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COMPARING PUBLIC AND PRIVATE ORGANIZATIONS OF ARMENIA: ISSUES ON GOAL-COMPLEXITY AND AMBIGUITY AND JOB SATISFACTION

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ABSTRACT

This study compares public and private organizations of Armenia and reveals the differences as well as similarities between them in regard to several key issues like goal complexity and job satisfaction, motivation and others. The study is based on research article "Comparing Public and Private Organizations: Empirical Research and the Power of the A Priori" by Rainey and Bozeman (2000). Rainey and Bozeman assess several major streams in the research comparing public and private organizations over the last two decades, which as the authors state: "in some ways refute widely held a priori assumptions about similarities and differences between public and private organizations but which in some ways support such assumptions." In their article, Rainey and Bozeman sort out the similarities and the differences of public and private organizations. Their analysis has important implications for major theoretical and practical issues like privatization of public services; administrative reforms and the theoretical and practical analysis of major administrative topics, such as organizational goals, individual motivation and work attitudes etc. The aim of this study is to contribute to the formation of similar theoretical and practical issues in the newly formed public administration system of the independent Republic of Armenia. Rainey and Bozeman focus on goal complexity and goal ambiguity; organizational structure; personnel and purchasing processes and work-related attitudes and values, like work satisfaction, motivation, valuation of rewards, and work outcomes. This research concentrates mainly on comparing issues like goal complexity and goal ambiguity and work-related attitudes and values, like work satisfaction, motivation and valuation of rewards in the public and private sectors.

This study has revealed a number of conflicting and mixed results. Some of the key results that this research has yielded are the following. Public agencies of Armenia experience more, though not very large amount of influence from outside, more political

interventions, than the private ones. The employees of the public organizations accept that they appease many parties whiles making a decision and that they are undergoing much influence on their organizations from outside. But they say that it does not complicate the goals of their organizations at all and does not make them ambiguous.

The study also reveals that employees in both sectors, public and private prefer financial rewards more than non-pecuniary motivation. This study has shown that generally managers are satisfied with their jobs, non-managers are neither satisfied nor dissatisfied with their current job, and that they are more eager to change jobs. In public organizations non-managers are more satisfied with their jobs, but still they would change their jobs if they could make more money. These results in some way support the existing research findings that exist in public administration domain. There is much empirical evidence in literature that yield the same results as this study has done, and vice versa there are some that witness opposite findings.

INTRODUCTION

Research comparing private and public organizations and examining the publicness of organizations has always been a matter of perennial interest for students of public affairs and administration. There is substantial literature examining the publicness of organizations, which is relevant to many policy design and implementation issues in political economy and organization theory such as the privatization of public services. Debate around the similarities and differences of public and private organizations still goes on. And it does not seem like it is going to stop at some time, as in the age of globalization the world is changing in an effort to meet the requirements of modernization and effective public administration. The Republic of Armenia, having only twelve years of independence, has a long path to pass to the formation of fully functioning democracy and good public administration. The public agencies of Armenia have a history of seventy years of communist heritage, they were shaped and were functioning according to the totalitarian regime. When the Soviet Union collapsed, everyone was convinced that it was because of centralized administration and command economy. And as a result, all public agencies were considered ineffective, bureaucratized and having very vague and complex goals.

But having said all of the above, we have to admit that these organizations were functioning for about seven decades, and were functioning in a huge system called Soviet Union. Anyway, after twelve years into independence, we have now public agencies that are more or less reformed but are still under reformation period and restructuring, which is normal for countries in transition. As for the private organizations of Armenia, although they are comparably young and newly shaped, they are getting stronger and more organized and their role in the market economy is becoming more and more important, influential and competitive. Thus

at this stage, understanding the differences between public and private organizations is very relevant – both for the design of these organizations as well as for their management. This study will compare public and private organizations of Armenia and try to reveal the distinction between them in regard to several key issues like goal complexity and job satisfaction, motivation and others. It is important to see the distinction in order to evaluate our current situation pragmatically and to be able to make correct prospects for our future activities. Nowadays, when most of the services and formerly state-owned enterprises in different branches of industry are being privatized, it is more than important to see the balance between the public and private services, products and which is more important the labor force.

THEORETICAL BACKGROUND

We will begin with the definition of an organization, which according to Barnard (1938) and Senge (1990) is a human grouping deliberately constructed and reconstructed to seek specific goals (Michael L. Vasu, Debra W. Stewart, G. David Garson, 1998). According to Martin (1989) public organizations are those created by law whose budget support comes from the public in the form of taxes. Martin states that, **public** organizations are frequently referred to as nonmarket organizations in the literature to distinguish them from those whose survival depends upon the laws of supply and demand (as quoted in Vasu et al. 1998). As for private organizations, Vasu et al.(1998) note, that the ultimate goal of the **private** organization (firm) is to maximize profit because to do less is to fail to survive in the marketplace. This necessity to secure its funding in the marketplace is what "sets apart" the classic private firm from the classic public agency. They also note that, the discussion of the similarities and differences between public and private organizations brings them back to the question of perspective. They state that

organizations need to achieve, at one and the same time, the ostensibly contradictory goals of both differentiating and integrating work in order to function. In the same vein, the case can be made for both the inherent similarities and inherent differences between public and private organizations and, by implication, between public and private management (Vasu et al. 1998).

Rainey and Bozeman's (2000) article "Comparing Public and Private Organizations: Empirical Research and the Power of the A Priori" assesses several major streams in the research comparing public and private organizations over the last two decades, which as the authors state: "in some ways refute widely held a priori assumptions about similarities and differences between public and private organizations but which in some ways support such assumptions." Here by *a priori views*, the authors mean the untested assumptions and foregone conclusions about the distinctions between private and public organizations. They state: "While empirical research has accumulated, these a priori views show remarkable staying power even though research has contradicted many of them. A striking aspect of the a priori views, one that made it necessary to test them empirically, is that there were – and still are- *two* general a priori positions on this topic, they conflict with each other" (Rainey 1997, as quoted in Rainey and Bozeman 2000, p. 448). Rainey and Bozeman (2000) note that some eminent scholars took pains to denounce the public-private distinction, or at least to point out that public and private organizations are more similar than they are different. The authors quote Herbert Simon's view that "public, private, and nonprofit organizations are essentially identical on the dimension that receives more attention than virtually any other in discussions of the unique aspects of public organizations- the capacities of leaders to reward employees" (Herbert Simon 1995, in Rainey and Bozeman 2000, p.449).

Rainey and Bozeman (2000) say that some scientists take the position that public bureaucracies differ from the private ones in many aspects (e.g., Barton 1980; Dahl and Lindblom 1953; Dixit 1997; Downs 1967), and their observations about the distinctions have coincided with the negative fame of public bureaucracy that prevails around the population, that as Goodsell (1994) describes: "coupled with the perception of business firms as inherently superior in efficiency and effectiveness" (Rainey and Bozeman 2000, p.448). According to Rainey and Bozeman (2000), fascinatingly, organizational sociologists, psychologists, and researchers on business management usually took a diametrically opposing position. The latter treated such distinctions as public vs. private and for-profit vs. nonprofit as crude stereotypes taken seriously only by people poorly educated in the field of organization theory. Similarly, Rainey (1991) says that many authors caution against oversimplified distinctions between public and private management (Baldwin, 1987; Bozeman, 1987; Golembiewski, 1985; Murray, 1975; Weinberg, 1983). As he states: "Objections to such distinctions require careful examination, because they provide valuable counterpoints against invidious stereotypes" (Rainey, 1991, p.16). The same author states, "…Some knowledgeable people call for development of a field recognizing the distinctiveness of public organizations and public management. Meanwhile, policy makers around the world struggle with decisions involving billions of dollars and concerning privatization of state activities and the roles of their public and private sectors" (Rainey, 1991, p.15).

Wallace Sayre's ironic aphorism that public and private management (or organizations) are fundamentally alike in all unimportant respects is well known in the sphere of public administration. Michael M. Harmon and Richard T. Mayer (1986) state that:

> "This aphorism neatly summarizes a long-standing and highly contentious issue in public administration discourse about organizations. Assuming that Sayre is correct, then differences in modes of managing obviously imply differences in the

kinds of organizations that are managed. By extension, if public and private organizations differ from one another in significant ways, then questions naturally arise about how theorizing might, both descriptively and normatively, take due account of those differences."

Rainey and Bozeman (2000) consider the research on comparing public and private organizations a success story. They say that the topics covered in these studies are of great theoretical and practical importance. Moreover, one thing that is very rare in social sciences, the studies have converged in their findings, despite limited institutional support, use of multiple methods, infusion of few resources and little or no coordination among many of the researchers and research programs.

In their article, Rainey and Bozeman (2000) sort out the similarities and the differences of public and private organizations. Their analysis has important implications for major theoretical and practical issues, and as they state the issues are the following: privatization of public services; allocation of functions and tasks among sectors; administrative reforms and organizational change; and the theoretical and practical analysis of major administrative topics, such as organizational goals, structure, and individual motivation and work attitudes etc. Rainey and Bozeman focus on goal complexity and goal ambiguity; organizational structure; personnel and purchasing processes and work-related attitudes and values, like work satisfaction, motivation, valuation of rewards, and work outcomes. This research will concentrate mainly on comparing issues like goal complexity and goal ambiguity and work-related attitudes and values, like work satisfaction, motivation and valuation of rewards in the public and private sectors. The selection of the two areas of study mentioned supra, out of four areas chosen by Rainey and Bozeman, has its logical explanation in our situation. Public agencies in Armenia and in many other nations, as asserted by large masses are vaguer in their goals, than the private ones, partly because of the lack of sales and profit indicators and incentives. And complications due to

political oversight and interventions by multiple authorities are more than present in our reality. Private firms, on the contrary, seem to be in a better situation. Many researchers think that the private organizations, roughly put, know what do they want, and are more or less away from political interventions. It is a matter of great interest to see on practice, what do the public and private employees think of their organization's goals and their complexities themselves. It is interesting to find out the similarities and differences in work-related attitudes and values between public and private organizations in Armenia by comparing them. We have chosen this issue to find out whether the public employees are more devoted to their jobs and are for a work that is firstly beneficial to the society, or they prefer material rewards more. Another reason is that, it is alarming that many people tend to quit their public jobs and go to the private sector to work, because of the high salary in the private firms. Some people prefer working in the public sector even for small salary, because they believe that they can be useful to the public and their country, and that high prestige is more valuable for them than anything else. So why do people choose working in the public sector? This question has been a matter of interest since the inception of research in public administration domain. We will try to answer this question later in our study. Another important point is that being presently still in a transition period, where the public services like trade and others are privatized, but still having most of the services public, it is not very clear yet what is the distinction between private and public organizations.

While discussing and researching organizational structure Rainey and Bozeman (2000) have focused on formalization (the extensiveness of rules and formal procedures and their enforcement) and red tape. The discussion of that issue is out of the scope of this study, which has its reasonable explanation. We didn't choose the formalization of personnel and purchasing processes because the country is only recovering from the post-communist shock and is in a

transition period. The law on civil service has been past only recently and it is not functioning fully yet. Public servants are not protected fully in their jobs. They can be fired any time the top manager is changed, or anytime the latter wishes so. So we are having almost the same situation as in the private organizations. Public organizations have more concentration of authority on the top of the organization or with external authorities, especially authority over personnel and purchasing procedures. So the real situation could not be observed or studied as the public organizations of Armenia are under substantial structural changes for the moment. Government funding is always associated with long delays and formalization. Also, as some scholars have observed, the private agencies, that received more government funding, received more contacts and communication from the latter. It is more than evident that this description is very close to our reality in Armenia. U.S is having a similar situation, so as for us we prefer leaving this issue out of the scope of this study. Later in the study we have touched upon the issue of external authority, but on the dimension of goal complexity and ambiguity.

Goal complexity and goal ambiguity

It is universally asserted that public agencies have more goal complexity than the private organizations do. The assertions typically refer to the lack of sales and profit indicators and incentives for public agencies, as Rainey and Bozeman (2000) mention; complications due to political oversight and interventions by multiple authorities and interest groups; and value-laden and sharply conflicting mandates (for example, simultaneous demands for efficiency and equity or for conservation and development). Rainey (1991) states that some scholars theorize (as many citizens believe) that the absence of information and incentives of economic markets reduces incentives for cost reduction, operating efficiency, and effective performance. In the absence of

markets, as Rainey (1991) notes, other governmental institutions (courts, legislatures, the executive branch hierarchy) use legal and formal constraints to impose greater external governmental control of procedures, spheres of operations, and strategic objectives. Interest groups, the media, public opinion, and informal bargaining and pressure by formal authorities also exert an array of less formal, more political influences. The author states that government is more monopolistic, coercive and unavoidable than private organizations, with a greater breadth of impact, and therefore requires more constraint. According to Rainey (1991), government organizations operate under greater public scrutiny, subject to unique public expectations for fairness, openness, accountability, and honesty. However, Rainey (1991) also says that researchers increasingly realized that politics and power relations figure importantly in all organizations (Pfeffer, 1981 in Rainey, 1991, p.73). And some make a point of claiming that the politics in business firms and government agencies are very similar (Yates, 1985 in Rainey, 1991, p.73).

Rainey (1991) says that there are more observations about the general features of the public sector context than consensus about how to deal with the variations within it. He continues that the assertions about the general characteristics of public organizations that distinguish them from their private counterparts can be summarized as follows: "There are more political intrusions into management in public organizations and a greater infusion of political criteria. A more elaborate overlay of formal, institutional constraints governs the management process, involving more formal laws, rules, and mandated procedures and policies. Goals and performance criteria are generally vaguer, multiple, and more conflicting for public organizations. Economic market indicators are usually absent, and the organizations pursue idealized, value-laden social objectives" (Rainey, 1991, p.94). Rainey (1991) very accurately

notes that the public sector must handle particularly difficult social tasks, often under relatively vague mandates from legislative bodies. He says that "public organizations must jointly pursue all of the complex goals, like accountability, responsiveness, representative ness, openness and efficiency" (Rainey, 1991, p.94).

Goal-complexity and ambiguity of an organization always brings to its inefficiency and weak management. The more requirements an organization has the more difficult becomes its task to state clear goals and be effective in all its units. This mostly refers to public organizations, as we have already noticed, as the many rules and requirements imposed on them by many parties in many cases make them inefficient. In an effort to define and determine organizational effectiveness, many experts have tried to develop general frameworks and a general body of knowledge that one can broadly apply. Thus, many complexities have caused them to try- and find inadequate-many approaches. One of the approaches is the goal approach that Rainey (1991) elaborates upon. As he says, at the outset it appeared obvious that one should determine the goals of the organization and assess whether it achieves them. As we know, organizations have many goals, which vary along many dimensions and often conflict with each other. Rainey (1991) says that: "Herbert Simon once pointed out that a goal is always embedded in a set of goals which a person or group tries to maximize simultaneously – achieve excellence in delivery of services to clients but keep the maintenance schedule up, keep the members happy and motivated, maintain satisfactory relations with legislators and interest groups, and so on" (p.209). Many different coalitions or stakeholders associated with an organization- managers, workers, client and constituency groups, oversight and regulatory agencies, legislators, courts, people in different subunits with different priorities for the organization, and so on can have different goals for the organization. In addition, researchers and consultants can have a hard time

specifying an organization's goals because people in the organization have difficulty stating or admitting the real goals. Organizations have not only formal, publicly espoused goals but also actual goals. The goal model, in simplified forms, implies a view of management as a very rational, orderly process. All these complications caused organizational effectiveness researchers to search for alternatives to a simple goal-model. Experts still exhort managers to identify missions, core values, and strategies. Every organization has it mission statement, public and private ones (Rainey, 1991, pp. 209-210). To produce a mission statement of a public organization according to Bryson (1988, in Rainey, 1991) requires a careful review of *mandates* for the organization – the requirements imposed by external authorities through legislation and regulations. This review can clarify what external authorities dictate and can also provide insights about new approaches. Rainey tells that: "Ultimately, the mission statement expresses the general purpose of the organization and major values and commitments" (Rainey, 1991, p. 91). As we have already mentioned, public agencies owned and funded by government, operate under political authority. The political system of the nation, according to Rainey (1991), and its traditions, institutions, and values heavily influence the exercise of that authority. The U.S. Constitution formally states some of these values and establishes some primary institutions and rules of governance. For example, "Americans have historically demanded that government operate with businesslike standards of efficiency, although the Constitution nowhere expresses this criterion" (Waldo, [1947] 1984 in Rainey, 1991, p.47). Rainey (1991) says that these general values and institutional arrangements strongly influence the values, constraints, and performance criteria imposed on public organizations. He continues that they translate into direct, practical influences on public organizations and managers, to an extent not adequately recognized in much of organization theory (p.47). Good interpretation and specification of the goals of each unit can

make the picture clearer for every employee. And on this background, the mission statement and generally the ultimate goal of any organization will be more visible.

Work-related attitudes and values - work satisfaction, motivation, valuation of rewards

In public vs. private comparisons, there is now a tradition of analyzing the differences between work-related attitudes and values of the private and public employees. Many of the studies have focused on work satisfaction, and the results of the studies have once more proved the existing and prevailing stereotypes about public agencies being a dreary place to work. "More recently, however, Steel and Warner (1990) and DeSantis and Durst (1996) report that in the National Longitudinal Youth Survey, a very carefully designed survey of young labor force participants, public-sector respondents actually report somewhat higher levels of general work satisfaction than do private-sector respondents" (Rainey and Bozeman, 2000, p. 459). The authors conclude that the apparent conflict in the findings is   that the consistent findings of lower satisfaction in the public sector are more indicative of particular frustrations than of a general crisis in work satisfaction in the public sector (e.g., Lewis 1991 in Rainey and Bozeman, 2000).

After a long discussion and detailed analysis of the limitations of questionnaires, representativeness of the samples, response rates, response bias and selection effects Rainey and Bozeman (2000, p. 465) conclude: "One general argument against the veracity of the empirical findings about differences between public and private organizations is that the methods and techniques employed are flawed and the data are unsatisfactory; thus, inferences inspire little confidence." While there are a few cases where organizational research has shown reasonably convergent findings, the lack of convergent findings is notorious. One should not suppose that

the scarcity of convergent findings is confined to the softer of the social sciences. Economists have had no more success than have sociologists and political scientists in developing convergent findings with respect to such straightforward questions as effects of organizational size (Rainey and Bozeman, 2000).

Gerald T. Gabris and Gloria Simo (1995) say that, while delivering a lecture some years ago at Northern Illinois James Perry, described the basis for a tantalizing notion he labeled "public sector motivation." His core theme suggests that persons choosing public sector occupations (the dependent variable) are motivated by career needs (the independent variable) substantially distinct from those associated with the private sector. Subsequent to his presentation, James Perry and Lois Wise postulate that public sector motivation can be understood as consisting of three interrelated components):

> Public motivation consists partly of "rational" choices by individuals to participate in public policy formulation processes, conscious commitment to various programs, or the decision to advocate for specific groups or positions. A second, more norm based ingredient, consists of the desire to serve the public interest, loyalty to the general government, or belief in social equity. Finally, some public sector motivation may be attributable to effectual predilections, as indicated by a general fixation for serving others, patriotism, or altruism (Gabris and Simo, 1995).

According to Gerald T. Gabris and Gloria Simo (1995), the felt need for working in government has been around for millennia. The classical Greek philosopher, Plato, raises the fundamental question. Why should intelligent, wise, and good men (or women) want to rule? Why get involved in government if you do not have to? Is the primary motive money, power, or

greed as the sophist Thrasymachus would have us believe, or, are there deeper needs driving some to govern? Socrates responds wisely (as he always does): "the greatest penalty is being ruled by a worse man if one is not willing to rule oneself . . . It is because they fear this, in my view, that decent men rule". The fear of bad government nudges intelligent and competent individuals to become involved in the governing process.

Gabris and Simo (1995) state that asserting the need for competent people in government is one thing, specifying what they need to do once activated is another. Woodrow Wilson once stated that running a constitution is becoming harder than framing one. In a well-crafted essay on the origin of ethical constructs in public administration, Darrell Pugh (1991) makes the case that two dominant strands of values emerged in the early twentieth century. The first, and most dominant of these stresses "bureaucratic ethos," whereas the second framework, important but more ephemeral, emphasizes "democratic ethos."

According to Gabris and Simo (1995), bureaucratic ethos advances the utility of functional design, including a pyramidal top-down chain of command, impersonal rules, merit or civil service selection, and task specialization all presumably thought to enhance organizational effectiveness and efficiency. Pugh (1991) contends that in several quarters, bureaucratic ethos has been equated as synonymous with good government, although today, some view the bureaucratic nature of government as the pith of intransigency. Nonetheless, the classic bureaucratic model still redounds as the orthodox structural design common to most public organizations.

The authors also state that singularly, bureaucratic ethos does not differentiate public versus private value systems. For most assuredly, private sector managers also stress the values of efficiency and effectiveness. What makes public administration special is the interplay

between bureaucratic and democratic values. Pugh (1991) characterizes democratic ethos as epitomizing regime (constitutional) values, citizenship, public interest, and social equity. Presumably, persons choosing governmental careers are interested in using bureaucratic agencies as mechanisms for implementing democratically determined public policies, in framing policies that provide the greatest good for the greatest number, and accomplishing all the above in the fairest and most equitable manner. People working in the public arena strive to harness the technical efficiency of bureaucratic organization for the purpose of advancing "democratic" values broadly conceived. Building on these ideas, the core values of public administration generally include:

- High concern for efficiency and effectiveness

- Adherence to merit selection principles

- Adherence to civil service neutrality

- Maintenance of regime values (democratic government)

- Desire to further the public interest broadly conceived

- Strong support for social equity (Gabris and Simo, 1995)

Gabris and Simo (1995) admit that the above delineation does not exhaust all plausible public sector values, but it does capture the lion's share. An addendum to this list is that public sector organizations are not supposed to be "profit" driven, and do not operate in market economies. The common cliché "I am not in this job for the money," says it succinctly. Implicit within public administration is the tacit assumption that governmental personnel magnanimously sacrifice a portion of their potential career earning power for the privilege of serving the public. As Gabris and Simo (1995) summarize, the point of the above discussion is to suggest that yes, public employees historically have been perceived as motivated by special values. The ethos of

the public sector embraces democracy, eschews profit, and encourages the utilization of bureaucratic structure as the primary means for efficiently implementing public policy. For these reasons, public employees should be different in their career orientation when compared to private sector counterparts, for they march to the beat of a different drummer. In our research we will observe later on, how the public sector employees differ in their attitudes toward work, in their job satisfaction level and whether they prefer materials rewards less than their private sector counterparts.

But still Crewson (1997) states that the use of monetary incentive systems remains a dominant fixture in public organizations even though their utility continues to be debated by the academic community. These incentives, generally in the form of merit-based promotions and cash awards, have an underlying rationale that instilling market-based incentives and values in the public sector will inspire market-like efficiencies and improved effectiveness. The implicit assumption driving these practices is that the public labor force is substantively the same as the private labor force. There is tangential support for this assumption in comparative research on the representativeness of public employees. Goodsell (1985) asserts that bureaucrats are just "ordinary people," and research by Lewis (1990) finds that the attitudes of public employees toward the role of government are very similar to those of the general public. Crewson states that his study, however, pursues the contrary argument that civil servants are different. This argument is premised on research begun in the early 1960s that has shown that the reward motivations of public-sector employees are not representative of the general labor force. Crewson also notes that although it was promising, public-service motivation research stagnated for almost two decades. In the early 1980s, however, Rainey (1982 and 1997, in Crewson, 1997) built upon past research by empirically investigating differences in reward motivations between public- and private sector

employees. Using data from surveys of employees in five public and four private organizations, Rainey (1982 and 1997 in Crewson, 1997) concluded that public employees have a greater interest in altruistic or ideological goals such as helping others or doing something worthwhile for society and less interest in monetary rewards than do their private-sector counterparts. In this regard Guyot (1962, in Crewson, 1997) states his finding in his comparison of middle managers in business and in the federal government that public managers have a higher need for achievement than do private managers. Kilpatrick, Cummings, and Jennings (1964) found that public managers give lower ratings to financial reward and higher ratings to worthwhile social or political service.

In an attempt to resolve some of the gaps in prior empirical research and the confusion facing today's policy makers, Crewson's (1997) article "Public-service motivation: Building empirical evidence of incidence..." reinforces the premise that exploring preferences in reward characteristics should be a priority in developing a better understanding of civil service motivation and behavior. The implication for responsive and cost-effective government is that failure to properly understand and utilize the motivations of public employees may lead in the short term to poor job performance and in the long term to permanent displacement of a public service ethic.

Rainey and Bozeman (2000) state that the assumption that government leaders have less capacity to reward employees than do leaders in business firms, and that government needs to become more businesslike in this regard, has driven civil service reforms at all levels of government in the United States and in other nations. Yet a Nobel Laureate, Herbert Simon denies that such differences exist. As Rainey and Bozeman quote Simon (2000, p. 449):

"This divergence among different fields complicates but also enhances the analysis of a priori assertions and of convergence in the research. When we refer to convergence of findings at various points in this article, we often are referring to convergence of findings that support one or the other of these two sides…. The findings indicate definite convergence on the point that we have substantial evidence of important differences between public and private organizations. Yet they also indicate convergence on evidence that some of the frequently asserted differences receive little or no empirical confirmation and that the public-private distinction may well involve oversimplifications and stereotypes in those cases. Happily, both sides can take pride in being right in certain ways."

Steel and Warner (1990, in Rainey and Bozeman, 2000) argue that, "over the past decade a variety of scholars have maintained that public sector employees manifest low levels of job satisfaction, and thus experience workplace alienation, due to: (1) external attacks ("bureaucrat bashing") from the media, public, and politicians; and (2) alienative internal dynamics (organizational arrangements) of working within a rigid and overly centralized organization with external goal setting and close supervision". One of the hypothesis of this essay will suggest later, that public agencies are more goal complex that the private ones because of the multiple interventions by authorities. This issue was a matter of many debates and researches in the United States from the beginning of the 1970's. The work satisfaction among the population was declining and it was becoming more and more alarming. An atmosphere of stagnation was developing. This is what Hamilton and Wright (1986:219) in Steel and Warner (1990:186) bring in this regard:

"A sudden upsurge of interest in the subject of work occurred in the early 1970's... The principle conclusions offered by many of these commentators were that work satisfaction was declining and that the resultant anger and hostility constituted an explosive potential...."

Central to many of the criticisms of these commentators was the issue that the socioeconomic status of Americans had increased drastically in the postwar period, producing what many contemporary observers have come to call a "postindustrial" workforce (Davis, 1971; Waldo, 1980: 158-161; Koehn, 1983; Inglehart, 1990 in Steel and Warner 1990: 186 in Rainey

and Bozeman, 2000). Steel and Warner continue further, that the postindustrial workforce values quality of work life, sense of purpose in one's work, and participation in decision making more heavily than the material rewards of work. Armenia in the recent years of its development has come to a stage, which can be called "post-independence" or "post-crisis" stage of development. And the workforce can be called the same way: "post-crisis" workforce. The latter nowadays values quality and conditions of work life, has its special requirements towards organizational ethics and participation in decision making processes. It will be quite valuable to observe the real situation later in this essay.

There have been numerous American national surveys which have measured levels of job satisfaction among Americans. Steel and Warner (1990) mention the NORC series, the Gallup poll archives, the Quality of American Life surveys, and the National Longitudinal Surveys to name the most thorough and comprehensive efforts. As the authors say, all of these surveys have similar findings – "none of them shows low levels of job satisfaction; none shows a significant decline in satisfaction"(Hamilton and Wright, 1986: 222; emphasis in original in Steel and Warner, 1990: 187). Still, Steel and Warner (1990) say that while all of these surveys indicate that the overwhelming majority of Americans have been and still are satisfied with their jobs, there have been few comparisons made between public and private sector employees using these national cross-sectional survey data. Steel and Warner's (1990) study is devoted to job satisfaction among early labor force participants in public and private employment sectors in the late 1980's. The first conclusion that they draw from the analysis is that the overwhelming majority of early labor force participants in all employment sectors are "fairly" to "very" satisfied with their current job. Steel and Warner state that while the conventional wisdom suggests that a "crisis" in job satisfaction exists among public sector employees due to the

alienative internal dynamics (organizational arrangements) of public sector organizations and the external attacks ("bureaucrat bashing") from the media, politicians and the public, little evidence was found to support this argument.

The hypotheses proposed in this study are the following:

Hypothesis#1 Public agencies have more goal-complexity and ambiguity in Armenia than private firms do, because of: interventions by multiple authorities; ambiguity in statutes and discretion in interpreting the mission of the organization

Hypothesis#2 Job satisfaction in public agencies of Armenia is lower than in private organizations, because: there is a lack of motives; the reward system is not developed; there is dissatisfaction with the salary in the public sector.

RESEARCH DESIGN

For the purpose of this essay a survey research was conducted in a number of public and private organizations of Armenia. Among the public organizations the Marzpetaran of the Lori Region, and the Ministry of Trade and Economic Development were selected. As for the private organizations, the administrative bodies of the following companies were selected: "ARMENAL" CJSC; "BAZUM-DAVGAR" Ltd; "Slatsk" CJSC; "Shahbazyan & Friends" Ltd; "Shapyugha" CJSC. The sample size of the research is 119. 59 respondents from the public sector, and 60 respondents- from the private sector. A cross-sectional analysis was conducted based on systematic sampling. The time frame of the survey was designed to one month but due to delays from the organizations' part it was extended to two months. Anonymous self-administered questionnaires were developed, to minimize social desirability responses and bias, and also to save time. The types of analysis used are Cross Tabs, Pearson's r test, T-test, Chi-

square test. The research is based on our own measures and several measures taken from Bullock (1952) and Jurkiewicz and Massey (1996), as the article on which this survey is based on does not provide any instrument for survey. The charters of the organizations will be used to ensure the comparative analysis of the measures on goal-complexity with the official document of the given organization. The respondents were given open ended questions to define the goals of their organization. And the results will be contrasted with the charters. The classification of the 13 factors taken from Carole L. Jurkiewicz and Tom K. Massey (1996) were analyzed and are given in Table 2 and Table 3.

The following research questions are proposed:

1. Is there a relationship between goal-complexity and ambiguity of an organization and its type, i.e. private or public?

2. Is there a relationship between type of an organization and interventions by multiple authorities?

3. Is there a relationship between type of an organization and type of motivation?

4. Is there a relationship between type of an organization and overall job satisfaction?

5. Is there a relationship between type of motivation and overall job satisfaction?

6. Is there a relationship between overall job satisfaction and the experience of the employees?

7. Is there a relationship between overall job satisfaction and the position of the employees?

8. Is there a relationship between the experience of the employees and goal complexity?

9. Is there a correlation between the influences from outside while making a decision and goal complexity in public and private organizations?

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10. Does the influence from outside change the importance of issues for public and private organizations?

11. Do the feelings of the employees about changing the job connected with salary vary in across public and private organizations?

12. Is there a relationship between overall job satisfaction and the age of the employees in public and private organizations?

13. Is there a relationship between overall job satisfaction and the gender of the employees in public and private organizations?

14. Does the appeasing of many parties during decision making result goal-complexity over public and private institutions?

DEFINITION OF VARIABLES

The main variables under study will be the type of the organization (public/private); goals of the organization; work-related values (rewards, job satisfaction) and some other control variables like: age, gender, position, interventions by multiple authorities, size of the organization, salary.

Variable #1 'Goal complexity and ambiguity' refers to the lack of clear goals in the organizations; complications due to political oversight and interventions by multiple authorities and interest groups. This variable will show what the employees think of the goals of their organizations. There are two questions measuring this variable. One close-ended, and another open-ended measures are instrumented. (See Annex 1)

Variable #2 Major concern should be put on 'interventions by multiple authorities'. Public managers often face dilemmas of simultaneous demands for efficiency and equity or for

conservation and development. Changing politics and authorities have direct influence on public managers, and the latter are very limited in their actions. While making a decision sometimes they have to appease too many parties. The variable has three close-ended measures. (See Annex 1)

Variable # 3 'Overall work satisfaction' is the extent to which people are satisfied with their jobs. An explicit definition given Bullock (1952) saying that: "job satisfaction is considered to be an attitude which results from a balancing and summation of many specific likes and dislikes experienced in connection with the job. This attitude manifests itself in evaluation of the job and of the employing organization…. As contributing suitably to the attainment of one's personal objectives" (Bullock, 1952, p.7). Two Likert-scale measures from Bullock's (1952) questionnaire are used in the questionnaire scored 1 to 5 respectively. (See Annex 1)

Variable # 4. 'Size' of the organization sometimes is the reason of weak administration and weak span of control. The chain of control should go through the organization across its size. The size of the organizations under survey will be observed.

Variable # 5 'Type of motivation' can be considered as one of the major reasons of overall job dissatisfaction among the public sector employees. One would predict that public servants put more value on involvement in important public policies, on work that is beneficial to others and society and on self-sacrifice. But some recent studies (Carole L. Jurkiewicz and Tom K. Massey, 1996) have shown that public servants put more value on rewards and financial benefits. This variable will define what kind of rewards the employees prefer: material or just motivation. One close- ended measure was used to define whether people prefer material rewards or motivation

and a measure consisting of 13 factors taken from Jurkiewicz and Massey (1996) was included in the questionnaire. (See Annex 1)

Variable # 6 'Salary level' of the employee may be a great motivator to perform any difficult or unpleasant job for him. As it is a sensitive question to ask about the salary directly, we decided to measure by level of their will to quit their job for another job for a better pay. The close-ended Likert scale measure was taken from Bullock (1952).

Variable # 7 'Experience' of the employee is very important to measure. If the respondent is working only one month in the given organization, it is quite possible that he/she will not be able to report on goal-complexity or on work satisfaction. We have measured the experience of the employee in the organization, as well as his/her experience in the current job. (See details in the questionnaire in Appendix 1).

Variable # 8 'Gender'.

Variable # 9 'Age'. Measure is an open-ended question.

Variable #10. 'Position' of the employee will be asked and categorized as managerial or non-managerial. (See Annex 1)

FINDINGS

This study has revealed a number of interesting findings that are presented in the table of findings. Under the first column of the table there are the correlations or relationships of the variables under study. Under the second, third and forth columns, one may find the over results,

results for the public sector and for the private sector respectively. And the fifth column shows whether there is statistically significant difference between the variables compared.

Table 1:   **TABLE OF FINDINGS**

Variables	Overall	Public	Private	Statistical Significance
1. Goal-complexity & Type of organization (public/private)	t=1,138 sig (2-tailed)=,258	Mean =1,88	Mean =2,03	Statistically not significant
2. Type/Important issues become unimportant	X² Asymp. Sign (2-sided)=,039	Cross tabs "Yes" 18.5%	Cross tabs "Yes" 8.4%	Statistically significant[1]
3. Type/Prefer financial reward or motivation?	X² Asymp. Sign (2-sided)= ,215	Cross tabs Fin. reward =39 Motivation=20	Cross tabs Fin. reward=33 Motivation=27	Statistically not significant
4. Type/overall job satisfaction [2]	t= -1,348 sig (2-tailed)=,180	Mean =2,61	Mean =2,35	Statistically not significant
5. Type/How do you evaluate your job?	t= -1,901 sig (2 tailed)=,060	Mean =2,66	Mean =2,43	Statistically not significant
6. Type/Feelings about changing the job connected with salary.	t=1,687 sig (2 tailed)=,094	Mean =3,81	Mean =4,10	Statistically not significant
7. Type/Appeasing many parties.	t= ,333 sig (2 tailed)=,740	Mean =1,66	Mean =1,70	Statistically not significant
8. Overall Job Satisfaction /Age/Type.		X² Asymp. Sign (2-sided)=,011	X² Asymp. Sign (2-sided)=,595	Statistically not significant.[3]
9. Overall Job Satisfaction/Gender	X² Asymp. Sign (2-sided)= ,265			Statistically not significant.[4]
10. Type of Motivation/Overall Job Satisfaction	Pearson's R=,186 Sig (2- tailed)=,042			Statistically significant
11. Overall Job satisfaction1/Experience in the organization	t= -1,256 Sig (2- tailed)=,212			Statistically not significant
12. How do you evaluate your job?/ Experience in the organization	t= -1,443 Sig (2- tailed)=,152			Statistically not significant

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[1] See details in Appendix 2.

[2] Job Satisfaction has two measures: "How much are you satisfied with the current job?" given as 'overall job satisfaction' in the table and "Describe your feelings about your job?" given as 'how do you evaluate your job?'

[3] Statistically there is a problem with the Chi-square (X²) test, as more than one cell have produced count <5.

[4] Statistically there is a problem with the Chi-square (X²) test, as more than one cell have produced count <5.

13.	How do you evaluate your job?/Position(man agerial/non-managerial)	t= -3,878 Sig (2- tailed)=,000			Statistically significant (non managers are more dissatisfied)
14.	Overall Job satisfaction/ Position (managerial/non-managerial)	t= -3,266 Sig (2- tailed)=,001			Statistically significant
15.	Overall Job satisfaction/ Position/Type		X² Asymp. Sign (2-sided)=,008	X² Asymp. Sign (2-sided)=,143	Statistically significant for the public organizations.[5]
16.	Intentions to change the job for another with higher salary/Position (managerial/non-managerial)	t= 2,676 Sig (2- tailed)=,009			Statistically significant
17.	Intentions to change the job for another with higher salary /Position/Type		X² Asymp. Sign (2-sided)=,019	X² Asymp. Sign (2-sided)=,066	Statistically significant for the public organizations.[6]
18.	Intentions to change the job for another with higher salary /Type	t= 1,687 Sig (2- tailed)=,094	Mean= 3,81	Mean= 4,10	Statistically not significant
19.	Goal Complexity/Positi on	t= -,532 Sig (2- tailed)=, 596			Statistically not significant
20.	Experience in the current job/Goal complexity	Pearson's R=,087 Sig(2- tailed)=,348			Statistically not significant
21.	Experience in the current job/Overall Job satisfaction	Pearson's R=,027 Sig(2- tailed)=,774			Statistically not significant
22.	Experience in the current job/How do you evaluate your job?	Pearson's R=,073 Sig(2- tailed)=,430			Statistically not significant

[5] Statistically there is a problem with the Chi-square (X²) test, as more than one cell have produced count <5. See details in Appendix 4.
[6] Statistically there is a problem with the Chi-square (X²) test, as more than one cell have produced count <5. See details in Appendix 5.

23.	Experience in the organization/Influence from outside while making a decision	t= 1,010 Sig(2- tailed)=,316			Statistically not significant
24.	Influence from outside while making a decision/Type	X² Asymp. Sign (2-sided)=,000	Cross tabs 'Yes'=26, 1%	Cross tabs 'Yes'=8, 4%	Statistically significant [7]

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[7] See details in Appendix 3.

Findings on goal-complexity and ambiguity and outside influence on public and private organizations

This study has revealed that public and private organizations of Armenia do not differ in their goal complexity and ambiguity. The results of the T-test have shown that there is no statistically significant difference between them. The means of public and private organizations are very close to each other. (See details in Table 1) Public and private organizations do not differ from each other statistically in appeasing many parties while making a decision. The T-test between *types* of organizations and *appeasing many parties* has not produced statistically significant difference. (See details in Table 1) Overall there is no statistically significant difference between the *position* of the employees and *goal complexity* of the organizations as well as the *experience* of the employees in the current job and *goal complexity* of the organizations. The T-test applied on the *experience* of the employees in the given organization and *influence from outside* has shown no statistically significant difference. (See Table 1) Besides, the respondents were asked an open-ended question to define briefly the goals of their organizations. The charters of the organizations were used to compare the results. 20 answers from public and 20 from the private organizations were categorized as follows: *reflects the official document; does not reflect the official document; reflects poorly the official document; failed to define*. Although the Chi-square test has not yielded statistical significant difference between the types of the organizations, it is interesting to note that out of the total number of respondents, 25% of the responses 'reflects the official document' and 30% of the respondents have 'failed to define at all'. We can infer from this that the percent of those who are aware of the goals of their organization is almost equal to the percent of those who are unaware of the goals of their organization and cannot define them. Another interesting finding of this study is the cross tabulation of the 'definition of the goals' and the measure on goal-complexity, whether the goals of their organizations are 'very easy and clear' to 'not much clear and easy'. Out of those who failed to define the

goals of the organization, 20% have answered that the goals of their organization are clear and easy.   This study has found that there is statistical significance in the comparison of the *types* of the organizations and *influence* from outside while making a decision. But it should be noted that the level of the public sector respondents, who accepted that there is much influence, is not too high. Two control measures on outside influence were instrumented in the questionnaire and both yielded similar results. The first is: "Imagine if the top manager of your organization is changed, is it possible that some very important and actual issues for the goals of your organization become unimportant and non-actual after that?"   And second, "What do you think, can an authoritative official from outside your organization (a judge, a member of parliament etc) change the goals of your organization?" (See cross tabulations in Appendix 2 and Appendix 3)

Findings on overall job satisfaction and work-related values in public and private organizations

The findings on overall job satisfaction and work-related values in this study are rather numerous and mixed. We will try to analyze the most important ones and those that have   yielded statistically significant difference. The others illustrated in Table 1. As the ultimate goal of this study is to reveal the differences of several issues across types of organizations, first of all we will mention the following findings. There is no statistically significant difference between: a) *type* of the organization and *overall job satisfaction*; b) *type* of the organization and the *evaluation of the job*; c) *type* of the organization and *type of motivation* (financial reward or simply motivation); d) *type* of the organization and *intentions to change the job for another with higher salary.* (See Table 1) These findings do not support the hypothesis proposed in this study. But anyway with the help of some other variable, we

have revealed some significant statistical differences that are not less important for this study and for future considerations and research.

This study has found that there is statistical significance in the correlation of the *type of motivation and overall job satisfaction.* (See Table 1) Employees, who are more satisfied and happy, prefer financial reward. But as we have seen previously these preferences do not differ among public and private organizations. Two other statistically significant findings that this study has revealed are the following: a) there is statistical significance between *how generally all the employees evaluate their jobs* versus their *position*; (See Table 1) b) there is statistical significance between *overall job satisfaction* versus *position.* (See Table 1) As we can see these two measures on the same variable have produced similar results, which speak about the reliability of measures. These results show that generally non-managers are neither satisfied nor satisfied with their current job. And managers are more satisfied. The next test between *job satisfaction/position/*types of organizations that is public and private has exposed a result that challenges the previous finding. Namely, in public organizations non-managers are more satisfied with their jobs. Whereas in the private organizations there is no statistically significant difference in this comparison (i.e. *job satisfaction/position).* As statistically there was a problem with the Chi-square tests (more than 1 cell has expected count <5), let us bring the percentages from the cross tabulation: 33, 9% public sector non-managers are satisfied and happy with their jobs, whereas only 20, 3% of managers from the same sector are satisfied and happy with their jobs. In the private sector 30% non-managers are satisfied and happy with their jobs and 40% of managers are satisfied and happy with their jobs. (See Appendix 4) The study has shown that there is statistical significance between *intentions about changing the job for another with a higher salary* and the *position* of generally all the employees. (See Table 1) Generally all the non –managers are more eager to change jobs. We have made the comparison of these variables *(intentions about changing the job for another*

with a higher salary and *position)* across *public and private* organizations and have come again to the conclusion that there is statistically significant difference across the types of the organizations as well. This comparison is statistically significant for the public organizations. For the private organizations there is no statistical significance. But as in the previous case statistically there was a problem with the Chi-square tests (more than 1 cell has expected count <5), it is good to look at the percentages from the cross tabulation. 61 % of public non-managers have told that "I am not eager to change jobs but would do so if I could make more money", and only 13, 6 % of public managers have told so. 35 % of non-managers in the private sector have stated the same way, and 28, 3 % of managers in the private sector. (See Appendix 5)

In an attempt to find out what do the public and private employees value more in their job the respondents were asked to rank the 13 factors taken from Jurkiewicz and Massey (1996) in terms of their relative importance to them on the job. An obvious difference between the public and private sector respondents among these factors are the following ones: In public organizations 14 respondents have ranked "Chance to benefit society" as the first in the scale from 1 to 13. In private organizations only 5 respondents have done so. In public organizations 2 respondents have ranked "A stable and secure future" as being the first, while among private sector respondents 11 have ranked "A stable and secure future" as being the first in the scale. Table 2 and Table 3 illustrate the detailed answers.

Table 2: **PUBLIC ORGANIZATIONS. Ranking of 13 factors in terms of their relative importance to the employees on the job.**

Ranking / Factors	1	2	3	4	5	6	7	8	9	10	11	12	13
	Number of Respondents												
Chance to learn new things	9	5	6	9	7	2	3	4	1	1	2	2	2
Chance to benefit society	14	8	5	7	4		3	2	4	1	1	2	2
Chance to get a reward for the performed difficult job		2	4	4	3	8	3	5	6	7	4	2	5
Opportunity for advancement	3	3	3	4	6	4	4	6	5	6	5	3	1
High prestige and social status	4	1	4	3	3	7	9	2	5	5	6	3	1
Chance to use my special abilities	7	8	7	2	9	8	4	4	2	1			1
Variety in work assignments	2	5	3	5	2	7	2	5	5	3	7	2	5
Chance to engage in satisfying leisure activities (e.g. Recreational, Cultural)		1	1	1	2	2	8	2	3	8	4	6	15
Working as part of a "Team"	1	5	5	4	3	5	4	3	1	6	5	5	6
High salary	10	6	4	4	3	3	5	3		2	5	4	4
A stable and secure future	2	8	3	2	2	3	2	4	7	4	5	9	2
Chance to exercise leadership			2	4	4	1	4	8	8	4	3	10	5
Chance to make a contribution to important decisions	1	2	6	4	5	3	2	5	6	5	6	5	3

Total: 53 responses out of 59. Data not available in 6 questionnaires.

Table 3: **PRIVATE ORGANIZATIONS. Ranking of 13 factors in terms of their relative importance to the employees on the job.**

Ranking / Factors	1	2	3	4	5	6	7	8	9	10	11	12	13
	Number of Respondents												
Chance to learn new things	6	11	4	10	4	3	2	4	2	2		1	6
Chance to benefit society	5	3	6	6	8	1	8	1	5	3	3	5	1
Chance to get a reward for the performed difficult job	1	4	3	3	5	8	3	7	3	6	6	3	3
Opportunity for advancement	5	3	10	2	1	7	6	4	6	3	1	4	4
High prestige and social status	4	4	6	3	7	3	6	3	6	2	8	4	
Chance to use my special abilities	9	8	8	7	5	5	2	4	5	1	2		
Variety in work assignments	1		4	6	6	7	2	3	7	6	6	5	3
Chance to engage in satisfying leisure activities (e.g. Recreational, Cultural)				2		2	4	1	2	5	9	18	13
Working as part of a "Team"	2		3	3	8	6	2	6	2	4	2	4	14
High salary	12	10	1	4	6	4	2	1	3	5	3	3	1
A stable and secure future	11	8	7	5	1	4	6	7	1	3	3		
Chance to exercise leadership			2	4	1	2	5	6	9	8	7	3	8

| Chance to make a contribution to important decisions | | 4 | 2 | 2 | 4 | 2 | 7 | 8 | 5 | 7 | 6 | 5 | 2 |

Total: 56 responses out of 60 private. Data not available in 4 questionnaires.

DISCUSSION & CONCLUSION

The findings on goal complexity and ambiguity and interventions by multiple authorities that we discussed above are rather mixed and contradicting. But they do not contradict each other as long as people accept those facts natural in being so. From all the findings analyzed above we can induce that the public agencies of Armenia have more influence from outside, though not very large (26% vs. 8%) Authoritative people, high officials, legislators have much influence on the public organizations. This partly supports our hypothesis that public agencies have more interventions by multiple authorities. The employees of the public organizations accept that they appease many parties while making a decision (though not big difference with the private ones) and that they are bearing influence on their organizations from outside. But they say that it does not complicate the goals of their organizations at all and does not make them ambiguous. It can be interpreted in a way that they accept it as natural; they expect someone to tell them what to do and how to do it. They find these processes quite normal. And neither the position nor the experience of the employee matter in this case. This last finding does not support our hypothesis about Armenian public agencies having more goal-complexity and ambiguity.

The findings on overall job satisfaction and other work related attitudes analyzed supra seem to be very contradicting and very paradoxical as well at the first glance. We have seen that people prefer financial rewards to just a motivation. And this is essential for all types of organizations. We have seen that statistically there is no difference between public and private organizations: both prefer pecuniary motivation. We have also understood that people are more satisfied when and if they get financial rewards. We have a set of quite contradicting data that we will try to explain. Our study has revealed that generally non-managers are neither satisfied nor dissatisfied with their current job, and that they are more eager to change jobs. These two results

are more or less connected with each other and fit into the cause- effect principle. In other words, if the employees are neither satisfied nor dissatisfied with their current job (and moreover, based on our results, we can say that they more dissatisfied), it is natural that they are eager to change their jobs. But we have results, which show that in public organizations non-managers are more satisfied with their jobs, but they would change their jobs if they could make more money. Let us try to understand and explain these last two findings. The first result that public organizations non-managers are more satisfied with their jobs can be understood as follows. First of all, structural differences or hierarchical differences play a key role in this case. Why especially public non-managers are more satisfied with their jobs and not managers? Public managers have more responsibility, more duties, there are more requirements on them and finally the outside influence on them is too much. Officially they are supposed to have more freedom in decision-making and they want to be more independent and away from outside influence. Not having all this brings to their dissatisfaction with their job. In private organizations these issues are not so deep. Managers in the private organizations are doing what the general director decides, and it is meant to be so. The managers know that they do not have much freedom in decision-making; they are waiting for the director to decide. They are more implementers and besides, they are away from political interventions and outside influence. Thus in this case structural differences are the main factors. Non-managers in the public organizations have more freedom of action and no limitations and outside influence. For example a leading or chief expert in Marzpetaran knows his/her responsibilities, and he/she knows that he/she has to follow the assignments of the department or the division head. Moreover public non-managers are getting almost the same benefits and privileges as their managers and also they put high value on the chance to benefit the society. But no matter how they are devoted to their work and their society, public non-

managers would change their jobs if they could make more money. Unfortunately dissatisfaction with the salary level in public organizations is always a reason for leaving the job.

While comparing our findings with those of Rainey and Bozeman (2000), we come to similar conclusions. Rainey and Bozeman conclude that the government managers tend to give high ratings to the clarity and measurability of the goals of their organizations, and on average they differ little from the private-sector managers on these ratings. Rainey and Bozeman say that everyone appears to agree that public managers face more complex, hard-to-measure, ambiguous goals - everyone except the public managers themselves (Rainey and Bozeman, 2000, p.451-452). Our findings also show that public employees do not differ from the private employees in rating the clarity and measurability of their goals. We found that position and experience also do not play a significant role in rating the goals of the organizations. And another important finding, that Rainey and Bozeman did not pay much attention to, is that there is statistically significant difference between the types of organizations and outside influence. There is more outside influence on the public organizations, though not a large number of public sector respondents finds it so, as was already mentioned above.

The comparison of our findings on overall job satisfaction and work related attitudes with those of Rainey and Bozeman (2000) has again yielded similar results. For example Rainey and Bozeman say that the many studies and comparisons of work related values among public and private sectors have shown that public-sector respondents, particularly those at higher professional and managerial levels, place higher value than their private-sector counterparts on the rewards and motives that one would predict they would emphasize. Public managers place higher value on public service; on work that is beneficial to others and to society; on involvement with important public policies; and on self-sacrifice, responsibility, and integrity.

The authors state that especially at the upper management and professional levels, public sector respondents place lower value on money and high income as ultimate ends in work and in life (Crewson 1995b;Hartman and Weber 1980; Khojesteh 1993; Kilpatrick, Cummings, and Jennings 1964; Jurkiewicz et al. 1998; Lawler 1971; Rawls, Ulrich and Nelson 1975; Rainey 1983; Siegel 1983; Sikula 1973b; Wittmer 1991 in Rainey and Bozeman, 2000, p. 460). Our findings also show that public managers value jobs that are beneficial to the society. We have also seen that generally managers in both sectors are more satisfied with their jobs than non-managers. Our findings are quite mixed and it is difficult to make generalizations. Rainey and Bozeman also state that there is overlap between respondents in the two sectors. They say that not all public- private-sector respondents differ in these ways (e.g., many people in private business place a high value on public and community service), and the differences between the two sectors are not always large. Our findings, as the findings proposed by Rainey and Bozeman (2000) converge and as well as differ significantly from each other in many ways. As Rainey and Bozeman say, "of course such mixed findings are fairly typical in the social sciences, especially when findings come from studies that employ different opportunity samples and where respondents differ by organizational level, occupation and profession, organizational function or mission, and other important variables." (p.460)

POLICY RECOMMENDATIONS

Based on the results of this study, several policy recommendations for public and private organizations of Armenia can be made.

First, public organizations of Armenia must become more immune of political interventions and influence. The managers in public organizations must have more authority and

they must have more freedom in decision making in order to ensure decentralization of authority. They wait until an authoritative official from outside or only the highest official in their organization make the decision. They should not appease many parties while making a decision, and consider it natural. Civil Service legislation is a step in this direction. Now when the civil service law is already adopted, we hope that the public employees will be fully protected in their jobs in the nearest future, and will be out of political interventions and influence. Also as a result of this law, the important issues for the goals of the public organizations will not loose their importance, when the top manager is changed.

Second, some changes in the legislative field will benefit the clarification of statutes and charters, especially for the public agencies. The missions of the organizations should be interpreted and disseminated clearly, to avoid ambiguity and misunderstanding.

Third, the level of competence and awareness, about the goals of their organization, among the public as well as private employees should be increased. This will guarantee the effectiveness and productivity among the employees.

Fourth, we have seen in this study that all the employees in public and private sectors prefer financial rewards more. Why is this so? We have empirical evidence that especially public sector employees are more devoted to their jobs. But unfortunately the salary level in public organizations is very low and that is the reason why especially non-managers in the public sector want to change their jobs for another. That is the reason why employees prefer financial rewards more. So, while understanding budgeting limitations, the only recommendation that can be made here is that the salary level must be increased. People have to be satisfied financially and materially in order to be effective and creative in the workplace.

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APPENDIX 1   *Questionnaire*

1. **What do you think, how clear and easy are for you the ultimate goals of your organization?**

(1) Very clear and easy

(2) Clear and easy

(3) Not much clear and easy

(4) Very unclear and difficult

2. **Please give a short definition of the goals of your organization.**

—_____ -

3. **What do you think, is it possible that in your organization a personal viewpoint of an authoritative person (a member of parliament, a minister etc) is considered while making a decision?**

-Yes   -No   - Undecided

4. **Imagine if the top manager of your organization is changed, is it possible that some very important and actual issues for the goals of your organization become unimportant and non-actual after that?**

-Yes   -No   - Undecided

5. **While making a decision do you have to appease many parties?**

-Yes   -No   - Undecided

6. Place a check mark in front of the statement which best tell how good a job you have:[8]

(1) The job is an excellent one, very much above the average

(2) The job is a fairly good one

(3) The job is only average

(4) The job is not as good as average in this kind of work

(5) The job is a very poor one, very much below the average

7. Place a check mark in front of the statement which best describes your feelings about your job:[9]

(1) I am very satisfied and happy on this job

(2) I am fairly well satisfied on this job

(3) I am neither satisfied nor dissatisfied- it is average

(4) I am a little dissatisfied on this job

(5) I am very dissatisfied and unhappy on this job

8. Please rank the 13 factors in terms of their relative importance to you on the job:

Chance to learn new things

Chance to benefit society

Chance to get a reward for the performed difficult job

Opportunity for advancement

High prestige and social status

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[8] Source: Bullock, 1952

[9] Source: Bullock, 1952

Chance to use my special abilities

Variety in work assignments

Chance to engage in satisfying leisure activities (e.g. Recreational, Cultural)

Working as part of a "Team"

High salary

A stable and secure future

Chance to exercise leadership

Chance to make a contribution to important decisions[10]

9. If you have performed a difficult task in your job, what would you prefer: a good word in front of your colleagues or a small material reward from your manager?

_____a good word in front of my colleagues

_____ a small material reward from my manager

10. Check one of the following statements which best tells how you feel about changing your job:[11]

(1) I would quit this job at once if I had anything else to do

(2) I would take almost any other job in which I could earn as much as I am earning here

(3) This job is as good as the average and I would just as soon have it as any other

(4) I am not eager to change jobs but would do so if I could make more money

(5) I do not want to change jobs even for more money because this is a good one

---

[10] Source: Carole L. Jurkiewicz and Tom K. Massey, 1996
[11] Source: Bullock, 1952

11. Please check, how long have you been working in this organization and in your current job?

	In the current organization	Current job
-Less than a year		
-from 1 to 3 years		
-from 3 to 5years		
-from 5 to 10 years		
-10 years and more		

12. **(Circle gender)**   *Male*   *Female*

13. **How old are you?** _____-

14. **Your position:**

Managerial -_____   Non-managerial _____-

APPENDIX 2 *Type of the Organization (Public/Private)*Important Issues For the Goals of the Organization Become Unimportant When the Top Manager is Changed Cross tabulation*

			Type of the organization		Total
			Private	Public	
Important issues for the goals of the organization become unimportant	Yes	Count	10	22	32
		% of Total	8, 4 %	18, 5 %	26, 9 %
	No	Count	39	28	67
		% of Total	32, 8 %	23, 5 %	56, 3 %
	Undecided	Count	11	9	20
		% of Total	9, 2 %	7, 6 %	16, 8 %
Total		Count	60	59	119
		% of Total	50, 4 %	49, 6 %	100 %

APPENDIX 3 *Type of the Organization (Public/Private)*Influence Possible*

From Outside While Making a Decision in the Organizations Cross tabulation

			Type of the organization		Total
			Private	Public	
Influence Possible From Outside While making a Decision in the Organizations	Yes	Count	10	31	41
		% of Total	8, 4 %	26, 1 %	34, 5 %
	No	Count	22	13	35
		% of Total	18, 5 %	10, 9 %	29, 4 %
	Undecided	Count	28	15	43
		% of Total	23, 5 %	12, 6 %	36, 1 %
Total		Count	60	59	119
		% of Total	50, 4 %	49, 6 %	100 %

APPENDIX 4 *Current Position (managerial/non-managerial)*Overall Job Satisfaction* Type of the Organization (Public/Private)*
Cross tabulation

Type of Organization: Public/Private				Overall Job Satisfaction			
				Satisfied and happy	Neither satisfied nor dissatisfied	Dissatisfied	Total
Private	Current Position	Managerial	Count	24	9		33
			% of Total	40 %	15 %		55%
		Non-managerial	Count	18	6	3	27
			% of Total	30 %	10 %	5%	45 %
		Total	Count	42	15	3	60
			% of Total	70 %	25 %	5 %	100 %
Public	Current Position	Managerial	Count	12	1		13
			% of Total	20,3 %	1,7%		22 %
		Non-managerial	Count	20	22	4	46
			% of Total	33,9 %	37,3 %	6,8 %	78 %
		Total	Count	32	23	4	59
			% of Total	54, 2 %	39 %	6,8 %	100 %

APPENDIX 5 *Current Position (managerial/non-managerial)*Intentions to Change the Job For Another With a Higher Salary*Type of the organization (Public/Private) Cross tabulation*

<table>
<tr>
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<td colspan="4" style="text-align:center">Intentions to change the job for higher salary</td>
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<tr>
<td colspan="4"></td>
<td>Quit at once if had anything else</td>
<td>Not eager to change jobs, but would if earn more</td>
<td>Don't want to change even for more money</td>
<td>Total</td>
</tr>
<tr>
<td rowspan="3">Private</td>
<td rowspan="3">Current

Position</td>
<td>Managerial</td>
<td>Count

% of Total</td>
<td>2
3,3 %</td>
<td>17
28, 3 %</td>
<td>14
23, 3 %</td>
<td>33
55%</td>
</tr>
<tr>
<td>Non-managerial</td>
<td>Count

% of Total</td>
<td>2
3,3 %</td>
<td>21
35 %</td>
<td>4
6,7 %</td>
<td>27
45 %</td>
</tr>
<tr>
<td>Total</td>
<td>Count

% of Total</td>
<td>4
6, 7 %</td>
<td>38
63, 3 %</td>
<td>18
30 %</td>
<td>60
100 %</td>
</tr>
<tr>
<td rowspan="3">Public</td>
<td rowspan="3">Current

Position</td>
<td>Managerial</td>
<td>Count

% of Total</td>
<td></td>
<td>8
13,6 %</td>
<td>5
8,5 %</td>
<td>13
22 %</td>
</tr>
<tr>
<td>Non-managerial</td>
<td>Count

% of Total</td>
<td>6
10,2 %</td>
<td>36
61 %</td>
<td>4
6,8 %</td>
<td>46
78 %</td>
</tr>
<tr>
<td>Total</td>
<td>Count

% of Total</td>
<td>6
10,2 %</td>
<td>44
74,6 %</td>
<td>9
15, 3 %</td>
<td>59
100 %</td>
</tr>
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