. In the section that follows, we focus on describing the compensatory effects of two attributes, relatedness attributes and growth attributes, and illustrate their effects on job acceptance intention and job choice of lower-pay jobs.

By administering an open-ended survey to 186 graduating students, researchers found 27 job and organizational attributes to be influential to job-choice decisions; and these attributes were then classified into 3 groups: existence attributes, growth attributes, and relatedness attributes (Barber, Daly, Giannantonio, & Phillips, 1994). Existence attributes are job features associated with economic factors such as pay level, benefits, job security, and job physical environment. Applicants often search for jobs that support their daily life; thus, these attributes are crucial to the applicants' job-choice decisions. Empirical evidence shows that existence attributes such as compensation and benefits were able to predict applicants' job-acceptance intentions and job-offer decisions (Turban et al., 1995).

Growth attributes are associated primarily with learning and developing one's knowledge, skills, abilities, and self-actualization (Barber et al., 1994). These kinds of attributes comprise of training opportunities, utility of expertise, work challenges, job meaningfulness, and autonomy (Barber et al., 1994). The information pertaining to these job features can be learned from several sources such as job postings and employment interviews. Past research found that jobs providing challenging work and opportunities to use one's knowledge, skills, and abilities were positively associated with applicant acceptance intention and actual job choice (Turban et al., 1995).

Relatedness attributes encompass features associated with interpersonal relationships in organizations, such as relationships with colleagues and supervisors, organizational culture and atmosphere, and diversity in workforces (Barber et al., 1994). Through formal channels such as job advertisements and realistic job previews, and informal sources such as word of mouth from internal employees, applicants acquire information regarding these attributes (Behling, Labovitz, & Gainer, 1968). It has been found that jobs possessing attractive attributes of this kind are, themselves, more attractive to applicants than when the attributes are modest or even absent. For instance, Turban et al. (1995) found that the perceived supportiveness of supervisors and friendliness of colleagues positively influenced real applicants' job-acceptance intentions.

According to Barber et al.'s (1994) classification and SDT's tenets, growth attributes, comprising job features corresponding to autonomy and competence, can satisfy job seekers' needs by means of training opportunities, decision making, and independent work. Similarly, relatedness attributes correspond to the need for relatedness, and job seekers can fulfill their needs by developing intimate relationships with future supervisors and colleagues. As the expectation of such needs fulfillment can raise applicant intrinsic motivation to accept a job, it seems that the level of pay as well as growth and relatedness attributes influence applicants' job choices simultaneously, and that growth and relatedness attributes compensate for the effects caused by pay level, a topic discussed below.

### **Compensatory Effects of Growth and Relatedness Attributes**

To examine the compensatory effects of growth and relatedness attributes, we focus in the current study on a situation where applicants need to make a job choice between two jobs with different pay levels and consider four possible conditions: (1) a small difference in growth attributes, (2) a large difference in growth attributes, (3) a small difference in relatedness attributes, and (4) a large difference in relatedness attributes. We have investigated applicants' job-choice approach by taking into account pay level as well as growth and relatedness attributes simultaneously. In practice, it is common for applicants to face a situation where they receive two or more job offers with various pay levels. Needless to say, applicants' choices typically hinge on a comparison between job offers. Thus, it is critical to understand how applicants consider differences in pay level as well as in growth and relatedness attributes between two or more jobs and how the applicants combine the comparative information to make job-acceptance decisions.

According to SDT, individuals are naturally inclined to proceed in the direction that best helps them fulfill their basic psychological needs for competence, autonomy, and relatedness, and environmental supports of these three factors are theorized to result in need satisfaction and guide behaviors (Deci & Ryan, 2000). When these environmental supports are presented, individuals are motivated to engage in the target behavior autonomously. Conversely, individuals would feel controlled and decrease their autonomous behaviors as such supports are absent. Again according to SDT, applicants are more likely to choose jobs with favorable attributes related to competence, autonomy, and relatedness, insofar as the applicants would fulfill their basic psychological needs in the jobs.

In addition, SDT also explain how external rewards influence individuals' intrinsic motivation and suggests that individuals' cognitive evaluations of the extrinsic rewards within a given environment can cause either a feeling of autonomy or a feeling of being controlled and can affect the individuals' autonomous behaviors. That is, extrinsic rewards may undermine individuals' autonomous behaviors leading toward need satisfaction when the individuals experienced such rewards as an external control means, but extrinsic



rewards can increase autonomous behaviors when such rewards are delivered to individuals in an autonomy-supportive manner or provide positive information about basic needs (Deci & Ryan, 2000; Gagné & Deci, 2005; Sheldon et al., 2003). For instance, incentive schemes that provide information about competence can increase employees' performance, and monetary rewards do not diminish employees' efforts to complete required tasks. Thus, how applicants are influenced by attributes relevant to their basic needs also depends on their perception of extrinsic rewards such as pay. Based on SDT, we can explain how applicants combine information about and are motivated by both pecuniary and non-pecuniary attributes to make job decisions.

In this study, when the differences of growth attributes are small between two job offers, it is less likely for applicants to choose the lower-pay job. Applicants may focus on and respond to the utility of pay level rather than the effects of growth attributes when both jobs have unfavorable growth attributes. By contrast, when both jobs have favorable growth attributes, applicants' job interest can be elevated, and the higher-pay job possessing favorable growth attributes can even strengthen the applicants' feelings of competence (Deci & Ryan, 2000). That is, a job with favorable growth attributes would send the message that the company values employees' need for a sense of self-competence, and higher pay-level may be explained in terms of ability recognition on the parts of the applicants. Thus, applicants are less likely to choose lower-pay jobs when higher-pay jobs exhibit favorable growth attributes. In contrast, when growth attributes differences are large enough between job offers, namely, a lower-pay job has better growth attributes than a higher-pay rival, applicants are more likely to choose the lower-pay job because they believe that they can better fulfill their needs for competence and autonomy in that job than in the rival one. Alternatively, higher-pay jobs with unfavorable growth attributes can be a turnoff for applicants, who might conclude that the jobs simply fail to provide adequate support for autonomy and that the focus of the jobs, therefore, is organizational control over employees. Applicants would be even less willing to accept these jobs in the presence of multiple job offers. Past research found that applicants would be relatively unsatisfied with a job they had accepted on the basis of extrinsic factors such as financial concerns (O'Reilly & Caldwell, 1980). Thus, growth attributes not only can enhance the likelihood of applicants' acceptance of jobs, but also compensate for the deficiency of a job's lower-pay levels. Thus, we expect that growth attributes may have compensatory effects for lower-pay jobs, and we propose the following hypothesis:

**Hypothesis 1:** When the difference in growth attributes between a lower-pay job and a higher-pay job is large rather than small, applicants (a) will have a greater intention of accepting the lower-pay job and (b) will be more likely to choose the lower-pay job.

Similarly, when small differences in relatedness attributes exist between two jobs with different pay

levels, applicants are less likely to choose the lower-pay job because pay level is more influential than relatedness attributes. In addition, the higher-pay job with favorable relatedness attributes may also be experienced as positive information concerning how the company values them, and thus enhance their fulfillments of need for relatedness. By contrast, when there is large difference in relatedness attributes between two jobs, applicants are more likely to choose the lower-pay job possessing favorable relatedness attributes. Lower-pay jobs with favorable relatedness attributes can satisfy applicants' need for relatedness and strengthen their job interest, whereas higher-pay jobs with unfavorable relatedness attributes may weaken applicants' perceptions of autonomy and their interest in the jobs. In this circumstance, many applicants might be more likely to choose the lower-pay job when the higher-pay job lacks favorable relatedness attributes than when both jobs have favorable relatedness attributes.

In sum, we expect that relatedness attributes may also have compensatory effects for lower-pay jobs, and we propose the following hypothesis:

**Hypothesis 2:** When the difference in relatedness attributes between a lower-pay job and a higher-pay job is large rather than small, applicants (a) will have a greater intention of accepting the lower-pay job and (b) will be more likely to choose the lower-pay job.

## The Moderating Roles of Applicants' Dispositions

Past research suggested that applicants making a job-choice decision are influenced by their dispositions (Holland, 1985; Martin & Bartol, 1986). Applicants not only want to choose a job that matches their disposition but also strive to weigh desirable attributes against one another (Judge & Bretz, 1992). Although SDT proposes that people's three basic psychological needs are innate, there may be individual difference in terms of the strength of the needs which may enhance or inhibit compensatory effects. Thus, in the present study we are considering two dispositions, need for affiliation and need for growth. Those two traits correspond to the relatedness and growth attributes.

Need for growth indicates the extent to which individuals fulfill their own desires in developing knowledge, skills, and abilities as well as in achieving self-actualization (Hackman & Oldham, 1980). Regarding jobs that promote skill variety, autonomy, and importance, people with a relatively high need for growth tend to have a more positive attitude toward the jobs than do people with a relatively low need for growth (Loher, Noe, Moeller, & Fitzgerald, 1985). In addition, people with a relatively high need for growth are more likely than people with a relatively low need for growth to be intrinsically motivated in conducting tasks that are challenging and sophisticated (Graen, Scandura, & Graen, 1986). It follows that applicants who are striving to fulfill their growth needs would search for and put great emphasis on information about job features that correspond to personal growth needs. In one experiment, Feldman and Arnold (1978) found

that, when choosing jobs, applicants with high growth needs weighted job attributes such as utilization of learned skills, job autonomy, and independence higher than applicants with low growth needs.

Need for affiliation refers to the needs that one has to build up socially desirable relationships with others (McClelland, 1987). Individuals with relatively higher needs for affiliation intend to develop social relationships with others in order to fulfill the needs of interpersonal contact, belongingness, and the acquisition of social rewards (Veroff & Veroff, 1980). Applicants are attracted to jobs that would help satisfy personal affiliation needs (Behling et al., 1968). For example, Judge and Bretz (1992) found that employers conveying the value of concern for others attracted those applicants who were highly concerned for others.

Because the need for affiliation and the need for growth influence the way applicants perceive the valence of job features, these predispositions might influence applicants' weighting of corresponding attributes when applicants are making their job-choice decisions (Highhouse & Hoffman, 2001). When choosing one job among a set of small choices, applicants with a relatively high need for affiliation and growth might be more likely than relatively low-need applicants to weigh corresponding attributes heavily and acknowledge the differences between job alternatives. Lower-pay jobs with favorable growth or relatedness attributes would likely pique applicants' interest, and in turn, applicants' intention to choose a higher-pay job would lessen to a large degree when the applicants have a relatively high need for affiliation and growth. Therefore, applicants might choose a lower-pay job equipped with favorable relatedness and growth attributes rather than a higher-pay rival equipped with tepid relatedness and growth attributes because the lower-pay job would be more in line with the applicants' needs for affiliation and growth (Kristof-Brown et al., 2005). Thus, we propose the following hypotheses:

**Hypothesis 3:** Applicants with a relatively high need for growth will be more likely than applicants with a relatively low need for growth (a) to have a greater intention of accepting the lower-pay job and (b) to choose the lower-pay job when the difference in growth attributes between a lower-pay job and a higher-pay job is large rather than small.

**Hypothesis 4:** Applicants with a relatively high need for affiliation will be more likely than applicants with a relatively low need for affiliation (a) to have a greater intention of accepting the lower-pay job and (b) to choose the lower-pay job when the difference in growth attributes between a lower-pay job and a higher-pay job is large rather than small.

## METHODS

The present study examines the effects of non-pecuniary attributes on job seekers' job-choice decisions. With this purpose in mind, we created scenarios where job seekers would have to make a choice between two

job offers. By using written scenarios, we conducted a 2 (growth attributes difference: large difference/small difference)  $\times$  2 (relatedness attributes difference: large difference/small difference) between-subjects design. In addition, we measured applicants' job choice, acceptance-intention for a lower-pay job, need for affiliation, and need for growth. Participants, experimental procedures, and instrumentations in the study are described below.

## Participants

Participants were graduating students from a university in northern Taiwan. Some participants were invited to participate in this study through a college course in which they were enrolled, while the other participants were contacted through a university-wide recruitment. Among the 200 potential participants contacted, 198 responded and 151 participated in the study (the valid response rate was 75.5%) as we deliberately excluded those respondents who did not intend to search for full-time jobs within one year after graduation. All participants were undergraduate students, and most of them were females (89.4%). Their mean age was 22.16 years old ( $SD = .86$ ) with 1.34 years ( $SD = 1.59$ ) part-time work experience. Most of them were affiliated with colleges like the College of Commerce (39%), the College of Social Science (27%), and the College of Foreign Languages (14%).

## Procedure

In the experiment, participants were randomly assigned to one of the four conditions. In each condition, they were required to complete a questionnaire containing one scenario and some follow-up questions. Following the introduction of the study, participants were instructed to imagine that they were interested in pursuing a marketing-analyst job position. They were told that they had just received two job offers from two foreign banks after having submitted résumés to them and having gone through several job interviews. The participants were then told that they would have to choose one of the two jobs (job A or job B) as their first pick. Following this discussion of the setup, participants received descriptive information about the two jobs. After reading the descriptions of the two jobs, participants participated in a manipulation check and responded to questions regarding their job choices, job-acceptance intentions, dispositions, and demographic background. Finally, participants were debriefed and given a coupon worth US\$ 3. On average, participants completed the experiment in approximately 15 minutes.

## Material

Written scenarios were common in past recruitment research (Carless & Wintle, 2007; Martins & Parsons, 2007; Van Hoye & Lievens, 2005). Similar to the procedure in Martins and Parsons (2007), we created scenarios that contained simulated descriptions of organizations and jobs. In each scenario (as

mentioned above), participants were asked to play job seekers who had received two marketing-analyst job offers from two foreign banks and who had to choose one. In addition, they were provided information about such matters as the pay level, organizational properties, and job attributes of the two jobs. It is worth noting that we counterbalanced the presentation of the two jobs (Christensen, 2001)<sup>3</sup>.

The scenarios' jobs were designed on the basis of the current study's overarching purpose. According to one Taiwanese business magazine, its survey of 1,930 graduating students revealed that these new labor-market entrants most desired a marketing-analyst job and deemed "finance and insurance" to be one of the most attractive industries. To investigate the compensatory effects of non-pecuniary attributes, we set the pay of one job at the average market level and the pay of the other job at a level higher than typically desired. The pay-level difference between the two jobs was large enough so that participants could not overlook it. In a pilot test that we conducted for the current study, 27 final-semester undergraduate students from a university in northern Taiwan were recruited and asked to identify their expectation for their first job's pay level as well as a typical pay difference that they would consider large. On average, the expected pay for new labor market entrants was NT\$ 26,630 (US\$ 900) per month and the average cited pay difference was NT\$ 5,000 (around US\$ 160)<sup>4</sup>. Thus, in our study's scenarios, we designated the pay level of the lower-pay job as NT\$ 27,000 and that of the higher-pay job as NT\$ 32,000<sup>5</sup>.

To increase the research realism of the scenarios, we make sure that each scenario presented the four following organizational attributes: "time to commute" (Slaughter et al., 2006), "corporate image" (Gatewood, Gowan, & Lautenschlager, 1993), "organizational value" (Judge & Bretz, 1992), and "job advancement" (Boswell et al., 2003). All four have been found to have an important effect on job-choice decisions. To evaluate participants' perceptions of the differences between the attributes of the first job and those of the second job, we developed four items on a 5-point scale ranging from 1 = no difference to 5 = large difference. The mean values of those four attributes ranged from 1.50 to 2.49 and were all significantly lower than the mid-point on a 5-point scale ( $t_{(150)} = 5.00$  to  $21.40$ ,  $p < .001$ ), implying that the perceived differences between the two jobs' respective attributes were very small.

## Manipulated Variable

### *Growth-attribute differences*

In the current study, we used the scenarios to manipulate the relatedness-attribute differences between

3 Results of statistical analysis show that the order influenced neither the participants' acceptance intention for the lower-pay job ( $F_{(1,149)} = 2.81$ , n.s.) nor their job choice (Chi-square = 1.44, n.s.).

4 According to a recent report by 104 Corporation, this pay level was similar to the one for the job family in the financial industry and for a marketing analyst. A listed company in Taiwan, 104 Corporation (just like Monster.com) is the largest job-listing company in Taiwan. It provides employers a channel for advertising their job vacancies on the Internet and it regularly releases reports about the labor market in Taiwan.

5 According to statistics by Ministry of Labor in Taiwan, the pay of new labor-market entrants is NT\$ 32,017 for graduate students and NT\$ 26,915 for undergraduate students.

the two jobs. Growth attributes consist of training opportunities, utility of expertise, work challenges, job meaningfulness, and autonomy (Barber et al., 1994). The latter four attributes were found to be highly correlated with one another, and their content was similar to the construct “type of work” (Turban et al., 1995; Turban, Eyring, & Campion 1993). Thus, in the current study’s scenarios, we operationalized growth attributes using descriptions about “training opportunities” and “type of work.”

Under the condition of *small differences* between the two jobs, the description for the lower-pay job and the description for the higher-pay job were quite similar to each other. Training opportunities for the lower-pay job was summarized in the following statement: “This company provides various training courses and other opportunities to enhance employee expertise. It even offers customized training programs.” For the higher-pay job, the corresponding statement was as follows: “Various training courses and methods are provided, so that employees can learn a variety of professional skills and develop their own training plans.” With regards to type of work, the description for the lower-pay job was “This job has various opportunities for utilizing learned skills and involves challenging tasks. It is a meaningful job at which one can work independently,” and the description for the higher-pay job was “This job has many opportunities to use learned skills and abilities, and there are some challenges. It is meaningful, and one can determine some work-related steps independently.”

Under the condition of *large differences* between the two jobs, the descriptions of training opportunities and type of work for the lower-pay job were the same as those under the small-difference condition. However, the descriptions were quite different for the higher-pay job. For the higher-pay job under large-difference condition, the description of training opportunities was “The company offers standardized training programs to newcomers and provides on-the-job training using pre-designed training programs with little concern for the individual employee’s training needs,” and the description of type of work was “One doesn’t have many opportunities to use learned skills and abilities, and the job is not challenging. The work is not meaningful. Employees rely chiefly on the guidance of their supervisor and have no opportunity to provide personal suggestions.” As the purpose of the present study has been to investigate the compensatory effects of growth attributes on applicants’ job choices of a lower-pay job versus a higher-pay rival, the description of favorable relatedness attributes was attached to the lower-pay job rather than to the higher-pay one. Table 1 shows the four experimental conditions.

TABLE 1. Manipulation Conditions and Sample Sizes<sup>a</sup>

		Relatedness attributes difference	
		Small	Large
Growth attributes difference	Small	I (40)	III (38)
	Large	II (38)	IV (35)

Note: <sup>a</sup>Values in parenthesis refers to the number of subjects in each experimental condition.

### *Relatedness-attribute differences*

Relatedness attributes initially involved colleague-colleague relationships [*colleagues*], supervisor-subordinate relationships [*supervisor*], organizational atmosphere and culture, and workforce diversity (Barber et al., 1994). As the ideas of atmosphere and culture were not corresponding to the definitions of need for relatedness as suggested by SDT, we did not include them in the current study. Moreover, workplace diversity has been cited as an important issue in Taiwanese enterprises (Chou, Cheng, Huang, & Cheng, 2006; Liao, Chuang, & Joshi, 2008), but one recent survey administered by a Taiwanese business magazine suggested that diversity was not thought to be an important factor by new labor-market entrants in Taiwan during their job-seeking endeavors. Thus, the current study included only “colleagues” and “supervisor” attributes in the scenarios.

Under the condition where *small differences* exist between the lower-pay job and the higher-pay job, the relatedness attributes for both were almost identical. The descriptions of “colleagues” attributes were “The interpersonal relationships are harmonious, and peers within this company have close ties to one another” for the lower-pay job and “The interpersonal relationships are harmonious, and potential coworkers within this company are socially supportive” for the higher-pay job. The descriptions of “supervisor” attributes were “Interacting and talking with the future supervisor during the job interview made me feel that he/she is quite nice” for the lower-pay job and “The interview experience was good, and it was very nice talking with the future supervisor” for the higher-pay job.

Under the condition where *large differences* exist between the two jobs, the relatedness attributes of the lower-pay job were the same as the description in the small-difference condition, but the descriptions for the higher-pay job in the large-difference condition were quite different from those in the small-difference condition. For the higher-pay job, the description of “colleagues” was “Colleagues within this company have conversations only about work-related topics and do not have extra-vocational interactions,” and the description of “supervisor” attributes was “Having had only a few interactions with my prospective future supervisor during the interview, I could not learn much about him/her.” It should be noted that as the present study is an investigation into the compensatory effects of relatedness attributes on applicants’ job choices between a lower-pay job versus a higher-pay job, the description of favorable relatedness attributes was attached to the lower-pay job rather than the higher-pay job. Details of one of the four scenarios can be found in the appendix.

## **Measured Variables**

### *Lower-pay-job acceptance intention*

To measure this variable, we used three items modified from Highhouse, Lievens, and Sinar (2003) and

Carless (2005). Participants were asked to indicate their intentions of accepting the job offer in company A (i.e., the lower-pay job). The items used were the following: "I intend to accept the job offer of company [A] over company [B];" "I prefer working in company [A] to company [B];" and "I would like to work in company [A] rather than company [B]." In conjunction with these items, we used a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). The higher the score, the more likely an applicant would be to accept the lower-pay job. The Cronbach's  $\alpha$  for the scale was .95 in this study.

### *Job choice*

This variable was measured with one dichotomous item: "Which job will you choose?" Participants were asked to put a check mark on the box representing the job he or she decided on. This measure is commonly used in job-choice literature because, in reality, applicants can only choose one favorite job even if they receive several offers (Chapman et al., 2005). In this study, we were particularly interested in knowing whether participants would pick the lower-pay job as their favorite job offer.

### *Need for growth*

We used the Job Diagnostic Survey (JDS) to measure one's need for growth (Hackman & Oldham, 1980) in conjunction with a five-point Likert scale (1 = strongly disagree, 5 = strongly agree). Sample items were "I prefer jobs that are inspiring and challenging" and "Self-actualization from work is important to me." The Cronbach's  $\alpha$  for the scale was .88.

### *Need for affiliation*

We measured need for affiliation by using a seven-item scale from Tsai and Yang (2010) in conjunction with a five-point Likert scale (1 = strongly disagree, 5 = strongly agree). Sample items were "I want to be a popular person" and "I tend to build close relationships with others." The Cronbach's  $\alpha$  for this scale was .80.

## **RESULTS**

### **Manipulation Checks**

We created two items to ascertain how successful we were at manipulating growth-attributes differences by having participants evaluate the degree to which the *training opportunities* growth attributes and *type of work* growth attributes between the two jobs were different from each other. The measurement rested on a 5-point scale ranging from 1 = no difference to 5 = large difference. We compared the mean scores on the growth attributes' difference-manipulation check across the large- and small-difference conditions in order to



determine whether we had successfully manipulated growth differences in the scenarios. Participants in the large-difference condition perceived a higher *training opportunities* growth difference (mean = 4.04) than did participants in the small-difference condition (mean = 2.23),  $F_{(1,147)} = 119.69, p < .05$ . Participants in the large-difference condition also perceived a higher *type of work* growth difference (mean = 4.10) than did participants in the small-difference condition (mean = 2.33),  $F_{(1,147)} = 123.14, p < .05$ .

In addition, we used two items to ascertain how successful we were at manipulating relatedness-attributes differences by having participants evaluate the degree to which the *colleague*-relatedness attributes and *supervisor*-relatedness attributes between the two jobs were different from each other. The measurement rested on a 5-point scale ranging from 1 = no difference to 5 = large difference. We then compared the mean scores on the relatedness attributes' difference-manipulation check across the large- and small-difference conditions in order to determine whether we had successfully manipulated relatedness differences in the scenarios. Participants in the large-difference condition perceived a higher *colleague*-relatedness difference (mean = 4.08) than did participants in the small-difference condition (mean = 2.14),  $F_{(1,147)} = 165.56, p < .05$ . Participants in the large-difference condition also perceived a higher *supervisor*-relatedness difference (mean = 4.07) than did participants in the small-difference condition (mean = 2.27),  $F_{(1,147)} = 136.98, p < .05$ .

Moreover, we used one item to evaluate participants' perceptions of pay-level difference between the two jobs on a 5-point scale ranging from 1 = no difference to 5 = large difference. The mean of the pay-level difference item was 3.55, which was significantly above the mid-point on the 5-point scale ( $t_{(150)} = 8.47, p < .001$ ). This indicates that participants perceived a pay-level difference between the two jobs. Therefore, in this study we were able to create a situation that allowed us to examine the compensatory effects of relatedness attributes and growth attributes on applicants' acceptance for lower-pay job.

In consideration of the effects of confounding variables, results from a series of chi-square tests and analyses of variance (ANOVAs) indicate that participants' gender ( $\chi^2(3) = 5.24, p = .16$ ), age ( $F_{(3,147)} = 1.40, p = .25$ ), tenure ( $F_{(3,147)} = 1.07, p = .36$ ), and college education ( $\chi^2(3) = 19, p = .75$ ) did not significantly differ across the four experimental conditions. In addition, the scenarios of the present study were set within the context of banks. It is possible that participants' industry preference affected their job-acceptance intentions. To prevent such phenomena from confounding our findings, we evaluated participants' industry of interest and occupation of interest. Results of ANOVAs showed that industry of interest ( $F_{(3,147)} = .49, p = .69$ ) and occupation of interest ( $F_{(3,147)} = 0.11, p = .95$ ) were not different across experimental conditions. Taken together, these results suggest that our manipulation of differences regarding relatedness attributes and growth attributes was successful, and that there were no major threats to our study's internal validity.

## Hypothesis Testing

Table 2 lists the means, standard deviations, and intercorrelations among all study variables. Table 3

reports the results of the moderated regression with the dependent variable as the acceptance intention associated with the lower-pay job. In support of Hypothesis 1a and Hypothesis 2a, the results shown in model 2 reveal that the acceptance intention associated with the lower-pay job was predicted positively by the growth-attribute difference ( $\beta = .42, p < .05$ ) and the relatedness-attribute difference ( $\beta = .37, p < .05$ ). The results show that participants were more likely to accept the lower-pay job when the lower-pay job had a greater degree of either favorable growth attributes or favorable relatedness attributes than the higher-pay job than when both jobs had favorable growth and relatedness attributes. Similarly, the results of the logistic regression, presented in Table 4, reveal that the lower-pay-job choice was predicted positively by the growth-attribute difference ( $B = 1.89, p < .05$ ) and the relatedness-attribute difference ( $B = 1.89, p < .05$ ). These results support Hypothesis 1b and Hypothesis 2b.

TABLE 2. Descriptive Statistics, Correlations, and Reliability of the Major Variable

Variable	N	M	SD	1	2	3	4	5	6
1. Growth attributes	151	0.48	0.50	-					
2. Relatedness attributes	151	0.48	0.50	-.01	-				
3. Need for growth	151	4.28	0.49	-.17*	.02	-			
4. Need for affiliation	151	4.01	0.43	-.06	.02	.43**	-		
5. Acceptance intention	151	3.25	1.02	.41**	.36**	.11	.09	-	
6. Job choice	151	0.58	0.50	.36**	.36**	.10	.02	.83**	-

\* $p < .05$ , \*\* $p < .01$

TABLE 3. Results of Moderated Regression with Dependent Variable as Acceptance Intention of Lower-Pay Job<sup>a</sup>

Variables	Acceptance intention of lower-pay job			
	Model 1	Model 2	Model 3	Model 4
Non-pecuniary attributes <sup>b</sup>				
GAD (H1) <sup>c</sup>	.42**	.44**	.46**	.71**
RAD (H2)	.37**	.36**	.36**	.59**
Individual differences				
Need for growth		.16*	-.11	-.04
Need for affiliation		.03	.06	.06
Two-way interaction terms				
GAD × Need for growth (H3)			.41**	.42**
RAD × Need for affiliation (H4)			.12	.13
RAD × Need for growth			.02	-.06
GAD × Need for affiliation			-.22*	-.22*
RAD × GAD				-.41**
Adjusted $R^2$	.29**	.31**	.37**	.42**
$\Delta R^2$	-	.03*	.07**	.06**

Note: <sup>a</sup>Coefficients in table are standardized betas; \* $p < .05$ , \*\* $p < .01$ ;  $N = 151$ .

<sup>b</sup>Dummy variable (1 = large difference condition, 0 = small difference condition).

<sup>c</sup>RAD = relatedness attributes difference; GAD = growth attributes difference.

TABLE 4. Results of Logistic Regression with Dependent Variable as Lower-Pay Job Choice<sup>a</sup>

Variables	Lower-pay job choice			
	Model 1	Model 2	Model 3	Model 4
Intercept	-1.37**	-1.44**	-1.52**	-1.82**
Non-pecuniary attributes <sup>b</sup>				
GAD (H1) <sup>c</sup>	1.89**	2.20**	3.07**	3.62**
RAD (H2)	1.89**	2.01**	2.19**	2.67**
Individual differences				
Need for growth		1.12*	.34	.88
Need for affiliation		-.23	-.58	-.86
Two-way interaction terms				
GAD × Need for growth (H3)			4.21**	3.68**
RAD × Need for affiliation (H4)			1.46	1.87
RAD × Need for growth			-.72	-1.55
GAD × Need for affiliation			-2.94*	-2.52 <sup>d</sup>
RAD × GAD				-1.66
-2 Log likelihood	154.36	154.36	137.67	135.35
Cox & Snell $R^2$	.29	.29	.36	.37
Nagelkerke $R^2$	.39	.39	.49	.50

Note: <sup>a</sup>Coefficients in table are non-standardized betas; \* $p < .05$ , \*\* $p < .01$ ;  $N = 151$ .

<sup>b</sup>Dummy variable (1 = large difference condition, 0 = small difference condition).

<sup>c</sup>RAD = relatedness attributes difference; GAD = growth attributes difference.

<sup>d</sup> $p = .07$

As shown in Table 3 and Table 4, the growth-attribute difference and applicant need for growth, as predicted by Hypothesis 3a and Hypothesis 3b, had significant interaction effects on both the lower-pay-job acceptance intention ( $\beta = .41, p < .05$ ; see Table 3) and on job choice ( $B = 4.21, p < .05$ ; see Table 4). Nevertheless, the relatedness-attribute difference and applicant need for affiliation did not have significant interaction effects on the acceptance intention associated with the lower-pay job ( $\beta = .12, p > .05$ ; see Table 3) or job choice ( $B = 1.46, p > .05$ ; see Table 4). These outcomes were inconsistent with Hypothesis 4a and Hypothesis 4b. Following the steps suggested by Cohen and Cohen (1983), we then drew a picture to illustrate the form of the interactions predicted by Hypothesis 3. Both Figure 1 and Figure 2 show that, when large growth-attribute differences were present between the two jobs, participants with a relatively high need for growth were more likely than participants with relatively low need for growth to accept lower-pay jobs with relatively favorable growth attributes. Accordingly, Hypothesis 3 was supported.

## Supplemental Analysis

Although we did not hypothesize the matter, we also examined the joint effects that relatedness-attributes differences and growth-attributes differences would have on applicants' job choices and acceptance intention for lower-pay jobs and when the two types of attribute differences were present. As shown in

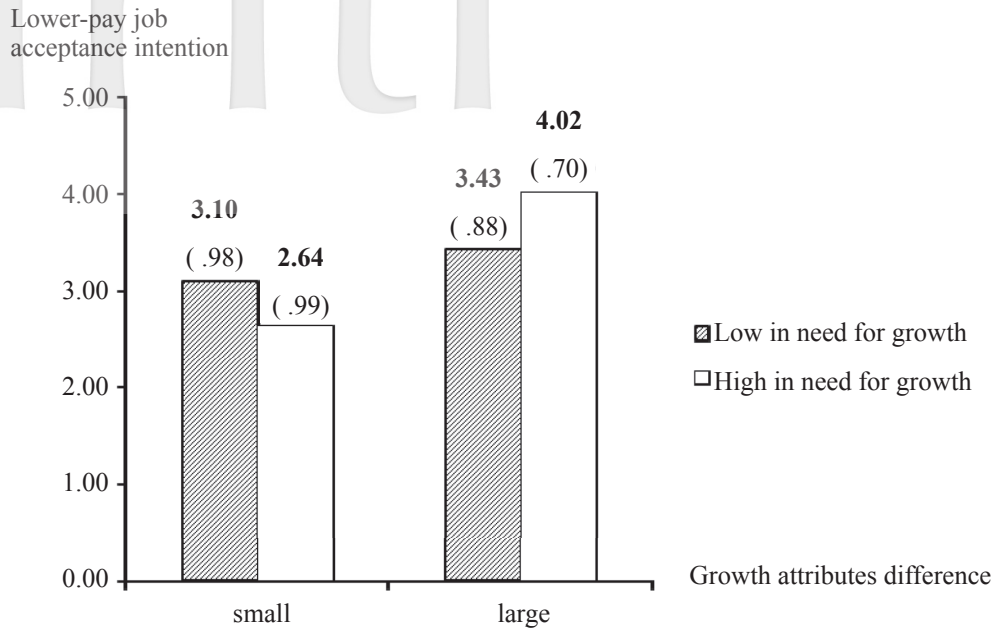


FIGURE 1. The Moderating Effect of One's Need for Growth on the Relationship between Growth Attributes and Lower-Pay Job Acceptance Intention

Note: Numbers in parenthesis are standard deviation.

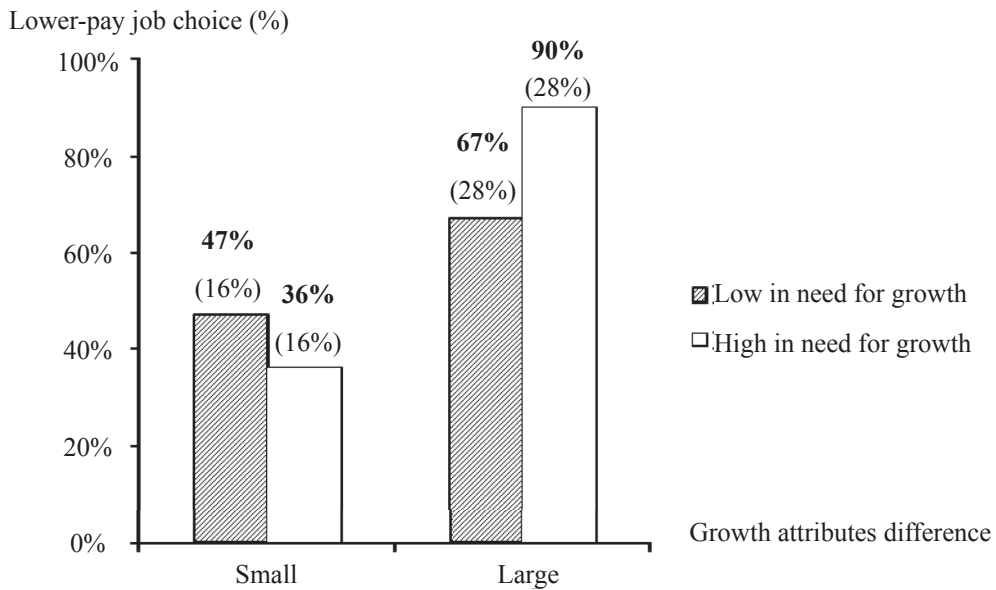


FIGURE 2. The Moderating Effect of One's Need for Growth on the Relationship between Growth Attributes and Lower-Pay Job Choice

Note: Numbers in parenthesis are standard deviation.

Table 3 and Table 4, both the relatedness and growth attributes had significant interaction effects on the participants' acceptance intention associated with the lower-pay job ( $\beta = -.41, p < .05$ ) but not on job choice ( $B = -1.66, p = .11$ ). Figure 3 shows the form taken by the relatedness and growth attributes' interaction effects on the participants' acceptance intention associated with the lower-pay job. A series of mean difference tests demonstrated that participants' acceptance intention associated with the lower-pay job did not vary, regardless of whether a single attribute difference was present (a relatedness-attribute difference *or* a growth-attribute difference) or both of them were present (a relatedness-attribute difference *and* a growth-attribute difference) (Mean = 3.55 and SD = .83, for only the relatedness-attribute difference,  $t = 1.35, p > .05$ ; Mean = 3.45 and SD = .87, for only the growth-attribute difference,  $t = 1.51, p > .05$ ; Mean = 3.82 and SD = .87, for both of the differences). The results reveal that applicant-acceptance intentions did not strengthen when the two jobs differed from each other regarding both of the attributes, as compared to when the two jobs differed from each other regarding only one of the attributes.

## DISCUSSION

The present study investigates the compensatory effects of non-pecuniary attributes on applicant job choice and acceptance intention for lower-pay job. Results show that the participants were more likely to choose a lower-pay job with favorable relatedness attributes or growth attributes when large relatedness-

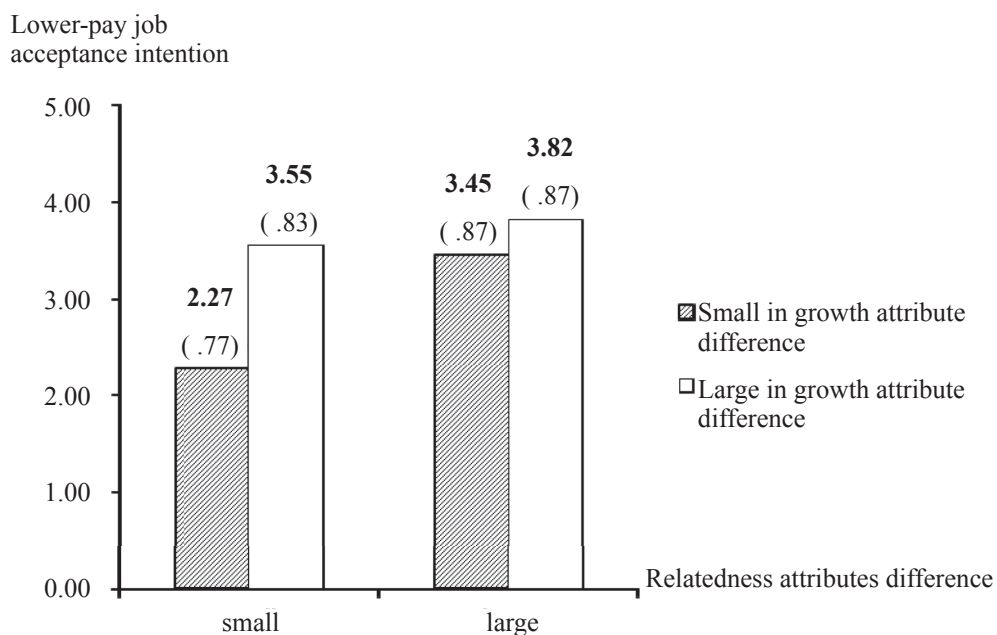


FIGURE 3. The Interaction of Relatedness and Growth Attributes on Lower-Pay Job Acceptance Intention.

Note: Numbers in parenthesis are standard deviation.

differences or growth-difference exist between the lower-pay job and the higher-pay job. As far as we know, this is the first study examining the extent to which non-pecuniary attributes might compensate for relatively low pay levels. We examined the effect of pecuniary and non-pecuniary attributes simultaneously and provided evidence to clarify how applicants combine such information to make job-choice decisions. As SDT suggests, applicants are inclined to act in a way that satisfies their basic needs for competence/autonomy and relatedness, which correspond to the growth or relatedness attributes in the present study, and these attributes can enhance applicants' intention of choosing lower-pay jobs that nevertheless possess favorable growth or relatedness attributes (Deci & Ryan, 2000). SDT suggests that extrinsic rewards may decrease individuals' behaviors thought to lead toward need fulfillment if the individuals feel overly controlled or insufficiently autonomous. Following the ideas of SDT, the present study yielded similar results: the participants were more likely to choose the lower-pay job when the lower-pay job possessed favorable growth or relatedness attributes whereas the higher-pay job possessed unfavorable growth or relatedness attributes than when both jobs possessed favorable growth or relatedness attributes. The results also correspond to ideas in social identity theory, which posits that applicants tend to choose a job that enhances or maintains their self-concept (Ashforth & Mael, 1989; Dutton, Dukerich, & Harquail, 1994). That is, choosing a job with favorable growth or relatedness attributes can enhance applicants' self-concept, but relying only on monetary incentives rather than basic psychological needs in making job-choice decisions can lead to a lower self-concept.

We also examined the moderating effect that applicants' dispositions could have on the compensatory effect of non-pecuniary attributes on applicants' job choices and acceptance intention for lower-pay jobs. The findings reveal that the compensatory effects of growth attributes on applicants' job choices and acceptance intention for lower-pay jobs were stronger when participants were striving for personal growth. We found that the higher a participant's need for growth, the more likely the participant would be to select a lower-pay job equipped with favorable growth-attributes when large growth-differences between the lower-pay job and the higher-pay job was presented. This particular result supports both a premise of person-organization fit (Kristof-Brown et al., 2005) and the prediction of the subjective-factor hypothesis, according to which a certain degree of congruence between applicants' needs and an organization's features can enhance organizational attraction (Behling et al., 1968). In addition, this result extends the argument, proposed by Highhouse and Hoffman (2001), that dispositions play a vital role in job-choice decisions when applicants are facing a tough job choice.

However, we found no support for the assertion that the need for affiliation plays a moderating role in the relationships between relatedness attributes and either acceptance of or choice of a lower-pay job. Three possibilities may account for the unexpected findings. First, the standard deviation for the interaction term of the need for affiliation and relatedness attributes was .31, which is somewhat lower than the standard deviation for the interaction term of the need for growth and growth attributes ( $SD = .38$ ). This might result

in smaller variance for the variable to be detected as statistically significant. Second, we calculated the effect of size for the interaction term and found that the figure was quite small (partial eta-square = .01), perhaps reflecting a reduced statistical power (statistical power = .25) in detecting the moderating effect. Thus, a firm conclusion about whether or not, in general, applicants' need for affiliation moderates the relationship between relatedness attributes and job choice cannot be made until more studies have been conducted.

Finally, we conducted a supplemental analysis examining the interaction effect of relatedness and growth attributes differences on applicants' job choices and acceptance intention. The results indicate that the two non-pecuniary attributes had significant interaction effects on the intention to accept the lower-pay job and that there was no difference between job-acceptance intention when one type of the attributes was presented and job-acceptance intention when one both types of the attributes were presented. Specifically, participants were more likely to choose the lower-pay job when the relatedness or growth attributes of the lower-pay job were preferable to the higher-pay job, but the participants presented a lowered intention of accepting the lower-pay job when each of the two jobs had comparable relatedness and growth attributes. Although SDT suggests that individuals' lack of one basic psychological need may negatively affect individuals' wellbeing, we did not find similar results in the present study. Our results imply that, in general, applicants value the two cited attributes and that the presence of any one of the favorable attributes can enhance the likelihood of lower-pay job acceptance. The results also demonstrate how important it is for applicants to fulfill their own basic psychological needs during job seeking, as has been suggested by SDT.

## **Practical Implications**

According to Rynes, Bretz, and Gerhart (1991), employers with limited financial resources are more likely than employers with vast financial resources to provide non-pecuniary incentives to job applicants, with the goal of attracting qualified applicants to the vacant position. The findings here support the idea that non-pecuniary attributes can enhance applicants' likelihood of choosing and accepting a lower-pay job if this job has more favorable relatedness or growth attributes than a higher-pay rival. With this in mind, employers can minimize the disadvantages of relatively low pay levels by conveying realistic information with regard to relatively favorable non-pecuniary job or organizational attributes, particularly those attributes investigated in this study. For some small and medium-sized organizations, muted hierarchical differences and small numbers of employees can effectively foster camaraderie among colleagues at each organization, thus creating a closely aligned interpersonal network. In this case, an organization's job recruiters can emphasize its cohesive and cooperative work environment or convey its high degree of valuation for others (Judge & Bretz, 1992). Although limited resources might restrict an organization's formal training programs, the organization can still satisfy employees' need for growth by providing them challenging work and substantial autonomy in the handling of this work -- creating an organizational culture that can impress prospective

employees. In addition, employers can place an emphasis on the utility of expertise and job meaningfulness in their recruitment activities, which can attract potential applicants, especially those who have higher needs for growth. Advertisements portraying the successful experiences of internal employees can also enhance applicants' perceptions of positive growth attributes.

Prospective employers in for talent would benefit from understanding and appreciating the strengths of applicants' need for growth if the employers want to influence the job-choice decisions of talented applicants who receive several job offers. For instance, information on the strength of the applicants' growth needs obtained from a personality test could lead a prospective employer to convey information emphasizing the organization's growth attributes as incentives, in turn enhancing the applicant's likelihood of accepting the job offer.

## **Limitations**

The present study has some limitations. First, we have used student samples as potential applicants, an approach that might raise generalizability concerns. However, participants in the study were undergraduates on the verge of receiving their degree, they were intending to search for a job within one year, and they were the target applicants of many companies. In addition, past research that used graduating students as potential applicants suggested that the job-seeking decision processes of graduating students are similar to those of real applicants (Turban et al., 1995). Nonetheless, future studies are needed to examine the generalizability of our findings to other types of applicants (Breugh & Starke, 2000).

Second, the effect of pay level on job acceptance intention and choice varies for applicants at different stages of job seeking (Harold & Ployhart, 2008). The present study focused exclusively on the final job choice, and we manipulated two sorts of non-pecuniary job attributes. Future studies are encouraged to use a longitudinal research design to investigate the compensatory effects that non-pecuniary job attributes have upon job applicants' reactions to lower-pay jobs during the job-seeking processes.

Despite these limitations, the present study has one strength in its research design. We simulated a job-search context and created two job offers for applicants to choose from. This design is close to real job-decision situations, as it is common for applicants to choose one job from two or more offers. Consequently, applicants' choices are often responses not only to the characteristics of a single job but to those of several jobs. As suggested by the present study, applicants' job choices are dependent on the diverse attributes of lower-pay jobs as well as those of higher-pay jobs. Thus, our two-job design helps generalize our results to real work contexts.

## **Future Research Directions**

The present study examined the compensatory effects of non-pecuniary attributes on applicant



acceptance of lower-pay jobs, and the examination rested on the precondition that the participant-applicants would be aware of the pay-level differences between job offers. However, despite the significant findings of the current study, the issue concerning the extent to which non-pecuniary attributes can compensate for substantial pay-level differences between jobs remains unclear. Intuitively, one would assume that the smaller the pay difference is between two rival employee-seeking organizations, the stronger the compensatory effect of non-pecuniary job attributes will be on job-seeking applicants. And one would intuitively assume that the elevation of pay levels would be a more effective applicant-seeking strategy than the conveyance of positive non-pecuniary characteristics to job applicants when pay-level differences among job offers fall out of range. Thus, future research is needed to identify the approximate range of pay-level differences in which the compensatory effects of non-pecuniary attributes might sway job applicants away from accepting one job and toward accepting another job. Also helpful in understanding more about this phenomenon would be employers' oversight of their own pay levels relative to their competitors' pay levels regarding the employers' successful or unsuccessful competitive bids for targeted applicants<sup>6</sup>.

A previous study found that the strength of the relationship between pay level and job-choice decision depends on applicants' preferences towards pay level (Cable & Judge, 1994). It is possible that applicants' pay preference influences their reactions to pay-level differences and the effects of non-pecuniary attributes compensating the weakness of lower pay levels. To further clarify the boundary condition that the compensatory effect of non-pecuniary attributes can impose on lower-pay jobs, future research could manipulate pay-level differences among job offers and include individual difference variables relative to applicant pay preferences.

As the present study has focused only on applicants' job choices and applicants' acceptance intentions, which are recognized as outcomes in the later stages of recruitment processes, it is necessary to examine the compensatory effects of non-pecuniary attributes on applicants' job-choice in other recruitment-process stages. Research suggested that applicants' job-choice strategies may vary from one recruitment-process stage to another. Applicants in an early stage tend to eliminate possible jobs by using a few key criteria rather than rely on all the available information, and they thus may not be influenced by compensatory effects at that time (Osborn, 1990). Moreover, according to recent meta-analytic research, the job-choice factors that applicants take into consideration vary from one recruitment stage to the next (Uggerslev, Fassina, & Kraichy, 2012). Future research could examine the compensatory effects of relatedness and growth attributes in other job-choice or recruitment stages, and explore how applicants combine pecuniary and non-pecuniary attributes in these stages.

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6 We set the pay level of the current study's two jobs at or above market level. However, the compensatory effect may not occur when the pay-level difference remains as same as the current study but the pay level of the lower-pay job is set under the market level. This is because applicants may set an acceptance range for themselves and reject jobs whose pay levels dip below this range. Future research could further examine whether the compensatory effect remains in play when the pay level of a lower-pay job falls below the market level.

## Conclusions

Lower-pay jobs whose non-pecuniary attributes such as relatedness and growth attributes are more favorable than those of higher-pay jobs are better at attracting applicants. And the explanation for this preference is that most applicants want to fulfill their basic psychological needs. In addition, this compensatory effect of growth attributes on lower-pay job choice is stronger for applicants with a high need for growth than for applicants with a low need for growth. From these findings, employers should be able to clarify target applicants' likelihood of accepting lower-pay jobs by collecting information on the applicants' growth needs; what is more, this clarification can occur before the employers make a job offer, thus enabling them to convey information about non-pecuniary attributes tailored to the applicants' respective profiles.

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## APPENDIX

Below is one of the four scenarios in which large differences in relatedness attributes and large differences in growth attributes were present between two jobs.

### **The First Offer: Pay Level is NT\$ 27,000 per Month**

#### *Organizational properties*

Company [A] primarily deals with corporate loans, international trade, credit cards, and individual financial services. It has many branches around Taiwan and the world. The commute time from home to the company is around 30 minutes. Company [A] is the leading company in Taiwan's financial industry and is highly recommended by the professional mass media as an employer of choice. In general, it has a good corporate image and the company motto is "Providing services that best satisfy customers while strongly supporting employees." Regarding job advancement, competent employees receive priority for promotion.

#### *Job attributes*

[*Colleagues*] In terms of information obtained from formal and informal channels (such as campus recruitment and friends in the company), the interpersonal relationships are harmonious, and peers within this company have close ties to one another.

[*Supervisor*] Interacting and talking with the future supervisor during the job interview made me feel that he/she is quite nice.

[*Type of work*] This job has various opportunities for utilizing learned skills and involves challenging tasks. It is a meaningful job at which one can work independently.

[*Training opportunity*] This company provides various training courses and other opportunities to enhance employee expertise. It even offers customized training programs.

### **The Second Offer: Pay Level is NT\$ 32,000 per Month**

#### *Organizational properties*

Company [B]'s business is in the fields of consumer finance, capital markets, corporate financial planning, private banking, insurance, stock agencies, and wealth management. Branches are spread all over Taiwan and the world. A half hour is enough time to commute from home to the branch where you might work. Company [B] has been nominated for and received excellence awards several times from business magazines and has a positive reputation among the general public. The organizational motto is "Offering the

best service to our customers and the best assistance to our employees.” Regarding promotions in Company [B], candidates are chosen based on their job performance and are selected internally rather than from outside the company.

### *Job attributes*

[*Colleagues*] Through formal and informal sources (such as employment interviews and the Internet), colleagues within this company have conversations only about work-related topics and do not have extra-vocational interactions.

[*Supervisor*] Having had only a few interactions with my prospective future supervisor during the interview, I could not learn much about him/her.

[*Type of work*] One doesn't have many opportunities to use learned skills and abilities, and the job is not challenging. The work is not meaningful. Employees rely chiefly on the guidance of their supervisor and have no opportunity to provide personal suggestions.

[*Training opportunity*] The company offers standardized training programs to newcomers and provides on-the-job training using pre-designed training programs with little concern for the individual employee's training needs.