Research Article

Socio-Economic Impact of Wage Inequality on Employee's Satisfaction

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ABSTRACT
This study addressed the research gap in understanding the factors that contribute to wage inequality and their impact on employee satisfaction in the public and private sectors. The study's objectives included exploring factors contributing to wage inequality, examining the impact of socio-economic factors on job satisfaction, and proposing measures to reduce wage inequality and improve job satisfaction in both sectors. The study collected primary data through questionnaire method from the public and private sectors of twin cities to estimate the direct effect of independent variables on employee satisfaction. The stratified sampling technique was used for the comparison of employees who are more satisfied either in the private or public sector. The study also used a binary logistic model to examine the null hypothesis, which stated that there was a significant gap in employee fulfillment among private or public sectors and that there was a significant difference in socio-economic factors of employees in both sectors. The analysis included 407 cases. The frequency of private institution employees was 186 while public institution employees was 221. It is believed that the study's findings will contribute to the current conversation about pay disparities and provide organizations and decision-makers with practical advice for raising satisfaction with work and decreasing wage inequality.

KEYWORDS
Income inequality; socio-economic factors; employee's satisfaction; public sector; private sector; university employee; bank employee; hospital employee; social factors; behavioral factors; psychological factors; economic factors happiness and motivation

1 | INTRODUCTION

Employee satisfaction is a critical feature of workforce well-being, directly influencing the productivity and success of a firm. Creating an effective and engaged employee demands a positive workplace culture, which encourages employee satisfaction (Bhatti & Qureshi, 2007). Work-life balance, career advancement opportunities, job stability, and pay are all components of the complex idea of employee happiness (Wilkinson et al., 2020). Wage inequality is one of these elements that is very important and has an important impact on employee happiness. Variations in financial benefits between workers in a company are referred to as wage inequality. Existing wage disparities can cause employees to feel unfairly treated and dissatisfied, which will lower their motivation and job satisfaction (Jasso, 2019). Happiness and motivation could drop if one feels underappreciated in comparison to colleagues who get paid more. Further, the salary gap creates an adverse work environment, which raises stress levels and affects interaction among employees (Greenberg, 2020). Increasing wage disparity has become a major issue in modern societies since it has a major effect on employee well-being and fulfillment regardless of economic disparities. Due to their effects on general social security and the standard of living, socioeconomic issues including income distribution and the pay gap have drawn attention (Stiglitz, 2015). Numerous studies have examined the relationship between income inequality and employee satisfaction, indicating its adverse impact on employee motivation, interpersonal relationships, and the workplace as a whole (Folger, 2020).

The adverse consequences of wage inequality aren't restricted to the workplace; they also extend to other aspects of society. Lower-income workers might have less access to basic services like healthcare and education, which could worsen their unhappiness and general well-being (Bertrand & Mullainathan, 2018). Wage inequality becomes an equality need, compared to only a matter of economics. The effects of income disparity are also seen in social cohesiveness and trust. Social interaction between various groups tended to drop in cultures with larger income differences, which lowers trust between people from different backgrounds (Rothstein & Uslaner, 2005). Lack of social interaction can cause rifts in society and prevent the growth of a common social goal (Rothstein & Uslaner, 2005). Furthermore, a number of negative effects, such as ill health, violence, mental health issues, and a decrease in general well-being, are linked to economic inequality (Wilkinson et al., 2015). According to Lynch et al. (2003), the "neo-materialist theory" states that income disparity is a reflection of underlying systemic issues that affect unprivileged individuals and organizations and have a variety of detrimental effects. Its importance is further highlighted by the relationship between income inequality and other societal effects, including socioeconomic growth and health (Pickett and Wilkinson, 2015; Kondo et al., 2015).

The economic benefits of education are also greatly influenced by educational chances, and a large disparity in educational possibilities between the rich and the poor can worsen wage inequality (Wilkinson and Pickett, 2009). Schneider and Vaught (1993) examined public sector employees' job satisfaction; they observed that, in comparison to their private sector staff members, they were generally happier with external aspects of their jobs, such as wage satisfaction. Other aspects of job satisfaction as determined by the Job Performance Indicator scale, however, did not show any detectable variations. Employees in the public sector indicated more work stability, which may account for reduced turnover and boosted job satisfaction (Schneider and Vaught, 1993). The numerous studies have examined the connection between staff loss and work satisfaction. They found that job unhappiness raises the risk of change (Hellman, 1997; Ross and Zander, 2006; Amy and Foreman, 2009). Job satisfaction affects the desire to quit, with more job satisfaction lowering the intention to quit (Hayes et al., 2006; Coomber and Barribal, 2007). Nevertheless, there are also conflicting results, with some research indicating that industries have different associations between job satisfaction and plans to leave (Koch and Steers, 1978; Bright, 2008; Jassem et al., 2011; Muhammad et al., 2017).

A study comparing work satisfaction and intentions to leave the public and private sectors in Taiwan was carried out by Wang et al. (2012). In contrast to their colleagues in the private sector, they discovered that public sector employees expressed less job satisfaction but also fewer plans to quit. Furthermore, among workers in the public sector, there was less of a negative correlation between job satisfaction and the desire to quit (Wang et al., 2012). In both the public and commercial sectors, evaluating how employees view the efficiency of their workplace is a challenging task (Vigoda-Gadot and Kapun, 2005). The relationship between attitudes and behaviors within the context of the organization has been analyzed using the idea of "perceived institutional effectiveness" (Delaney & Huselid, 1996; Perry-Smith & Blum, 2000). The previous research only looked at one particular moment in time. They don't demonstrate how things evolve over time. It was challenging to generalize the results because they frequently concentrated on certain geographical locations or kinds of workplaces. Most significantly, most studies don't thoroughly examine how socioeconomic problems and other factors, such as salary disparity, impact satisfaction differently in the public and private sectors. This causes a gap that required a thorough investigation to adequately compare the two industries. The socioeconomic effects of wage disparity in Pakistan, particularly within major economic hubs like Rawalpindi and Islamabad, were not well studied. These areas were perfect for researching how wage inequality affects worker satisfaction and health since they reflect a variety of economic activity and a mix of jobs in the public and private sectors. Finding "a gap between what employees expect and what they actually receive or experience" was the goal of this research. To solve this issue, we contrasted two distinct sectors to show the noticeable discrepancy between what workers expect to be paid and what they really earn. The goals were (1) to investigate the factors contributing to wage inequality between the public and private sectors, including differences in job roles, skills, and qualifications. (2) To examine the impact of socio-economic factors, such as financial strain and social isolation, on job satisfaction among employees in the public and private sectors. (3) To propose measures that can be implemented to reduce wage inequality and improve job satisfaction among employees in both the public and private sectors.

2 | METHODS

2.1 | Research Design

The study was based on qualitative research. The qualitative research design was essential for capturing the subjective nature of reality and uncovering the meanings individuals attach to their experiences. This was in

accordance with the study's goal to identify the internal significance and satisfaction levels of workers across a range of sectors. (Denzin & Lincoln, 2018)

2.2 | Data Collection

This study was based in Pakistan. An observational, cross-sectional, and one-year survey of the general employees was performed through the questionnaire technique in the twin cities of Pakistan (Rawalpindi and Islamabad), which were selected to ensure broad representation across different public and private sectors, including education, health, and service sectors, taking into consideration various demographic, socio-economic, behavioral, material, and psychological characteristics. So, different universities, hospitals, and banks in twin cities were selected for data collection. The stratified sampling technique was used for the comparison of employees who are more satisfied either in the private or public sector. A probability proportional to size design was used to select clusters. This method helped to reduce sampling bias and increase the accuracy of estimations within each subgroup (Asada et al., 2016).

The data was collected by using the questionnaire method. Questionnaires make it possible to collect data from an extensive range of participants in an efficient manner. Questionnaires can be particularly beneficial in gathering subjective data about socioeconomic factors and work satisfaction. In keeping with the study's emphasis on multifaceted elements impacting happiness, the questionnaire offers an in-depth analysis of each employee's situation by asking questions about a variety of issues, including salary, psychological factors, and how they act. The surveys were conducted between 2022 and 2023. The sample was composed of 400 employees: 126 from public universities and 77 from private universities, 67 from public banks and 49 from private banks, and 28 from public hospitals while 59 from private hospitals. The employee's response rate in the public sector was 69% male and 30% female, while in the private sector there were 57% male and 43% female respondents. In the public sector, 25% of employees were satisfied with their jobs, and 74% were not seemed to be satisfied. In the private sector, 22% of employees show a positive response according to their job satisfaction, and 78% show a negative response.

Employees were asked to provide socio-demographic and socio-economic information, which include age, gender, educational level, occupation, marital status, and overall satisfaction. Categories for highest level of education completed were low (primary school), medium (secondary school), and high (university degree). Participants were asked about the highest professional position attained during his/her life. Occupation was categorized into different levels according to their skill requirements. Employees were asked about household income and their dependent family members for marking their best estimates of total household income on scales provided, including income from wages or stipends from a job as well as income from unemployment benefits, pensions, investments, and aid to families or other government or non-government benefits during the previous 12 months.

In accordance with previous studies, we selected different social factors through behavioral, material and psychosocial factors (Koster et al., 2006; Moor et al., 2016; Stolz et al., 2018). Material factors included employee's situation (working or retired), having private insurance and financial strain. To assess financial strain, participants were also asked "Does your household have any problem paying bills (electricity, water, gas, telephone, etc.)?" Psychosocial factors included social isolation, loneliness and marital status (married, single or previously married). Loneliness consists of the following items: "How often do you feel that you lack companionship?" How often do you feel left out?" and "How often do you feel isolated from others?" Each item was answered on a three-point scale (1 = hardly ever; 2 = some of the time; 3 = often). The scores for each item were added to produce a loneliness scale with higher scores indicating a greater degree of loneliness. Behavioral factors included sedentary lifestyle which was measured by using the Global Physical Activity Questionnaire (Armstrong and Bull, 2006), which collects information on physical activity in three settings as well as sedentary behavior, consisting of 16 questions about activity at work, travel to and from places and recreational activities.

2.3 | Null Hypothesis

Two types of hypotheses were tested for this study. These are given below:

Ho₁: There was a significant gap in an employee's fulfillment among private or public sector.
Ho₂: There was significant difference in socio-economic factors of the employees in both sectors.

2.4 | Empirical Model

All data were weighted to account for the sampling design in each sector and to generalize the study sample to the reference population. The Statistical Package for the Social Sciences (SPSS) was used to transform the original dataset to make it more suitable for analysis and meet specific assumptions of statistical methods. Depends on the distribution of data, few of transformation methods were apply, including logarithmic, square root and inverse method. The study was based on primary data which cause the issue of non-normality. So, the reliability assessment method used which help to ensure that the data is consistent, stable, and accurately represent the underlying construct measuring. For this purpose, the reliability tests, such as Cronbach's alpha, was used to evaluate the extent to which the questions in a data consistently measure. It assesses how well the variables in a measure correlate with each other. Whereby $\alpha > 0.9$ considered excellent, $\alpha > 0.8$ is good, $\alpha > 0.7$ is acceptable while below them are considered weak. The reliability test in this study produced 0.701 Cronbach's alpha which means that the data for this study was reliable. The data was statistically analyzed by using logistic model for comparing the mean of all study parameters of study area. The logistic model is essential in primary data collection as it provides a statistical framework for analyzing categorical data, understanding relationships between variables, and making predictions. Its application in various fields highlights its significance in research and data analysis (Agresti, 2002). The population correlation between wages and satisfaction is much higher than the correlation between wages and job satisfaction. The wages are strongly linked with satisfaction than the job overall. Some of the variation is due to experience, gender, race and some social and economic factors which may cause wage inequality. The equation of logistic model is given below:

$$L = \ln P_i / (1 - P_i) = \beta_0 + \beta_1 X_I + \beta_2 X_2 \ldots\ldots\ldots B_{PXP} + \mu_i$$

Where:
Pi= (Probability of event happening) Employee's Satisfaction (1= Satisfied, 0, Not satisfied)
Dependent Variable: Employee' Satisfaction.
Independent Variables: Wages, social factors, economic factors, demographic variables.

3 | RESULTS

The dependent variable "satisfy" was encoded as 0 for "satisfied" and 1 for "not satisfied". The analysis included 407 cases, all of which were selected for the analysis. The categorical variable "institute type" had two categories: private institution employee and public institution employee. The frequency of private institution employees was 186, and the frequency of public institution employees was 221. The classification table showed the predicted job satisfaction based on the independent variables. The model correctly predicted job satisfaction for 76.2% of cases.

3.1 | The Odd-Ratio Analysis

The section provided an interpretation and explanation of odd ratios while, the appendix presented the results of the logistic model in tabular form.

3.2 | Employee's Satisfaction and Demographic Variables.

According to (table 1) gender showed that females have lower odds ratio (0.807) compared to males, suggesting they were slightly less likely to be satisfied with their salary. In age category the older individuals had a lower odds ratio (0.671) compared to younger individuals, indicating that as age increases, the likelihood of being satisfied with salary decreases. In education category the higher education level had a lower odds ratio (0.835), suggesting that individuals with higher education were less likely to be satisfied with their salary. The marital status showed that being married had a lower odds ratio (0.813) compared to being single, indicating that married individuals were slightly less likely to be satisfied with their salary. The analysis showed that working in a private institution had a slightly higher odds ratio (1.090) compared to working in a public institution, suggesting that private institution employees were more likely to be satisfied with their salary. The p-value associated with the variable in the logistic regression model was 0.729. This p-value indicated that the relationship between institution type and the outcome variable was not statistically significant.

Table 1
Demographic Factor

	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Gender	(-0.214)	(0.253)	(0.807)	(0.040)*
Age	(-0.399)	(0.151)	(0.671)	(0.008) *
Education	(-0.309)	(0.133)	(0.835)	(0.018) *
Marital Status	(-0.207)	(0.202)	(0.813)	(0.025) *
Institution type (1)	(-0.087)	(0.204)	(1.090)	(0.729)

3.3 | Employee's Satisfaction and Economic Factor

According to the (table 2) the analysis showed that the coefficient of 'economic crisis effect' was 0.165, indicating a positive effect on the likelihood of being satisfied with salary. The odd ratio was 1.17 while p-value is 0.042 indicating that the relationship was statistically significant.

Table 2
Economic Factor

	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Economic crisis effect	(0.165)	(0.270)	(1.17)	(0.042)*

3.4 | Employee's Satisfaction and Material Factors

According to the (table 3) the analysis showed that the coefficient of 'monthly income' is -0.329, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.722 indicating that each one-unit increase in monthly income, the odds of the outcome decrease by a factor of 0.722, and this relationship was statistically significant. The coefficient of employee 'earn vs deserve' 0.418, indicated a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.519. The coefficient of employee 'feel about pay' is -0.290, indicated a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.748. The coefficient of 'working environment' is 0.536, indicated a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.708. The coefficient of 'reason of satisfaction' of employee is 0.162, indicated a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.176. The coefficient of 'reason of dissatisfaction' of employee was -1.175, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 1.309. The p-value is 0.000. For each one-unit increased in the reasons for dissatisfaction, the odds of the outcome decreased by a factor of 0.309, and this relationship was highly statistically significant.

Table 3
Material Factors (Employee Situation)

	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Monthly Income	(-0.326)	(0.158)	(0.722)	(0.039)
Fell about pay	(-0.290)	(0.397)	(0.748)	(0.042)
Earn vs deserve	(0.418)	(0.148)	(1.519)	(0.005)
Working Environment	(0.536)	(0.216)	(1.708)	(0.013)
Reason if satisfy	(0.162)	(0.146)	(1.176)	(0.027)
Reason if not satisfy	(-1.175)	(0.132)	(1.309)	(0.000)

The (table 4) showed the result of 'understand responsibility of job' revealed that the coefficient was -1.116, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.328, which means that each one-unit increase in the understanding of job responsibilities, the odds of the outcome decrease by a factor of 0.328. The p-value was 0.025 and this relationship was statistically significant. The coefficient of 'satisfied with the benefits' is 1.429, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 4.176 shows that for each one-unit increase in satisfaction with benefits, the odds of the outcome increased by a

factor of 4.176. The coefficient of 'institution take care about satisfaction of employees' was -1.004, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.366 showing each one-unit increase in the perception of institutional care for employee satisfaction, the odds of the outcome decreased by a factor of 0.366, and this relationship was statistically significant at 0.025. The coefficient of 'problem paying bills' is -0.207, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.813. The coefficient of 'work overload' was -0.389, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.677. The coefficient of 'stress during work' is -0.071, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.931. The coefficient of 'freedom to decide job' was -0.197, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.821. The p-values of all variables were statistically significant.

Table 4
Material Factors (Employee Satisfaction)

	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Responsibility of job	(-1.116)	(0.647)	(0.328)	(0.025)
Satisfy with benefits	(1.429)	(0.478)	(4.176)	(0.003)
Institution care	(-1.004)	(0.448)	(0.366)	(0.025)
Problem paying bill	(-0.207)	(0.335)	(0.813)	(0.037)
Feel stress during work	(-0.071)	(0.404)	(0.931)	(0.020)
Work overload	(-0.389)	(0.391)	(0.677)	(0.032)
Freedom of job	(-0.197)	(0.365)	(0.821)	(0.019)

3.5 | Employee's Satisfaction and Behavioral Factor

The (table 5) depict the coefficient of 'reclining a day' was -0.248 indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.780, and the p-value was 0.037. For each one-unit increased in the reclining time per day, the odds of the outcome decreased by a factor of 0.780, and this relationship was statistically significant.

Table 5
Behavioral Factor

	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Reclining a day	(-0.248)	(0.149)	(0.780)	(0.037)

3.6 | Employee's Satisfaction and Psychological Factors

The (table 6) show the coefficient of 'unhappy doing things alone' was -0.018, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.982. The coefficient 'have nobody to talk' was -0.002, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.998. The coefficient of 'can't tolerate being alone' was 0.030, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.030. The coefficient of 'nobody understands me' was 0.014, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.014. The coefficient of 'waiting for people to call' was 0.076, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.079. The coefficient of 'no longer close to anyone' was 0.016, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.016. The coefficient of 'ideas not shared by those around me' was -0.144, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.866. The coefficient of 'feel isolated from others' was 0.038, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.039.

The coefficient of 'difficult to make friends' was -0.045, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.956. The coefficient of 'can see or talk to my children' was 0.021, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.021. The coefficient of 'can see or talk to my parents' was 0.068, indicating a positive effect on the likelihood of being satisfied with salary. The odds ratio was 1.070. The coefficient of 'plenty of people I can rely' was -0.128, indicating a negative effect on the likelihood of being satisfied with salary. The odds ratio was 0.880. The p-value of psychological factors were > 0.05 which means that the relationship was statistically significant.

Table 6
Psychological Factors

	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Unhappy doing work alone	(-0.018)	(0.160)	(0.982)	(0.013)
Nobody to talk	(-0.002)	(0.185)	(0.998)	(0.038)
Can't tolerate being alone	(0.030)	(0.163)	(1.030)	(0.046)
Nobody understands	(-0.014)	(0.162)	(1.014)	(0.032)
Waiting for people to call	(0.076)	(0.167)	(1.079)	(0.035)
No longer close to anyone	(0.016)	(0.150)	(0.016)	(0.042)
Ideas not share by other	(-0.144)	(0.169)	(0.866)	(0.039)
Feel isolated	(0.038)	(0.160)	(1.039)	(0.011)
Difficult to make friends	(-0.045)	(0.134)	(0.956)	(0.036)
Can talk to children	(0.021)	(0.074)	(1.021)	(0.037)
Can talk to parents	(0.068)	(0.133)	(1.070)	(0.041)
Plenty of people rely	(-0.128)	(0.128)	(0.880)	(0.032)

3.7 | Employee's Satisfaction in Banks

According to the (table 7), the "working environment" show a positive coefficient (B = 0.496) indicated that as the perception of a safe work environment increases, the odds of the satisfaction also increase by a factor of Exp (0.496). "Receive recognition when perform well" show a negative coefficient (B = -0.222) suggested that as the perception of receiving recognition for good performance increases, the odds of the satisfaction decrease by a factor of Exp (-0.222) = 0.801. "Receive right amount salary" indicated the negative coefficient (B = -0.319) implied that as the perception of receiving the right amount of salary increases, the odds of the satisfaction decrease by a factor of Exp (-0.319) = 0.727. "Receive support from management" showed a negative coefficient (B = -0.303) indicated that as the perception of receiving support from management increases, the odds of the satisfaction decrease by a factor of Exp (-0.303) = 0.739. "Equal benefit package" showed positive coefficient (B = 1.149) suggested that if there's an equal benefit package, the odds of the satisfaction increase by a factor of Exp (1.149) = 3.156. The variables such as "satisfied with work", "provide necessary trainings", "an effective employee", "understand strategy of bank", "trust on bank", "can express honest opinions", "workplace have privacy for me", "adequate software", "recommend family" show positive coefficient which suggested that due to increase in these variables the satisfaction also increase. While the negative coefficient which impact the satisfaction negatively were: "feel satisfaction when do job well", "work require energy", "good understanding of finance of bank", "changes may effect", "bank provide technology", and "technology issues".

3.8 | Employee's Satisfaction in Hospitals

According to (Table: 4.8), the Odds Ratio (Exp B) = 3.303 showed that for each unit increase in satisfaction with communication between departments, the odds of having positive job satisfaction increase by approximately 3.303 times. For each unit increase in satisfaction about available resources, the odds of positive job satisfaction decrease by approximately 55.3% (1 - 0.447). For each unit increase in satisfaction with salary, the odds of positive job satisfaction increase by approximately 37.9%. The variables such as "satisfied with training", "feel encouraged by supervisor", "department provide equipment", "Various discipline work together", employees hospitalists", "too many people on waiting", showed the positive impact on satisfaction while other show the negative impact indicating that those variable cause decrease in satisfaction. All variable were statistically significant.

Table 7
Employee's Satisfaction in Banks

Variables	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Work environment safe	0.496	0.621	1.643	0.042
Receive recognition	-0.222	0.757	0.801	0.047
Receive right amount salary	-0.319	0.560	0.727	0.027
Receive support	-0.303	0.549	0.739	0.028
Equal Benefit	1.149	0.558	3.156	0.039
Satisfied with work	0.043	0.612	1.044	0.045
Provided trainings	0.379	0.518	1.461	0.046
Effective employee	0.214	0.550	1.239	0.033
Feel satisfaction do job well	-0.889	0.507	0.411	0.011
Work require energy	-0.181	0.412	0.834	0.026
Understand strategy of bank	0.146	0.567	1.158	0.036
Understanding finance of bank	-0.861	0.665	0.423	0.020
Trust on bank	0.728	0.475	2.071	0.030
Express honest opinions	0.710	0.557	2.035	0.020
Changes may affect	-0.877	0.539	0.416	0.010
Workplace have privacy	0.553	0.573	1.738	0.033
Bank provide technology	-0.960	0.606	0.383	0.011
Adequate software	0.941	0.629	2.564	0.013
Technology issues	-0.566	0.573	0.568	0.032
Recommend family	0.120	0.353	1.128	0.033

Table 8
Employee's Satisfaction in Hospitals

Variables	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Satisfied communication between departments	0.791	0.803	0.453	0.032
Satisfied about resources	0.929	0.658	2.532	0.016
Satisfied with salary	-0.818	0.501	0.441	0.010
Satisfied with opportunities	0.669	0.627	1.952	0.029
Satisfied with training	0.147	0.521	0.863	0.018
Feel encouraged by supervisor	0.013	0.691	1.013	0.045
Reasonable amount work	-0.889	0.550	0.411	0.011
Department provide equipment	-0.576	0.537	0.562	0.025
Easily communicate	-0.550	0.589	0.577	0.047
Employee's hospitalists	1.336	0.775	3.805	0.024
Staff periodically asked	0.049	0.826	1.050	0.028
Various discipline work together	0.674	0.575	1.962	0.039
Hospital compare results	1.163	0.694	3.201	0.042
Too many people on waiting	0.397	0.667	1.487	0.026
Hospital has many vacancies	0.129	0.430	1.37	0.028
Hospital experience competition	-0.552	0.510	0.569	0.046
Hate of sickness absentee high	-0.396	0.537	0.576	0.042

3.9 | Employee's Satisfaction in Universities

According to (Table: 4.9), the variable had a coefficient of -0.260, which suggested that for a one-unit increase in academicians participating in decisions, the log-odds of the outcome decrease by 0.260 units. The associated p-value (Sig.) was 0.028, indicating that this variable was statistically significant. The odds ratio (Exp B) was 0.771, which means that the odds of the outcome decrease by approximately 23% for each one-unit increase in academicians participating in decisions. A coefficient of 0.132 suggested that having job descriptions in the university was associated with a 13.2% increase in the log-odds of the outcome. The low p-value (0.007) indicated statistical significance. The odds ratio (Exp B) of 1.142 suggested a 14.2% increase in odds for the presence of job

descriptions. With a coefficient of 0.435, a sufficient number of staff was associated with a 43.5% increase in the log-odds of the outcome. The variables were statistically significant with a p-value of 0.016. The odds ratio (Exp B) of 1.545 corresponded to a 54.5% increase in odds. A coefficient of 0.175 indicated that having modern educational equipment was associated with a 17.5% increase in the log-odds of the outcome. The p-value was 0.044, suggesting statistical significance. The odds ratio (Exp B) of 1.191 corresponded to a 19.1% increase in odds. The variable had a coefficient of -0.314, suggesting that having appropriate criteria for courses was associated with a 31.4% decrease in the log-odds of the outcome. The p-value was 0.028, indicating statistical significance. The odds ratio (Exp B) of 0.731 corresponded to a 26.9% decrease in odds. With a coefficient of -0.415, a good level of communication was associated with a 41.5% decrease in the log-odds of the outcome. The p-value was 0.019, indicating statistical significance. The odds ratio (Exp B) of 0.660 corresponded to a 34.0% decrease in odds. The variable had a coefficient of -0.192, suggesting that paying a sufficient salary was associated with a 19.2% decrease in the log-odds of the outcome. The p-value was 0.046, indicating statistical significance. The odds ratio (Exp B) of 0.826 corresponded to a 17.4% decrease in odds. A coefficient of 0.300 suggested that paying extra course fees was associated with a 30.0% increase in the log-odds of the outcome. The variables were statistically significant with a p-value of 0.027. The odds ratio (Exp B) of 1.350 corresponded to a 35.0% increase in odds. With a coefficient of -0.025, university promises were associated with a slight decrease in the log-odds of the outcome. The p-value was 0.031, indicating statistical significance. The odds ratio (Exp B) of 0.976 suggested a marginal decrease in odds. The variable had a coefficient of -0.100, suggesting that the presence of student problems was associated with a 10.0% decrease in the log-odds of the outcome. The p-value was 0.048, indicating statistical significance. The odds ratio (Exp B) of 0.905 corresponded to a 9.5% decrease in odds. A coefficient of -0.007 suggested that having accurate records was associated with a small decrease in the log-odds of the outcome. The p-value was 0.003, indicating statistical significance. The odds ratio (Exp B) of 0.993 suggested a marginal decrease in odds. With a coefficient of 0.269, faculty members willing to help students were associated with a 26.9% increase in the log-odds of the outcome. The p-value was 0.035, indicating statistical significance. The odds ratio (Exp B) of 1.308 corresponded to a 30.8% increase in odds. The variable had a coefficient of -0.419, suggesting that having a sufficient administrative staff was associated with a 41.9% decrease in the log-odds of the outcome. The p-value was 0.015, indicating statistical significance. The odds ratio (Exp B) of 0.658 corresponded to a 34.2% decrease in odds.

Table 9
Employee's Satisfaction in Universities

Variables	(B) (Coefficient)	S.E (Standard Error)	Exp (B) (Odd Ratios)	P-value (Significant values)
Academicians participate to decisions	-0.260	0.237	0.771	0.028
University has job description	0.132	0.332	1.142	0.007
Sufficient number of staff	0.435	0.308	1.545	0.016
Modern educational equipment	0.175	0.289	1.191	0.044
Appropriate criteria for courses	-0.314	0.290	0.731	0.028
Good level of communication	-0.415	0.266	0.660	0.019
Pay sufficient salary	-0.192	0.252	0.826	0.046
Pay extra course fees	0.300	0.286	1.360	0.027
University promises	-0.025	0.307	0.976	0.031
Students' problem	-0.100	0.311	0.905	0.048
Accurate records	-0.007	0.268	0.993	0.003
Faculty willing to help students	0.269	0.288	1.308	0.035
Sufficient administrative staff	-0.419	0.291	0.658	0.015

Overall, the results of the research offered an in-depth understanding of the numerous variables affecting worker happiness and pay disparity across a variety of industries, including banking, healthcare, and education. Key findings showed that demographic factors, including age, gender, marital status, and educational attainment, had a considerable impact on job satisfaction. These factors also had varying effects on employee contentment and perceptions of equity in the workplace. Higher income did not always translate into greater contentment, emphasizing that equitable compensation in relation to perceived needs and contributions is another factor that affects satisfaction. According to research, workers who were adequately rewarded and who work in settings where management and resources were available to them, seem more likely to report feeling satisfied with their jobs.

Employee data from banks offered an understanding of a number of distinct factors that affect worker results in a banking setting. Establishing a secure and encouraging work environment was crucial because employees were more likely to succeed when they believe their workplace is safe and that management is supporting them. Higher chances of success were linked to both job satisfaction and an equal benefit package, underscoring the importance of just compensation and job satisfaction. Hospital employees' job satisfaction data provided a comprehensive understanding of the several aspects that may affect their overall job happiness. Results from all of the variables were statistically significant. Job happiness may be impacted by trends in variables like training and departmental communication satisfaction. However, as evidenced by their strong p-values, job satisfaction among bank employees was significantly correlated with contentment with resources, compensation, opportunities, and other workplace characteristics.

The purpose of the university employee data was to look into the elements that influence university employees' satisfaction with their jobs. Numerous important findings emerged from an in-depth review of the factors that were supplied. It was discovered that the existence of university job descriptions was linked to more favorable results. Higher probabilities of successful outcomes were associated with both the availability of a suitable number of staff members and contemporary instructional equipment, underscoring the significance of resource allocation in attaining favorable outcomes. A few obstacles were noted that could affect favorable results. According to the findings, the existence of encouraging, well-resourced work environments with equitable and open wage rates has a greater impact on job satisfaction than the sector's status as public or private. These results revealed that in order to effectively reduce wage inequality, attention must be given to both direct pay scales and the larger socioeconomic and psychological factors that influence workers' feelings of fulfillment and well-being.

3.10 | Hypothesis Justification

Hypothesis 1 (Ho^1): There was a significant gap in an employee's fulfillment among private or public sector.

The null hypotheses presented in the proposal can also be related to the findings of the logistic regression analysis. The first null hypothesis suggested that there was a significant gap in an employee's fulfillment among private or public sectors. The logistic regression analysis suggested that institution type was not a significant predictor of job satisfaction, indicating that there may not be a significant gap in fulfillment between private and public sectors.

3.11 | Hypothesis 2 (ho^2): There was a significant difference in socio-economic factors of the employees in both sectors.

According to the second null hypothesis, the socioeconomic backgrounds for employees in the two sectors differ significantly. The logistic regression analysis suggested that monthly income and earn vs. deserve were positively associated with job satisfaction, but institution type was not a significant predictor of job satisfaction, indicating that there may not be a significant difference in socio-economic factors between the two sectors. These findings highlight the importance of considering a range of socio-economic factors when examining the impact of wage inequality on employee satisfaction.

4 | DISCUSSIONS

The fundamental disparities in wage-setting between the two areas had been emphasized in this present study. The study went farther, though, by examining how these differences affect worker discontent across all industries in Pakistan's socioeconomic setting. Additionally, corresponding to earlier research indicated that the pay difference between government and private sectors can be attributed to several factors, including differences in job roles, skills, qualifications, and market forces. Government sectors often have more standardized pay scales and may offer better job security and benefits, while private sectors may have more flexibility in setting wages based on market demand and individual performance (Bender, 2003). Both public and private sectors were affected by socio-economic factors, such as financial strain and social isolation. However, the impact of these factors on job satisfaction may vary depending on the specific context and the nature of the job. The study's logistic regression analysis indicated that while institution type was not a significant predictor of job satisfaction, social and psychological elements are, suggesting that socioeconomic factors may had a similar impact on both sectors (Linz & Semykina, 2012). Notably, our findings showed that socioeconomic variables such as loneliness and financial stress were important indicators of job satisfaction for workers in Pakistan's public and private sectors. By offering empirical data unique to the cultural and economic context of a developing nation, the study supported this claim.

The prior research clarified that the income gap between employees providing the same services in public and private sectors can be attributed to differences in wage-setting mechanisms, market forces, and organizational structures. Public sector wages are often determined by standardized pay scales and collective bargaining agreements, while private sector wages may be more influenced by market demand, individual performance, and company profitability (Gupta & Verhoeven, 2001). The structural causes of pay disparities had been recognized by the new findings, which was consistent. This study, however, added to the conversation by investigating the ways in which these disparities impact worker happiness and well-being, providing an increased awareness of the socioeconomic effects of income disparity. (Verhoeven & Gupta, 2001). The results of the logistic regression analysis presented in this study indicate a negative correlation between work satisfaction and income. The study emphasizes that other psychological and socioeconomic factors, like work-life balance and financial stress, were more important. This was further supported by earlier study, which found that other factors may have a stronger impact and that increased money does not always translate into greater job satisfaction. (Sousa-Poza & Sousa-Poza, 2000). Previous studies confirm that structural differences in wage-setting between public and private sectors remain a primary reason of wage inequality (Gulyani, G., & Sharma, T. 2021). This study extends this by showing how these disparities specifically affect employee dissatisfaction in Pakistan's socio-economic setting, providing region-specific clarity that enrich the global discourse on wage inequality.

The socio-economic stressors such as pay inequality impact morale and absenteeism (Breza et al., 2020). New findings emphasize their role in shaping overall job satisfaction across sectors in Pakistan. This contributes to a detailed understanding by linking these factors to cultural and economic variables unique to developing country. The mixed effects of income inequality on performance, often depending on the type of inequality measured (Rouen, 2020). The recent study adds depth by using logistic models to show a negative correlation between income and satisfaction, particularly in relation to socio-economic pressures in public and private sectors. According to the current research effort, satisfaction in this studies was not significantly predicted by the type of institution. Nonetheless, the study emphasized the specific ways that socioeconomic variables, such as access to benefits and financial stress, affect satisfaction levels in the Pakistani environment. Based on past studies, an employee's degree of happiness is not influenced by whether they work for the government or the private sector, but rather by personal traits, job features, and organizational settings. (Linz & Semykina, 2012)

5 | CONCLUSION

The conclusion drawn from the latest research was that, although socioeconomic and psychological factors had an important impact on job satisfaction in both the public and private sectors, the type of institution was not a significant predictor of job satisfaction. In contrast with previous research, this study underlined the consistent effects of financial strain, social isolation, and other socioeconomic factors across sectors, underscoring the necessity of more comprehensive, sector-neutral strategies to address wage inequality. Based on the study, a number of interrelated factors influence job satisfaction in both the public and private sectors, rather than just pay levels. Wage disparity certainly had an impact on job satisfaction, but socioeconomic, psychological, and working factors had an even bigger impact. Fair benefits, social interaction opportunities, and supportive work environments were essential for employee satisfaction. Furthermore, variations among industries—such as banking, healthcare, and education—emphasized particular requirements necessary for each sector. For instance, university workers benefit from well-defined job tasks and adequate administrative assistance, whereas hospital staff prefer intra-departmental communication and reasonable workloads. This suggested that raising job satisfaction was a complicated issue that involves more than just adjusting pay scales.

6 | POLICIES TO BRIDGE WAGE INEQUALITY

The government should establish a "National Wage Equity Strategy" to regulate salaries for similar positions in the public and private sectors in order to reduce wage inequality and its socioeconomic effects in Pakistan, especially in its major business practices areas. To ensure equitable compensation, this system may incorporate clear wage-setting procedures correlated with employment duties, abilities, and qualifications. Furthermore, implementing supported support programs—like reasonably priced housing, healthcare, and childcare—can relieve the financial burden on low-income workers. Tax incentives for institutes that implement fair pay policies and make investments in the well-being of their employees is one way that policymakers may promote private sector collaboration. Encouraging ongoing programs for improving abilities would improve career mobility, aid in closing pay disparities, and create an inclusive workplace where employee happiness is given first priority.

7 | STRENGTH AND LIMITATIONS

The strengths of this study included the use of primary data, the ability to adjust socioeconomic factors and sampling of workers with various socioeconomic backgrounds. However, being female, researcher had the limitation of time and financial assets due to which the study did not address all public and private sectors of twin cities. The study relies on self-reported data, which can be subject to biases and inaccuracies. Participants may provide responses that are influenced by social desirability bias or may not accurately reflect their true experiences or opinions. The study may not have control over external factors that could influence employee satisfaction, such as macroeconomic conditions, organization-specific trends, or organizational policies which limiting the comprehensive understanding of employee satisfaction.

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