

# Career Satisfaction: A Look behind the Races

## La satisfaction à l'égard de la carrière : un regard au-delà de la question de la race

## Satisfacción profesional: observación detrás las razas

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### Article abstract

Previous studies have largely focused on the career success of white employees (Heslin, 2005). Using recent survey data, this paper examines the career satisfaction levels of white/Caucasian and visible minority managerial, professional and executive employees in the information and communications technology (ICT) and financial services sectors in corporate Canada. Given that the demographic makeup of organizations in Canada is drastically changing with the aging population and the increasing participation of visible minorities in the labour force, it is crucial for managers and organizations to understand their employees' level of career satisfaction. Studies have found that employees who are more satisfied with their careers are more engaged and thus are more likely to actively contribute to the organization's success (Peluchette, 1993; Harter, Schmidt and Hayes, 2002). Findings from this paper showed that the average career satisfaction scores were lower for visible minority employees than for white/Caucasian employees. In addition, variations were found between white/Caucasian employees and Chinese, South Asian and Black visible minority employees. While Black employees were 13.0% less satisfied than white/Caucasian employees, Chinese employees were only 8.3% less satisfied than their white/Caucasian counterparts, and the difference between South Asian and white/Caucasian employees was found to be insignificant. Decomposition analyses show that over 58% to 82% of the difference in career of satisfaction scores, depending on the ethnic group, can be accounted for by factors included in this paper. Of the unexplained portion, most of the differences in career satisfaction between white/Caucasian and minority groups are attributable to higher returns to white/Caucasian employees' human capital and demographic characteristics.

# Career Satisfaction: A Look behind the Races

Margaret Yap, Wendy Cukier, Mark Robert Holmes  
and Charity-Ann Hannan

**Using recent survey data, this paper examines the career satisfaction of white/Caucasian and visible minority managerial, professional and executive employees in the information and communications technology and financial services sectors in corporate Canada. Black, South Asian and Chinese employees were less satisfied with their careers than white/Caucasian employees, but to varying magnitudes—with Black employees being the least satisfied. About 58% to 82% of the differences in career satisfaction scores, depending on the particular ethnic group, can be accounted for by factors included in this paper. Of the unexplained portion, most of the differences in career satisfaction between white/Caucasian and minority groups are attributable to higher returns to white/Caucasian employees' human capital and demographic characteristics.**

**KEYWORDS:** visible minorities, career satisfaction, employee perceptions, organizational commitment

## Introduction

Career satisfaction is a subjective measure that captures employees' perceptions of their satisfaction with their overall career goals, goals for income, goals for advancement and goals for the development of new skills (Greenhaus, Parasuraman and Wormley, 1990). Previous studies have found linkages between career satisfaction and productivity and engagement, which in turn are linked to higher organizational commitment and increased creativity and innovation (Berg, 1991; Peluchette, 1993; Poon, 2004). Harter, Schmidt and Hayes (2002) also found that satisfaction is related to a number of other business outcomes including customer satisfaction, loyalty, profitability and lower employee turnover at magnitudes that are important to organizations. In addition, studies have found that employees who are more satisfied with their careers are more engaged and thus they are more likely to contribute actively to the organization's success (Peluchette, 1993; Harter, Schmidt and Hayes, 2002). In contrast, career dissatisfaction can lead to employees' disengagement, such that dissatisfied employees are less engaged in their work and are likely to exhibit lower performance than satisfied employees (Korman, Wittig-Berman and Lang, 1981).

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Racial minorities have been found to fare worse than white/Caucasians in a number of subjective and objective labour market outcomes including career satisfaction (Greenhaus, Parasuraman and Wormley, 1990), the experience of discrimination/harassment at work and barriers to advancement (Cox and Nkomo, 1991; Igbaria and Wormley, 1992, 1995; Statistics Canada, 2003), promotions (Greenhaus, Parasuraman and Wormley, 1990; Igbaria and Wormley, 1995; Yap and Konrad, 2009) and wages (Pendakur and Pendakur, 1998, 2007). While these studies contribute to our understanding of labour market outcomes for racial minorities, their subjective labour market outcomes have been relatively under-explored, especially in the Canadian context. The need to explore racial differences in labour market outcomes is further exacerbated by the shift in the demographic composition of the Canadian labour force.

Employment opportunities in Canada are projected to reach 35.2 million in 2055, while the labour force is projected to reach only 22.8 million in the same year, resulting in a shortage of workers beginning in 2014 (Ramlo and Berlin, 2006). As the baby boomers approach retirement age and Canada shifts from a manufacturing to a knowledge-based economy, employers across many industries will need to increase their demand for skilled workers in order to remain competitive in the global market. Immigration has been proposed as one potential solution and is expected to account for 100 percent of labour force growth over the next decade (Statistics Canada, 2008a). Although Canada has opened the doors to immigration to fill labour market goals in the past (Green and Green, 2004), recent immigrants have increasingly come from non-European origins (Stelcner, 2000), thus adding to the diversity of the labour force. In 2006 for example, 54% of all immigrants in Canada were visible or racial minorities, whereas 75% of recent immigrants to Canada were visible or racial minorities (Statistics Canada, 2008b). Racial minorities in the Canadian labour force have increased from 9% in 1991 to 15% in 2006 (HRSDC, 2003; Statistics Canada, 2006), and projections estimate that visible minorities will make up 29% to 32% of the Canadian labour force by 2031 (Statistics Canada, 2010).

In contrast to previous studies that have examined the career satisfaction perceptions of white/Caucasian employees compared to racial minority employees in the United States, this paper contributes to the existing literature by examining the career satisfaction perceptions of white/Caucasians and visible minority employees, working in Canada for Canadian organizations. Secondly, this study focuses on employees working in the information and communication technology [ICT] and financial services sectors, which represent the growing service sector of knowledge workers. Finally, while studies have examined the work experiences of employees in the early years of their career and are likely to be in low to mid ranking positions (Cox and Nkomo, 1991; Burke, 2001; Seibert and Kraimer, 2001), this paper focuses on employees who are in the mid to later years of their careers, and who have reached management, executive, or professional ranks within their current organization.

## Literature Review

Arguably, equal employment opportunity work environments should produce minimal differences in work-related experiences and outcomes among works of different races (Greenhaus, Parasuraman and Wormley, 1990). However, four out of five studies that examined white/Caucasian employees' work experiences compared to racial minorities' work experiences in the United States found that racial minority employees were less satisfied with their careers than white/Caucasian employees (Greenhaus, Parasuraman and Wormley, 1990; Cox and Nkomo, 1991; Igbaria and Wormley, 1992, 1995). While discrimination was not ruled out as the cause of these differences between white/Caucasian and racial minority employees' career satisfaction levels in most studies (Greenhaus, Parasuraman and Wormley, 1990; Cox and Nkomo, 1991; Igbaria and Wormley, 1992, 1995), Judge *et al.* (1995) argue that their results cannot be inferred to represent discrimination. These contrasting conclusions necessitate a better understanding of the differences between white/Caucasian and racial minority employees' career satisfaction levels and the factors associated with career satisfaction.

Identifying the role of discrimination has been challenging for researchers due to the varying types and interpretations of discrimination. Treatment or earnings discrimination, for example, occurs when members of a subgroup "receive fewer rewards, resources, or opportunities on the job than they legitimately deserve on the basis of job related criteria" (Greenhaus, Parasuraman and Wormley, 1990: 64-65). The devaluation of human capital has been described as a form of employment discrimination, which occurs when some groups of employees do not receive the same rate of return for their educational credentials or work experience as other groups of employees (Gosine, 2000; Reitz, 2001). Similarly, the application of an institution's policy or procedure that produces racist consequences is termed 'institutional racism' (Jones, 1972), and can also be viewed as a form of discrimination. As such, identifying the role of discrimination is a complicated task which involves the measurement of both objective (e.g., the rewards, resources or opportunities) and subjective components (e.g., the perceptions involved in determining the employees who legitimately deserve rewards, resources, or opportunities). Depending on the variables used in their studies, and their interpretation of discrimination, some researchers have therefore discounted discrimination as a contributing factor to the differences between white/Caucasian and racial minority employees while others have not.

Racial minorities' and immigrants' educational credentials, foreign educational credentials and work experience have been undervalued or devalued by Canadian employers as a form of employment discrimination (Gosine, 2000; Reitz, 2001; Aydemir and Skuterud, 2008). Similarly, discrimination was not ruled out as a contributing factor when Black employees were found to be more likely to reach career plateau than white/Caucasian employees (Greenhaus, Parasuraman and Wormley, 1990; Igbaria and Wormley, 1995), and when racial minorities were segregated into lower ranks than white/Caucasian employees (Howland and Sakellariou, 1993). More specifically, earnings discrimination was argued to cause significant wage gaps between visible minority

and white/Caucasian employees (Howland and Sakellariou, 1993; Christofides and Swidinsky, 1994; Pendakur and Pendakur, 1998; Nakhaie, 2006). Conversely, however, after finding that racial minorities earn less money and receive fewer promotions compared to white/Caucasian employees, Judge *et al.* (1995) argue that their results cannot be inferred to represent discrimination without more complete data.

Human capital, objective, workplace perceptions and demographic factors have been found to affect employees' career satisfaction levels. Although human capital theory posits that employees with more education and work experience will receive greater rewards than people with less education and work experience, studies have shown that education and work experience are not necessarily positively associated with career satisfaction. For example, a review of the literature showed the association between education and career satisfaction levels to be ambiguous (Wayne *et al.*, 1999; Seibert and Kraimer, 2001; Emmerik *et al.*, 2006). In addition, employees with shorter tenure were found to be significantly more satisfied with their careers than employees with longer tenure (Judge *et al.*, 1995; Hochwarter *et al.*, 2004; Armstrong-Stassen and Cameron, 2005).

The objective factors found to be positively associated with career satisfaction include rate of advancement/promotion, rank and salary (Judge *et al.*, 1995; Auster and Ekstein, 2001; Seibert and Kraimer, 2001). Bozionelos (1996) found that organizational differences in promotion opportunities were related to organizational differences in career satisfaction, while Martins, Eddleston and Veiga (2002) found that the greater the number of promotion offers managers received from their employers, the higher their level of career satisfaction. Similarly, Martins, Eddleston and Veiga (2002) found a positive correlation between the management level achieved and career satisfaction and Burke (2005) found that individuals at lower organizational levels were less satisfied with their careers than those at higher levels. Income was found to positively affect career satisfaction (Schneer and Reitman, 1994; Judge *et al.*, 1995; Seibert and Kraimer, 2001; Martins, Eddleston and Veiga, 2002; Poon, 2004).

In addition, supervisory support and recognition was found to be one of the main subjective factors to positively affect career satisfaction (Greenhaus, Parasuraman and Wormley, 1990; Cox and Nkomo, 1991; Igbaria and Wormley, 1992; Schneer and Reitman, 1994). Specifically, 'visibility to top management' was found to be positively associated with higher career satisfaction (Martins, Eddleston and Veiga, 2002) and receiving 'challenging and visible jobs' was found to positively correlate with career satisfaction (Richardson, Michelsen and Burke, 1997). August and Waltman (2004) and Auster and Ekstein (2001) also identified the need to explore the association between employees' perceptions of equity and/or transparency and career satisfaction and any potential differences between visible minority and white/Caucasian employees' perceptions. Employees' perceptions of skill utilization and education/training utilization should also be explored since employers are reportedly under-utilizing immigrant employees' skills (Reitz, 2001, 2007), despite findings that employees' perceptions of skill utilization associates with their career satisfaction levels (Aryeel, 1993). Finally, commitment is important to examine due to its positive effect on career satisfaction (Hochwarter *et al.*, 2004; Poon, 2004; Cox and Nkomo,

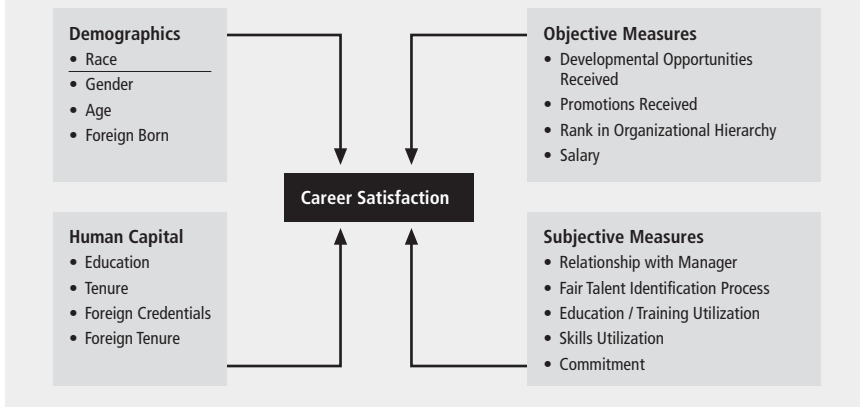
1991) and its significant, negative correlation with occupational turnover intention (Cunningham and Sagas, 2007).

Significant demographic control measures to examine include: age (Cox and Nkomo, 1991; Schner and Reitman, 1994; Judge *et al.*, 1995; Richardsen, Mikkelsen and Burke, 1997; Armstrong-Stassen and Cameron, 2005) and gender (Greenhaus, Parasuraman and Wormley, 1990; Igbaria, 1991; Schner and Reitman, 1994; Burke, 2001; Seibert and Kraimer, 2001; Poon, 2004). Also, in light of Canada's most recent demographic information, Canadian born and foreign-born variables will also be examined. Finally, building on studies that found differences between white/Caucasian and racial minority employees' perceptions of career satisfaction in the United States, white/Caucasian responses should be compared to visible minority responses to identify differences between the two employee groups. Sample size permitting, visible minorities' responses should be even further separated to provide more depth to the analysis.

Based on the previous discussion, Figure 1 shows the conceptual framework for this paper.

FIGURE 1

**The Conceptual Framework**



## Data and Method

### Data

Data used in this paper originate from a study that explored the career advancement experiences of visible minorities in major Canadian corporations. Beginning in July 2006, invitations to participate in this research study were sent to Financial Post 500 companies (the top 500 organizations in terms of revenues) and the top 20 Canadian law firms. Forty-three organizations agreed to participate in the on-line survey. Participating organizations either invited all or a random sample of their managers, professionals and executives to complete the online survey. More than 60,000 managers, professionals and executives were invited to participate in the employee

survey with an e-mail invitation introducing the research and requesting their time to complete the online survey. The on-line survey asked individual employees questions pertaining to perceptions of their work environment, career experiences, and organizations' diversity practices. Data collection took place between October 2006 and February 2007. A total of 17,908 individuals responded to the survey at a response rate of 29 percent. Of these, 17,468 were full-time employees. This paper utilizes the responses from over 11,000 non-aboriginal survey respondents employed full-time in the ICT and financial services sectors.

The method of sample selection used for this paper was that of case-wise deletion. Case-wise deletion is the process whereby employees who answered the survey, but left any one of the answers to the variables under analysis blank, were removed from the response population, thus resulting in a final sample of 9,196. This sample is comprised of 6,403 white/Caucasian and 2,793 visible minorities (788 Chinese, 473 South Asians, 340 Blacks and 1,192 'Other' visible minorities that include Arab/West Asian, Filipino, South East Asian, Latin American, Japanese, Korean and Other Visible Minority).

## Method

To examine the factors associated with career satisfaction; this paper utilizes hierarchical linear regressions as follows, where  $Y$  is the career satisfaction scores,  $X$  is a vector of explanatory variables that include human capital characteristics, workplace perceptions, objective employment outcomes and demographic characteristics and  $\epsilon$  is the error term.

$$\bar{Y} = \beta_0 + \beta_1 \text{VisibleMinority} + \beta_2 X + \epsilon$$

Further to the dummy variable approach accounting for the minority group, the Blinder/Oaxaca decomposition is conducted to show how differences in career satisfaction scores can be partitioned into a portion which can be explained by the variables included in the model and the portion which cannot be explained.

The dummy variable approach implicitly assumes that the coefficients of the explanatory variables included in the model are the same for each of the ethnic groups. Estimating separate equations for each group provides a better understanding of how each of the variables is associated with career satisfaction scores differently. In addition, the paper will utilize the Oaxaca/Blinder decomposition approach to partition differences in career satisfactions scores into an explained portion and an unexplained portion. The explained portion is that which can be explained by differences in characteristics (average value of explanatory variables included in the model) between the two groups, while the unexplained portion is the part attributable to differential returns (regression coefficients) on the same characteristics—often labelled "discrimination," as follows:

$$\bar{Y} = \beta_0 + \beta_1 \text{Chinese} + \beta_2 \text{SouthAsians} + \beta_3 \text{Blacks} + \beta_4 X + \epsilon$$

The difference between the average career satisfaction score for white Caucasians and each of the ethnic groups can be written as follows:

$$\bar{Y}_{Whites} - \bar{Y}_{VMGroup} = (\beta_{Whites} \bar{X}_{Whites} - \beta_{VMGroup} \bar{X}_{VMGroup})$$

Using the advantaged group (i.e., Whites/Caucasians) as the non-discriminatory as a point of comparison, the difference between the average career satisfaction scores for White/Caucasian respondents and that of each of the ethnic groups can be written as follows:

$$\bar{Y}_{Whites} - \bar{Y}_{VMGroup} = (\beta_{Whites} - \beta_{VMGroup}) \bar{X}_{VMGroup} + \beta_{Whites} (\bar{X}_{Whites} - \bar{X}_{VMGroup})$$

The first component on the RHS (the “coefficients” component) represents the differential effects of each of the variables included in the model on career satisfaction scores (based on the mean characteristics of the disadvantaged group) and the second component (the “endowments” component) represents the effect of differences in characteristics (based on the “returns” to the Whites).

### Variable Definitions

Table 1 summarizes selected human capital, objective and demographic variables used in this paper.

TABLE 1 Variable Definitions	
Variable	Description
Educational Attainment	Respondent's highest level of education attained. A set of dummy variables representing the highest education level attained: High School or Less, College Certificate & Diploma, Bachelors Degree, Graduate Degree and Professional Degree/Designation, e.g. chartered accountant, etc.
Foreign Credentials	Indicates if respondents possess credentials earned outside of the United States, Canada, Australia, New Zealand, France, Germany or the United Kingdom.
Foreign Work Experience	Indicates if respondents possess work experience earned outside of Canada.
Tenure	Indicates number of years the respondent has been working at their current organization.
Developmental Opportunities Received	Indicates if respondents received any developmental opportunities in the last three years at their current organization.
Promotions Received	Indicates if respondents received any promotions or admission into partnership in the last three years at their current organization.
Rank	The respondent's level in the organizational hierarchy: Pre-manager – an individual who is on track to become a manager. Manager – an individual who is on track to take on senior management or senior leadership roles in their organization. Professional – an individual who provides a particular skill or expertise, but who do not have people management responsibilities. Executive – an individual who holds the most senior positions in the organization, including the CEO and those individuals reporting directly to the CEO and are responsible for the organization's policy and strategic planning for and directing and controlling the functions of the organization.
Salary	Respondent's annual salary level at time of completion of survey.
Age	Age of the respondent, in years.
Gender	Indicate whether respondent is female.
Foreign Born	Respondents with country of birth other than Canada were considered foreign born, i.e. immigrants.
Visible Minority	Refers to a person, who is not an Aboriginal person, who is non-Caucasian in race or non-white in colour.



### **Perceptual Measures**

Each of the perceptual measures is comprised of a number of survey items and is created by dividing the summed responses by the sum of the highest score for each measure, converted to a percentage score. The perceptual measures are discussed below.

### **Career Satisfaction**

The dependent variable is derived from a four-item career satisfaction scale (Greenhaus, Parasuraman and Wormley, 1990) and includes items such as "I am satisfied with the progress I have made toward meeting my overall career goals;" and "I am satisfied with the progress I have made toward meeting my goals for income." The reliability coefficient (Cronbach's alpha) was 0.85. The same scale has also been used to measure career satisfaction in other empirical studies (Igbaria, 1991; Igbaria and Wormley, 1992; Judge, 1995; Richardsen, Mikkelsen and Burke, 1997; Burke, 2001; Nabi, 2001; Seibert and Kraimer, 2001; Eby and Butts, 2003; Hornik *et al.*, 2003; Lee, 2003; Poon, 2004; Sagas and Cunningham, 2004; Armstrong-Stassen and Cameron, 2005; Heslin, 2005; Sosik and Godshalk, 2005; Cunningham and Sagas, 2007; Graves, Ohlott and Ruderman, 2007).

### **Relationship with Manager**

The support that employees perceived that they received from their manager was calculated using an 11-item scale (Greenhaus, Parasuraman and Wormley, 1990; Cox and Nkomo, 1991; Igbaria and Wormley, 1992). This variable encompasses questions pertaining to the support and sponsorship that managers provide to their employees, as well as the perceptions of how managers interact with their employees. Two such questions are "My manager keeps me informed about different career opportunities for me in my organization," and "My manager provides appropriate recognition when I accomplish something substantial in the job." The reliability coefficient (Cronbach's alpha) was 0.95.

### **Fair Talent Identification Process**

The talent identification process variable is used to assess the employees' perception of their organizations talent identification practices (August and Waltman, 2004). The questions posed to assess the effect of the perceived talent identification process include: "I believe my organization does a good job of promoting/admitting into partnership the most competent people," and "I believe my organization's talent identification process is fair." The reliability coefficient (Cronbach's alpha) was 0.84.

### **Education/Training Utilization and Skills Utilization**

Both education/training utilization and skills utilization were measured separately through the use of individual survey items. Education/training utilization was measured using survey participant responses to the statement "I feel that my education and training have been under-utilized in my current job." Skills utilization was measured through survey responses to the statement "I feel that I am able to utilize my skills in my current position."

## Commitment

Commitment was measured using a six-item scale (Cox and Nkomo, 1991; Burke, 2001, Hochwarter *et al.*, 2004; Poon, 2004). Examples of questions that comprise a respondent's measure of commitment include: "I identify with my organization's core values" and "I am proud to tell others that I am part of this organization." The reliability coefficient (Cronbach's alpha) was 0.87.

Table 2 outlines the means, standard deviations (s.d.) and correlation coefficients for the perceptual measures outlined above. The average career satisfaction score is 66%. All of the other perceptual measures are positively associated with career satisfaction.

**TABLE 2**  
**Means, Standard Deviations and Correlation Coefficients for Perceptual Measures**

Variable	Means	s.d.	1	2	3	4	5
1. Career Satisfaction	66,0	23,4	(0.85)				
2. Commitment	79,4	17,7	.437**	(0.87)			
3. Relationship with Manager	72,2	23,0	.504**	.422**	(0.95)		
4. Fair Talent Identification Process	65,0	22,3	.633**	.541**	.601**	(0.84)	
5. Education/Training Utilization	55,9	32,5	.395**	.237**	.312**	.370**	
6. Skills Utilization	76,4	24,3	.478**	.350**	.382**	.429**	.390**

\*\* Correlation is significant at the 0.01 level (2-tailed) with Cronbach's alphas at the diagonals.

Note: Items 5 and 6 are single-item measure.

## Empirical Findings

### Descriptive Results

Table 3 shows the descriptive statistics of the key variables included in this paper: the whole sample, visible minorities and each of the three largest visible minority groups. As shown in Table 3, although the average career satisfaction score<sup>1</sup> is 66%, white/Caucasian respondents averaged 68.7% as compared to 60% or less for visible minorities. And among the three largest visible minority groups, Black respondents averaged the lowest career satisfaction score at 55.7%.

The average age of the respondents ranges from 40 to 43 years of age. Over half of the white/Caucasian respondents were female, compared to only 43.5% of visible minority respondents. In addition, higher proportions of visible minority respondents possess a university degree (both undergraduate and graduate degrees) than white/Caucasian respondents ( $d = 19\%$ ,  $p < 0.001$ ).

White/Caucasian respondents, on average, scored 73.4% on the relationships with manager score, as compared to only 69.3% for visible minority respondents ( $d = 4.1\%$ ,  $p < 0.001$ ). Similarly, white/Caucasian respondents scored 66.7% on the fair talent identification process score, compared to 61.0% for visible minority respondents ( $d = 5.7\%$ ,  $p < 0.001$ ), and 58.7% for Black respondents ( $d = 8\%$ ,

**TABLE 3**  
**Descriptive Statistics by Group**

Variables	All Cases	White Caucasian	Visible Minorities	Chinese	South Asians	Blacks
Average Career Satisfaction Score (%)	66,00	68,70	59,80 ***	60,40 ***	59,80 ***	55,70 ***
High School or Less (%)	15,20	18,20	8,00	4,20	5,00	10,60
College Certificate or Diploma (%)	25,90	29,30	18,30 ***	12,60 ***	12,10 ***	28,80
Bachelors Degree (%)	36,80	34,30	42,60 ***	49,60 ***	40,40 ***	36,20
Graduate Degree (%)	14,30	11,10	21,80 ***	25,00 ***	30,90 ***	17,90 **
Professional Degree/Designation (%)	7,80	7,10	9,30 ***	8,60	11,60 ***	6,50
Foreign Credentials (%)	10,20	2,80	27,00 ***	26,90 ***	37,80 ***	17,90 ***
Tenure in years	13,9	15,4	10,5 ***	9,9 ***	9,7 ***	10,9 ***
Years of Foreign Experience	1,2	0,6	2,7 ***	2,8 ***	3,7 ***	1,6 ***
Developmental Opportunities Received (%)	73,00	75,90	66,30 ***	62,30 ***	63,20 ***	69,40 **
Promotions Received (%)	40,10	39,60	41,30	38,60	42,70	40,60
Pre-Management Rank (%)	9,20	7,10	14,20 ***	16,80 ***	12,50 ***	13,50 ***
Professional Rank (%)	24,70	22,30	30,30 ***	39,20 ***	28,80 **	26,80 *
Management Rank (%)	56,20	61,30	44,30	34,30	46,40	49,70
Senior Management or Senior Leadership Rank (%)	6,50	6,90	5,60 *	4,80 *	6,60	5,90
Other Ranks (%)	3,40	2,40	5,60 ***	4,90 ***	5,70 ***	4,10 *
Annual Salary	\$81 063	\$81 755	\$79 490 **	\$81 973	\$84 736	\$74 161 ***
Average Relationship with Manager Score (%)	72,20	73,40	69,30 ***	69,20 ***	69,30 ***	68,10 ***
Average Fair Talent Identification Process Score (%)	65,00	66,70	61,00 ***	60,90 ***	60,80 ***	58,70 ***
Average Education/Training Utilization Score (%)	55,90	58,80	49,30 ***	48,00 ***	48,20 ***	51,50 ***
Average Skills Utilization Score (%)	76,40	77,90	73,00 ***	73,30 ***	73,30 ***	71,60 ***
Average Commitment Score (%)	79,40	79,20	79,90	78,40	81,50 ***	79,20
Age in Years	42,2	42,9	40,4 ***	40,3 ***	40,2 ***	41,2 ***
Female (%)	48,10	50,10	43,50 ***	48,50	33,00 ***	40,90 **
Foreign Born (%)	28,10	10,70	68,10 ***	74,90 ***	74,00 ***	60,00 ***
Number of Cases	9 196	6 403	2 793	788	473	340

Denote significant differences relative to the white/Caucasian group: \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

$p < 0.001$ ). Visible minorities also scored lower than white/Caucasian respondents regarding their perception of the extent to which their employers utilize their skills ( $d = 4.9\%$ ,  $p < 0.001$ ).

Two out of three visible minority respondents (66.3%) received developmental opportunities in the past three years while over three out of four white/Caucasian

respondents (75.9%) received similar opportunities ( $d = 9.6\%$ ,  $p < 0.001$ ). Finally, the average annual salary of visible minority respondents (\$79,490) is lower than that of white/Caucasian respondents ( $d = \$2,265$ ,  $p < 0.01$ ). However, among Chinese, South Asian and Black respondents, Black respondents are the only group that have an average salary significantly lower than white/Caucasian respondents ( $d = \$7,594$ ,  $p < 0.001$ ).

### Regression Results

Using a hierarchical linear regression, we examined the relationship of the various variables discussed in the methodology. Table 4 provides the R-squared change demonstrated by each successive step in building the final model to examine the factors that affect career satisfaction.

	All Groups	White/ Caucasians	Visible Minorities	Chinese	South Asians	Blacks
Demographics	0,048	0,018	0,016	0,012	0,037	0,044
+ Human Capital	0,062	0,032	0,035	0,055	0,090	0,079
+ Perceptual Measures	0,499	0,483	0,489	0,508	0,521	0,498
+ Objective Measures	0,513	0,498	0,507	0,536	0,551	0,523
Adjusted R-squared	0,512	0,496	0,502	0,522	0,527	0,486

As can be seen in Table 4, demographic variables play a greater role in explaining the career satisfaction levels for South Asian and Black respondents (3.7% and 4.4%), than for white/Caucasian and Chinese respondents (1.8% and 1.2%). Human capital characteristics of South Asian, Chinese and Black respondents account for higher proportions of the variance in their career satisfactions scores than for white/Caucasian respondents (4.3%, 5.3% and 3.5% versus 1.4%). On the other hand, perceptual measures account for a greater portion of the variation in career satisfaction scores for Chinese and white/Caucasian respondents (45.4% and 45.1%) than for the South Asian and Black respondents (43% and 41.8%). Similarly, the regression models also show that objective measures account for a greater proportion of the variation of career satisfaction scores for South Asian, Chinese and Black respondents than for white/Caucasian respondents (2.8%, 3.0% and 2.5% versus 1.4%). Overall, the variables included in this paper explained around 50% of the variation in career satisfaction scores.

Table 5 shows the regression results, taking into consideration the effects of the human capital, objective, perceptual and demographic measures, on career satisfaction scores for each of the following groups: white/Caucasian, visible minority, Chinese, South Asian and Black respondents.<sup>2</sup>

TABLE 5  
Regression Results by Group

Independent Variables	Model 1 All Cases		Model 2 White/Caucasian		Model 3 Visible Minorities		Model 4 Chinese		Model 5 South Asians		Model 6 Blacks	
	Coeff.	s.e.	Coeff.	s.e.	Coeff.	s.e.	Coeff.	s.e.	Coeff.	s.e.	Coeff.	s.e.
<i>White Caucasian</i>												
Chinese	-1,393 *	0,704										
South Asian	-2,461 **	0,856										
Black	-5,373 ***	0,948										
Other Visible Minority	-2,875 ***	0,585										
<i>High School or Less</i>												
College Certificate or Diploma	-0,811	0,566	-0,620	0,601	-1,833	1,452	-3,989	3,397	-3,125	4,481	-1,212	3,770
Bachelors Degree	-2,039 ***	0,572	-1,289 *	0,620	-4,085 **	1,394	-9,262 **	3,187	-10,117 *	4,218	-4,615	3,795
Graduate Degree	-3,051 ***	0,720	-1,540	0,832	-6,153 ***	1,568	-9,638 **	3,428	-13,834 **	4,461	-8,584	4,483
Professional Degree/Designation	-0,588	0,789	-1,492	0,901	0,151	1,701	-5,435	3,696	-3,202	4,724	-4,120	5,267
Foreign Credentials	0,309	0,736	2,442	1,323	-0,636	0,978	0,220	1,776	0,315	2,247	-0,215	3,430
Tenure in Years	-0,130	0,080	-0,029	0,093	-0,401 *	0,160	-0,750 **	0,284	-0,745	0,402	-0,946	0,504
Tenure in Years Squared	0,009 ***	0,002	0,006 *	0,003	0,015 **	0,005	0,023 *	0,009	0,029 *	0,013	0,026	0,016
Years of Foreign Experience	0,151 *	0,067	0,028	0,102	0,219 *	0,096	0,267	0,185	0,276	0,210	0,250	0,385
Developmental Opportunities Received	4,008 ***	0,403	4,413 ***	0,476	3,265 ***	0,751	2,689 *	1,316	2,954	1,863	3,370	2,434
Promotions Received	2,433 ***	0,369	2,026 ***	0,425	3,642 ***	0,728	4,326 ***	1,304	6,148 ***	1,766	7,589 ***	2,358

TABLE 5 (continued)		Model 1		Model 2		Model 3		Model 4		Model 5		Model 6	
Independent Variables		Coef.	s.e.	Coef.	s.e.	Coef.	s.e.	Coef.	s.e.	Coef.	s.e.	Coef.	s.e.
<b>Management Rank</b>													
Pre-Management Rank		-2,521 ***	0,634	-2,285 **	0,806	-2,437 *	1,065	-1,256	1,861	-1,881	2,695	-0,055	3,333
Professional Rank		-1,038 *	0,429	-0,725	0,500	-1,334	0,825	-2,550	1,440	2,185	2,003	-2,562	2,548
Senior Management or Senior Leadership Rank		-0,985	0,796	-1,089	0,906	0,046	1,629	-0,603	3,061	0,995	3,721	-4,513	5,176
Other Rank		-1,960 *	0,966	-3,145 *	1,288	-0,816	1,532	1,972	2,904	1,255	3,723	-4,288	5,427
Annual Salary (\$10,000 increments)		0,473 ***	0,060	0,403 ***	0,070	0,666 ***	0,114	0,859 ***	0,185	0,706 **	0,255	0,723	0,537
Relationship with Manager		0,121 ***	0,010	0,108 ***	0,011	0,147 ***	0,018	0,172 ***	0,035	0,244 ***	0,046	0,140 *	0,056
Fair Talent Identification Process		0,383 ***	0,011	0,381 ***	0,013	0,388 ***	0,021	0,395 ***	0,039	0,255 ***	0,051	0,372 ***	0,060
Education/Training Utilization		0,064 ***	0,006	0,079 ***	0,007	0,035 **	0,011	0,030	0,021	0,042	0,027	0,019	0,035
Skills Utilization		0,163 ***	0,008	0,150 ***	0,010	0,184 ***	0,015	0,217 ***	0,029	0,089 *	0,036	0,259 ***	0,043
Commitment		0,106 ***	0,012	0,107 ***	0,014	0,100 ***	0,023	0,069	0,042	0,176 **	0,062	0,072	0,065
Age in Years		-0,679 ***	0,175	-0,678 **	0,206	-0,927 **	0,333	-0,356	0,589	-1,793 *	0,884	-1,731	1,170
Age in Years Squared		0,007 ***	0,002	0,007 **	0,002	0,010 *	0,004	0,005	0,007	0,019	0,010	0,019	0,014
<b>Male</b>													
Female		2,845 ***	0,356	3,199 ***	0,408	2,237 **	0,704	0,833	1,235	2,523	1,837	-0,214	2,202
<b>Canadian Born</b>													
Foreign Born		-1,455 **	0,522	-1,913 **	0,724	-0,334	0,811	0,735	1,500	-1,483	2,243	-3,949	2,369
Constant		18,514 ***	3,719	18,534 ***	4,383	20,618 ***	7,037	11,823	12,513	45,740 **	18,169	42,503	24,540
F-statistic		401,33 ***		263,16 ***		118,44 ***		36,78874 ***		22,87508 ***		14,37528 ***	
Adjusted R-Squared		0,44		0,45		0,45		0,45		0,43		0,42	
Number of Cases		9 196		6 403		2 793		788		473		340	

Reference categories in bold italics. \*  $p < 0,05$ , \*\*  $p < 0,01$ , \*\*\*  $p < 0,001$

### Human Capital Characteristics

Higher educational attainment is associated with lower levels of career satisfaction. Respondents who had an undergraduate or graduate degree had lower career satisfaction scores ( $b = -2.0\%$ ,  $p < 0.001$  and  $b = -3.1\%$ ,  $p < 0.001$  respectively). For visible minorities who have an undergraduate or graduate degree, their career satisfaction scores were even lower ( $b = -4.1\%$ ,  $p < 0.01$  and  $b = -6.2\%$ ,  $p < 0.001$  respectively). Furthermore, Chinese respondents who possessed higher educational attainment experienced lower career satisfaction scores ( $b = -9.3\%$ ,  $p < 0.01$  and  $b = -9.6\%$ ,  $p < 0.01$  respectively) and South Asian respondents expressed similar satisfaction scores ( $b = -10.1\%$ ,  $p < 0.05$  and  $b = -13.8\%$ ,  $p < 0.01$  respectively).

### Objective Measures

Receipt of developmental opportunities and promotions were found to have a strong positive relationship with level of career satisfaction. In Model 1 of Table 5, respondents who received at least one developmental opportunity or promotion had higher career satisfaction scores ( $b = 4.0\%$ ,  $p < 0.001$  and  $b = 2.4\%$ ,  $p < 0.001$ ), over those who did not. In addition, the regression results indicated that pre-managers and professional employees were less satisfied than managers ( $b = -2.5\%$ ,  $p < 0.001$  and  $b = -1.0$ ,  $p < 0.05$ ). Also, salary was found to be positively associated with career satisfaction scores.

White/Caucasians (Model 2) who received developmental opportunities had higher satisfaction levels ( $b = 4.4\%$ ,  $p < 0.001$ ) over those who did not, while visible minorities' (Model 3) receipt of developmental opportunity only increased their satisfaction scores by 3.3% ( $p < 0.001$ ). Career satisfaction increased to a greater degree for visible minorities who received promotions ( $b = 3.6\%$ ,  $p < 0.001$ ), than it did for white/Caucasians ( $b = 2.0\%$ ,  $p < 0.001$ ). Similarly, visible minority respondents' career satisfaction increased to an even greater extent than white/Caucasian respondents with every increase of \$10,000 ( $b = 0.7\%$ ,  $p < 0.001$  and  $b = 0.4\%$ ,  $p < 0.001$  respectively). For Chinese and South Asians, a \$10,000 increase in salary is also associated with higher levels of career satisfaction ( $b = 0.9\%$ ,  $p < 0.001$  and  $b = 0.7\%$ ,  $p < 0.001$  respectively).

### Perceptual Measures

"Relationship with manager" and "fair talent identification process" were found to be positively associated with satisfaction levels such that a 10% increase in the relationship with manager score and a 10% increase in the perceived talent identification practice score are associated with a 1.2% ( $p < 0.001$ ) and 3.8% ( $p < 0.001$ ) increase in career satisfaction scores respectively. With every 10% increase in "relationship with manager" score, the satisfaction of white/Caucasian, visible minority, Chinese, South Asian and Black respondents' career satisfaction increases by 1.1% ( $p < 0.001$ ), 1.5% ( $p < 0.001$ ), 1.7% ( $p < 0.001$ ), 2.4% ( $p < 0.001$ ) and 1.4% ( $p < 0.05$ ) respectively. Skill and training/education utilization also affect levels of career satisfaction. For example, in Model 1, a 10% increase in training utilization score and a 10%

increase in one's skills utilization score is associated with a 0.6% ( $p < 0.001$ ) increase and a 1.6% ( $p < 0.001$ ) increase in career satisfaction score respectively. Commitment was also found to associate with higher levels of career satisfaction such that a 10% increase in a respondent's commitment also increased a respondents' career satisfaction by 1.1% ( $p < 0.001$ ).

### Demographic Characteristics

Controlling for demographic and human capital characteristics and both perceptual and objective measures, results from Model 1 show that South Asian, Black and Other Visible Minority respondents have lower career satisfaction scores as compared to the white/Caucasian counterparts. Older respondents experienced lower career satisfaction scores, such that a one-year increase in age is associated with a 0.7% ( $p < 0.001$ ) lower career satisfaction score. Age was found to have a negative effect on the career satisfaction scores of both white/Caucasian and visible minority respondents ( $b = -0.7\%$ ,  $p < 0.01$  and  $b = -0.9\%$ ,  $p < 0.01$  respectively), although it was found to have the greatest negative effect on South Asian ( $b = -1.8\%$ ,  $p < 0.05$ ) respondents. The regression also shows that female respondents are 2.9% more satisfied with their careers than men, among the white/Caucasian respondents, women were 3.2% ( $p < 0.001$ ) more satisfied while female visible minority respondents were 2.2% ( $p < 0.01$ ) more satisfied than their male counterparts. In contrast, being an immigrant is associated with a lower career satisfaction score in the overall regression ( $b = -1.455\%$ ,  $p < 0.01$ ) and for white/Caucasians ( $b = -1.913$ ,  $p < 0.01$ ).

### Decomposition Results

Since the wide array of explanatory variables have different effects on career satisfaction scores of each of the ethnic groups, both in terms of direction and magnitude, it is important to further understand these effects. Applying the decomposition technique suggested by Oaxaca (1973) and using the advantaged group (white/Caucasians) as the reference group, Table 6 provides a summary of the decomposition of differences in career satisfaction scores between white/Caucasian respondents and visible minorities (panel 1), Chinese (panel 2), South Asians (panel 3) and Blacks (panel 4), grouped into the explained (endowments) and unexplained (coefficients) portions for each of the category of factors considered in this paper. The table also provides estimates of the contribution of each of the category of variables included in our model to the differences in career satisfaction scores. In general, a positive coefficient number indicates an advantage to the advantaged group (i.e., increases the career satisfaction scores for white/Caucasians) while a negative coefficient number denotes an advantage to the disadvantaged group (i.e., increases the career satisfaction score of the minority group).

Panel 1 in Table 6 shows the decomposition results of the difference in career satisfaction scores between white/Caucasians and visible minorities. This difference of 8.9% can be broken down into two parts: 6.2% (69.8% of the difference) can be attributed to endowment differences; and 2.7% (30% of the difference) remains



TABLE 6 Decomposition Results								
	Panel 1 Visible Minorities		Panel 2 Chinese		Panel 3 South Asians		Panel 4 Blacks	
Average Career Satisfaction Scores - White/Caucasians	68,666%							
Average Career Satisfaction Scores	59,770%		60,415%		59,815%		55,692%	
Difference	8,896%		8,252%		8,851%		12,974%	
	Due to Endowments	Due to Coefficients	Due to Endowments	Due to Coefficients	Due to Endowments	Due to Coefficients	Due to Endowments	Due to Coefficients
Human Capital	0,353	4,799	0,532	10,968	0,261	10,826	0,437	9,001
Perceptual Measures	4,027	-2,922	4,311	-4,848	3,985	-1,192	5,187	-1,646
Objective Measures	0,790	-1,050	1,010	-1,672	0,645	-3,609	0,805	-2,326
Demographic Factors	1,040	3,943	0,961	-9,721	1,491	23,650	1,120	24,365
Shift / Constant	—	-2,083	—	6,711	—	-27,206	—	-23,968
TOTAL	6,209	2,687	6,815	1,437	6,382	2,469	7,549	5,426
Portion of difference attributable to:	69,8%	30,2%	82,6%	17,4%	72,1%	27,9%	58,2%	41,8%

unexplained. Most of the explained portion (due to endowments) of the difference can be accounted for by the perceptual measures. With regards to the unexplained portion (portion due to coefficients), the difference is attributable to advantages to white/Caucasians’ human capital and demographic characteristics.

Panel 2 in Table 6 shows the decomposition results of the difference in career satisfaction scores between white/Caucasians and Chinese. This difference of 8.2% can be broken down into two parts: 6.8% (82.6% of the difference) can be attributed to endowment differences and 1.4% (17.4% of the difference) remains unexplained. Again, most of the explained portion of the difference can be accounted for by the perceptual measures. For the unexplained portion, the difference is attributable to advantages to the human capital of white/Caucasians.

Panel 3 in Table 6 shows the decomposition results of the difference in career satisfaction scores between white/Caucasians and South Asians. The difference of 8.9% can be broken down into two parts: 6.4% (72.1% of the difference) can be attributed to endowment differences and 2.5% (27.9% of the difference) remains unexplained. Similar to the findings for visible minorities and Chinese, most of the explained portion of the difference can be accounted for by the perceptual measures. With regards to the unexplained portion, the difference is attributable to advantages to both the demographic and human capital characteristics of white/Caucasians.

Finally, Panel 4 in Table 6 shows the decomposition results of the difference in career satisfaction scores between white/Caucasians and Blacks. The difference of 13.0% can be broken down into two parts: 7.6% (58.2% of the difference) can be

attributed to endowment differences and 5.4% (42.8% of the difference) remains unexplained. Again, most of the explained portion of the difference can be explained by the perceptual measures. For the unexplained portion, the difference is again attributable to advantages to both the demographic and human capital characteristics of white/Caucasians.

## Discussion

Supporting most studies that have examined the career satisfaction differences between white/Caucasian and racial minority employees (Greenhaus, Parasuraman and Wormley, 1990; Cox and Nkomo, 1991; Igbaria and Wormley, 1992, 1995) and contrasting Judge *et al.* (1995) who focussed on executives' career satisfaction levels, this paper found that visible minority employees were significantly less satisfied than white/Caucasian employees. In addition, variation was also found among Chinese, South Asian and Black visible minority respondents. The smallest differences were found between white/Caucasian, Chinese and South Asian respondents ( $d = 8.3\%$ ,  $p < 0.001$  and  $d = 8.9$ ,  $p < 0.001$  respectively), while the largest difference was found between white/Caucasian and Black respondents ( $d = 13.0\%$ ,  $p < 0.001$ ). Human capital factors, objective, workplace perception and demographic factors were found to be associated with employees' career satisfaction levels, while their contribution to explaining the career satisfaction differences between white/Caucasian and visible minority employees varied across visible minority groups.

Contrasting Wayne *et al.* (1999) and Seibert and Kraimer (2001), but partially supporting Emmerik *et al.* (2006), education was found to be significantly negatively related to career satisfaction, such that career satisfaction levels decrease as educational attainment increases for the overall sample and visible minority respondents. This is especially true for Chinese and South Asian respondents, who have the highest proportion of foreign credentials (26.9% and 37.8% respectively). Although the foreign credential variable was not found to significantly affect career satisfaction levels for all groups, this may be due to the fact that only 10% of the respondents indicated that they possessed foreign credentials.

Similarly, tenure was found to be negatively associated with visible minorities' career satisfaction levels, thus supporting several other studies (Judge *et al.*, 1995; Hochwarter *et al.*, 2004; Armstrong-Stassen and Cameron, 2005). More specifically however, tenure was found to significantly negatively impact Chinese employees' career satisfaction levels while not significantly impacting white/Caucasian employees' career satisfaction levels. In addition, foreign work experience is positively associated with visible minorities' career satisfaction, but not with that of white/Caucasians. This gain is small however, resulting in a net advantage to white/Caucasian employees for human capital variables.

In addition to human capital factors, objective factors were found to be associated with career satisfaction. Receipt of developmental/training opportunities in particular were found to be positively associated with white/Caucasian, visible minority and Chinese respondents' career satisfaction levels, whereas promotions

were found to be positively associated with white/Caucasian and all minority groups' career satisfaction levels. Contrasting previous studies (Martins, Eddleston and Veiga, 2002; Burke, 2005) however, rank was found to be negatively associated with career satisfaction. Salary was found to be positively associated with career satisfaction, thus supporting previous studies (Martins, Eddleston and Veiga, 2002; Seibert and Kraimer, 2001; Schneer and Reitman, 1994; Judge *et al.*, 1995; Poon, 2004). Although the decomposition showed visible minority employees to receive an advantage to objective factors compared to white/Caucasian employees, findings indicate that future studies should take a longitudinal approach to examining the causes of the negative association between tenure and career satisfaction for all groups of employees.

Similarly, perceptual factors do not explain a large part of the career satisfaction coefficient between white/Caucasian and visible minority employees, although they were found to be significantly associated with career satisfaction. Specifically, the empirical findings show that "relationship with manager" is positively associated with white/Caucasians' career satisfaction levels and all visible minority groups' career satisfaction levels, thus supporting previous studies (Greenhaus, Parasuraman and Wormley, 1990; Cox and Nkomo, 1991; Igbaria and Wormley, 1992; Schneer and Reitman, 1994). Respondents' perceptions of "fair talent identification process" are also positively associated with their respective career satisfaction levels, in line with previous research findings (August and Waltman, 2004; Auster and Ekstein, 2001). Similarly, skills utilization has a significant positive association with career satisfaction for all groups, thus supporting Aryeel's (1993) findings. Education/Training utilization is positively associated with white/Caucasian and visible minority employees as a group, whereas commitment is only positively associated with white/Caucasian, visible minority and South Asian employees' career satisfaction levels. Although the associations between employees' workplace perceptions and their career satisfaction have more similarities than differences across groups, the findings are useful, suggesting that employers could inevitably improve all groups of employees' career satisfaction levels by implementing programs that improve relationships with managers, encourage fair talent identification practices, and support the full utilization of employees' skills.

Demographic factors were also found to be associated with career satisfaction. Older respondents were found to have lower career satisfaction scores than their younger counterparts. Female respondents were found to have higher levels of career satisfaction than male respondents. These findings are in line with previous research on age (Cox and Nkomo, 1991; Schneer and Reitman, 1994; Judge *et al.*, 1995; Richardsen, Mikkelsen and Burke, 1997; Armstrong-Stassen and Cameron, 2005) and gender (Greenhaus, Parasuraman and Wormley, 1990; Igbaria, 1991; Seibert and Kraimer, 2001).

Results from this decomposition exercise show that although two-thirds of the difference in career satisfaction scores between white/Caucasians and visible minorities can be explained by the factors explored in this paper, this ranges from

over 80% of the difference in career satisfaction scores between white/Caucasians and Chinese to only about half of the difference in career satisfaction scores between white/Caucasians and Blacks.

In addition, decomposition results showed that a significant part of the unexplained portion of the differences in career satisfaction scores between white/Caucasians and visible minority groups is due to advantages associated with white/Caucasians' human capital characteristics. This finding suggests that visible minority groups received lower returns to their human capital than white/Caucasians. Employers may therefore want to revisit how they evaluate and utilize the credentials and competencies that visible minorities bring to their workplaces.

Finally, it is also important to note that since perceptual measures account for a majority of the explained portion of the difference, this may signal that employees perceive their work environments differently and that organizations may wish to consider programs and practices that aim to improve workplace inclusiveness.

## Limitations

This paper utilizes survey data collected from large organizations, providing a snapshot of information on employees work experiences. Although helpful, survey data like ours only capture employees experiences and perceptions at a specific moment in time. Collecting panel data by following respondents for a period of time may allow for causal conclusions. In addition, large organizations are more likely than smaller organizations to allocate resources towards improving equity. Our findings may therefore understate the disadvantages experienced by visible minorities who work for small to mid-sized organizations. In addition, the sample size of our Black respondents ( $n = 340$ ) was small, thus decreasing the probability of finding statistically significant relationships compared to other visible minority groups. Third, our data set does not capture years since immigration and its association with career satisfaction. Finally, this study analyzed survey data collected from Canadian managers, professionals and executives, thus limiting our ability to apply our findings to entry level employees.

## Conclusion

Findings from previous studies that have identified associations between career satisfaction, productivity, engagement, commitment and innovation (Berg, 1991; Peluchette, 1993; Harter, Schmidt and Hayes, 2002; Poon, 2004), should compel employers to frequently assess their employees' career satisfaction levels. Canada's aging population and the increasing representation of visible minorities in the labour force has made this issue even more pressing for employers to explore today. This paper, through analyzing survey data collected from over 9,000 pre-managerial, managerial, professional and executive employees in the ICT and financial services sectors, showed that employees' career satisfaction levels are associated with demographic, human capital, perceptual and objective factors.

Findings showed that visible minority employees are significantly less satisfied than white/Caucasian employees, with the largest difference being between white/Caucasian and Black employees. In addition, the factors associated with career satisfaction levels vary by ethnic group. This may serve as a signal to organizations that there is still "room for improvement" to make their work environments more inclusive, which will help improve the career satisfaction scores of their employees and has been shown to be linked with higher productivity and profitability.

Similar to Judge *et al.*'s (1995) study, and due to the nature of this study to provide a 'snapshot' of visible minority employees' work experiences, our data have limited us from identifying discrimination as a cause of career satisfaction differences between white/Caucasian and visible minority employees. Due to the complex nature of discrimination, future studies should be longitudinal in nature, to capture a more detailed account of employees' work experiences.

## Notes

- 1 The career satisfaction score is calculated by summing together survey participants' responses to each of the four items that comprise the scale (i.e., from 0 to 4 for each item). This number is then divided by the highest possible total of 16 (i.e., 4 x 4) and multiplied by 100 to obtain a percentage score.
- 2 Separate analyses were conducted by gender and results were similar.

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## SUMMARY

### Career Satisfaction: A Look behind the Races

Previous studies have largely focused on the career success of white employees (Heslin, 2005). Using recent survey data, this paper examines the career satisfaction levels of white/Caucasian and visible minority managerial, professional and executive employees in the information and communications technology [ICT] and financial services sectors in corporate Canada. Given that the demographic makeup of organizations in Canada is drastically changing with the aging population and the increasing participation of visible minorities in the labour force, it is crucial for managers and organizations to understand their employees' level of career satisfaction. Studies have found that employees who are more satisfied with their careers are more engaged and thus are more likely to actively contribute to the organization's success (Peluchette, 1993; Harter, Schmidt and Hayes, 2002). Findings from this paper showed that the average career satisfaction scores were lower for visible minority employees than for white/Caucasian employees. In addition, variations were found between white/Caucasian employees and Chinese, South Asian and Black visible minority employees. While Black employees were 13.0% less satisfied than white/Caucasian employees, Chinese employees were only 8.3% less satisfied than their white/Caucasian counterparts, and the difference between South Asian and white/Caucasian employees was found to be insignificant. Decomposition analyses show that over 58% to 82% of the difference in career of satisfaction scores, depending on the ethnic group, can be accounted for by factors included in this paper. Of the unexplained portion, most of the differences in career satisfaction between white/Caucasian and minority groups are attributable to higher returns to white/Caucasian employees' human capital and demographic characteristics.

KEYWORDS: visible minorities, career satisfaction, employee perceptions, organizational commitment



## RÉSUMÉ

### La satisfaction à l'égard de la carrière : un regard au-delà de la question de la race

Des études antérieures sur le thème cité en titre ont mis largement l'accent sur le succès à l'égard de la carrière chez les employés de race blanche (Heslin, 2005). Utilisant les données d'une récente enquête, la présente étude examine les niveaux de satisfaction à l'égard de la carrière d'employés blancs (type caucasien) et en provenance des minorités visibles dans des emplois de niveau managérial, professionnel et exécutif dans les secteurs de l'information et des communications (TIC) et des services financiers corporatifs canadiens. Étant donné l'évolution dramatique du visage démographique dans les organisations au Canada attribuable au vieillissement de la population et à l'accroissement de la présence de personnes en provenance des minorités visibles dans la main-d'œuvre, il est crucial pour les dirigeants et les organisations de mieux comprendre le niveau de satisfaction à l'égard de la carrière de leurs employés.

Des études ont montré que les employés qui sont davantage satisfaits de leur carrière sont davantage engagés dans leur organisation et sont ainsi davantage susceptibles de contribuer au succès de celle-ci (Peluchette, 1993; Harter, Schmidt et Hayes, 2002). Les résultats de notre étude indiquent que les scores moyens en matière de satisfaction à l'égard de la carrière se révèlent plus faibles chez les employés des minorités visibles que chez les employés de race blanche. De plus, des différences sont observées entre employés blancs et ceux d'origines chinoise, sud-asiatique et de race noire. Alors que les employés de race noire affichent une satisfaction de 13 % moindre que ceux de race blanche, ceux d'origine chinoise sont seulement 8,3 % moins satisfaits que les employés de race blanche tandis que l'écart entre employés sud-asiatiques et ceux de race blanche n'est pas significatif sur le plan statistique.

Des analyses de décomposition montrent que de 58 % à 82 % des différences dans les scores de satisfaction à l'égard de la carrière, selon le groupe ethnique, peuvent être attribuables à des facteurs pris en compte dans l'étude. Pour ce qui est de la portion non expliquée, la plupart des différences dans la satisfaction à l'égard de la carrière entre employés blancs et ceux provenant des minorités visibles, sont attribuables aux rendements supérieurs affichés par les employés de race blanche en matière de capital humain et à des caractéristiques démographiques.

**MOTS CLÉS :** satisfaction à l'égard de la carrière, minorités visibles, perceptions des employés, engagement organisationnel

## RESUMEN

### Satisfacción profesional: observación detrás las razas

Estudios previos se han focalizado ampliamente en el éxito profesional de empleados blancos (Heslin, 2005). Usando datos recientes de encuesta, este documento examina los niveles de satisfacción profesional de directivos, profesionales y ejecutivos blancos/caucasianos y de proveniencia de minorías visibles, empleados en el sector de Tecnología de la información y de comunicaciones (TIC) y del sector de servicios financieros de una

corporación canadiense. Dado que la conformación demográfica de las organizaciones en Canadá está cambiando drásticamente con el envejecimiento de la población y la participación creciente de las minorías visibles en la fuerza laboral, es crucial para los directivos y organizaciones comprender el nivel de satisfacción profesional de sus empleados. Diversos estudios han establecido que los empleados que son más satisfechos con sus carreras son más implicados y son entonces más susceptibles de contribuir activamente al éxito de la organización (Peluchette, 1993; Harter, Schmidt y Hayes, 2002). Los resultados de este documento mostraron que los puntajes promedio de satisfacción profesional fueron más bajos por los empleados de minorías visibles comparativamente con los empleados blancos/caucasianos. Además, se establecieron variaciones entre empleados blancos/caucasianos y empleados de minorías visibles chinos, sud-asiáticos y negros. Mientras los empleados negros fueron 13% menos satisfechos que los empleados blancos/caucasianos, los empleados chinos fueron solo 8,3% menos satisfechos que su contraparte blanca/caucasiana, y la diferencia entre empleados sud-asiáticos y empleados blancos/caucasianos fue no significativa. Los análisis de descomposición muestran que entre 58 a 82% de la diferencia de puntajes de satisfacción profesional que depende del grupo étnico, pueden ser explicados por los factores incluidos en este documento. Por la porción inexplicada, la mayoría de diferencias de satisfacción profesional entre blancos/caucasianos y grupos minoritarios son atribuibles a los beneficios más elevados reportados por el capital humano de los empleados blancos/caucasianos y a las características demográficas.

**PALABRAS CLAVES:** minorías visibles, satisfacción profesional, percepciones de empleado, adhesión organizacional