Higher pay

More benefits

Study 1

$90k salary
21 paid days off ($7,269)

$100k salary
14 paid days off ($5,385)

More benefits

Higher pay

Study 2

$100k
4 benefits

Lesser benefits

Study 2

$100k
3 benefits

More benefits

Fewer benefits

Non-monetized

Monetized

More benefits

Non-monetized

Monetized

Discussion

• Placing a monetary value on non-financial benefits can shift preferences between job offers.

• Putting a monetary value on non-financial benefits increases subjective value placed on job offers with lesser salary but more benefits (Study 1).

• Employees almost always choose a job with more benefits over an equally paid job with fewer benefits, but are more likely to choose the job with fewer benefits if the benefits are monetized. (Study 2).

• Monetization of benefits may provide a method for helping prospective employees recognize the concrete value of non-monetary benefits.

Conclusion

Placing a monetary value on non-financial benefits enhances perceived value of job offers.

Reference


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