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Public Service Motivation: Have financial Incentives Strengthened the Motivation of Mississippians?

Alexander G. Washington

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Public service motivation: Have financial incentives strengthened the motivation of
Mississippians?

By

Alexander G. Washington

A Dissertation
Submitted to the Faculty of
Mississippi State University
in Partial Fulfillment of the Requirements
for the Degree of Doctor of Philosophy
in Public Policy and Administration
in the Department of Political Science and Public Administration

Mississippi State, Mississippi

May 2017

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2017

Public service motivation: Have financial incentives strengthened the motivation of
Mississippians?

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In a sector that has traditionally relied on intrinsically motivated employees, research has shown that public employees care more about serving society than reaping personal gains. Recently, the public sector implemented extrinsic rewards available to their workforce. Understanding the impact extrinsic rewards has on individuals employed in the public sector should be studied and interpreted before more personal rewards are offered by public institutions.

This study examined the public service motivation (PSM) of faculty at Mississippi State University (MSU) hired between October 1, 2007 – October 1, 2016. Quantitative methods were used to analyze differences in PSM among faculty with outstanding student loan debt and those lacking debt. This study used a partial measurement of James Perry's PSM measureable scale. By measuring self-sacrifice levels, this study determined the levels faculty at MSU are willing to substitute their personal interest for the good of society. Specifically, this study focused on the Public Service Loan Forgiveness (PSLF) program offered by the U.S. Department of Education.

Data were collected through MSU's class climate electronic survey system. In addition to the 8 items on Perry's PSM self-sacrifice dimension, closed-ended and multiple choice questions were asked to collect demographic information related to age, household income, student loan debt, and awareness/interest in the PSLF.

The results did not reveal any statistically significant difference between faculty with outstanding student loan debt and those without student loan debt. However, the results revealed beneficial information that can be used to understand the motivation of faculty and their desire to reap extrinsic rewards. The majority of respondents indicated that they did not have outstanding student loan debt and the level of interest in PSLF was less than half of the respondents.

PSLF was designed to relieve public sector employees of their student loan burdens as well as motivate individuals to seek careers in public service. The literature and data collected in this study suggest that the public sector is still dominated by intrinsically motivated employees. Future research studies should expand this quantitative analysis over various populations of public sector employees and implement the findings into the future practices of public administrations.

DEDICATION

This dedication honors my family and friends, without whom none of this would have been achievable. The love, support, time, and energy each of you have invested into me has kept me motivated to seek more in life.

To my mother, Margie Washington-Quick, who has instilled the word of God into every aspect of my life and taught me that all I have ever needed was faith the size of a mustard seed. You have always been the foundation to my educational, spirit, and physical well-being. As a struggling elementary and middle school student, I do not think you or I would have imagined I would get this far in my educational career, but I am so proud that we get to share this moment.

To my father, Bill Washington, you have taught me the true meaning of a servant as you continue to impact so many people around you. Whether it was motivating me to become more active in church or being a better grandson to my grandparents, one constant theme is your love and proudness to be my dad.

To my brothers, Anthony and Adam Washington, thank you for always looking to make sure your youngest brother remains level headed and protected. We all have grown to live our individual lives, but one thing is for sure; we could never deny the strong genes we each carry. I am thankful to be the youngest of the AGW's.

To my nephew, Aidan Ellis Washington, you amaze and motivate me each time I am in your presence. For 18 years, I was the youngest, wittiest, and most energetic in the

family. I am proud to give you those titles but I am also very pleased see you grow into a mature cool intelligent teenager. I am thankful for our playful yet serious relationship that I hope to cultivate as we both get older.

To my friends, you all have been lifesavers. The love, trust, and appreciation that we all share has been priceless and very memorable. I am proud of each of you and I hope that I have added as much value to your life as you have added to mine.

I love you all and always remember Jeremiah 29:11.

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LIST OF ACRONYMS

1. Public Service Motivation = PSM
2. Mississippi State University = MSU
3. Office of Federal Student Aid = OFSA
4. Public Service Loan Forgiveness = PSLF
5. College Cost Reduction and Access Act = CCRAA
6. Healthcare and Education Reconciliation Act = HCER
7. American Association of University Professors = AAUP
8. Masters of Public Administration = MPA
9. Attraction to policymaking = APM
10. Commitment to public interest = CPI
11. Compassion = COM
12. Self-sacrifice = SS
13. Office of Institutional Research and Effectiveness = OIRE

CHAPTER I

INTRODUCTION

In a February 2013 edition of the Huffington Post, columnist Tyler Kingkade discussed an analysis by the Center for Responsive Politics that reported 46 United States members of Congress held a range between \$1.8 million and \$4.3 million dollars in student loan debt (Kingkade, 2013). With the increasing national student loan debt average, the federal government has taken notice of the growing burden on college graduates (Weeden, 2015; Gurciullo, 2015).

Decades of data released by The College Board, a not-for-profit organization located in New York, NY, reveals two important facts: colleges are graduating more students and those who attend college are leaving with thousands of dollars in federal student debt (College Board, 2013). Although those who graduate are maximizing their earning potential by obtaining a college degree, their initial salaries are not affording them an opportunity to live the “American Dream” (Stone, Van Horn, & Zukin, 2012). Upon graduating from college, students are in pursuit of a career, family, and homeownership (American Student Assistance). The economic state of our country relies on these individuals as they become taxpayers fulfilling the aforementioned objectives. Steadily brewing is the concern that the student loan burden will dramatically cause harm to the economic state of the United States with reports stating that the financial burden of

student loans causes individuals to delay career choices, families, and homeownership (Martin & Lehren, 2012).

The Higher Education Act of 1965 established the national federal student loan program providing grants and loans to all eligible students seeking a postsecondary degree. The program is designed to subsidize college cost for low-income students. “While student financial aid at the postsecondary level in the United States has become more common, aid packages have shifted away from grants and towards student loans” (Minicozzi 417). Alexandra Minicozzi (2005) found that student loan packages have increased by 125%. Minicozzi was motivated to determine the effects student loans have on borrowers over time. Often, initial loan repayments come at a time when former students have few assets and low earnings. Repayment may be burdensome; for example, a 1997 National Student Loan Survey revealed respondents who attended a public 4-year college spent at least 16% of their monthly income on student loan repayment, as compared to 15% for private 4-year & private 2-year college graduates (Minicozzi, 2005).

The United States Department of Education was created in 1980 to “promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access” (U.S. Department of Education, 2014). The agency is dedicated to establishing policies funding federal financial aid for education; distributing as well as monitoring those funds; collecting data on America’s schools; disseminating research; focusing national attention on key educational issues; and prohibiting discrimination, and ensuring equal access to education. A division within the U.S. Department of Education is the Office of Federal Student Aid (OFSA). The OFSA is

responsible for providing grants, loans, and work-study funds for college or career students. OFSA is the largest provider of student financial aid in the United States. The office employs roughly 1,200 employees who help make a college education possible by dedicating \$150 billion in federal grants, loans, and work-study to 15 million students (U.S. Department of Education, 2014).

In 2007, Congress addressed the issue of the growing student loan debt by passing legislation that provides relief for those seeking a career in public service. Public service employment includes federal, state, or local government agency, entity, organization, or a non-profit that has been designated as a 501 (c) (3) tax-exempt organization. The College Cost Reduction and Access Act (CCRAA) of 2007 provides additional benefits for federal student loan borrowers that allows for a reduction in student loan payments. Repayment options are based on the following factors: amount borrowed, salary, and public/private sector (Lewontin). These new factors for determining the monthly repayment amounts allows borrowers the opportunity to successfully manage their student loan repayment obligations. Also within the CCRAA, the U.S. Department of Education began offering forgiveness options. On October 1, 2007, the Department of Education implemented the Public Service Loan Forgiveness (PSLF) program providing benefits to federal student loan borrowers who are public service employees, (Office of the U.S. Department of Education, 2014). The United States Labor Bureau reports more than a quarter of the current workforce is defined as working in the public sector (Consumer Financial Protection Bureau). These findings help support Congress's plan to provide assistance for those seeking careers in public service in an attempt to reduce the federal student loan burden on public servants. Those seeking careers in public service do

not enter the sector to obtain wealth (Maciag). Historically, it has been assumed public servants reap intrinsic benefits rather than monetary or extrinsic benefits (Weisenthal). Examining the birth of the Public Service Loan Forgiveness program, this research will provide evidence of whether implementing programs providing extrinsic benefits increases the public service motivation of those working in public service. This research determined whether the PSLF program plays a significant role in the motivation and commitment to public service.

The 2010 Health Care and Education Reconciliation Act (HCER Act), passed by Congress and signed by President Obama, reformed the student loan program. Included within the HCER Act were “provisions of the Student Aid and Fiscal Responsibility Act that changed the way students pay for higher education” (Howard 585). Prior to the HCER Act, students were able to select private banks to serve as federal loan guarantors; while the federal government funded the student loans. Removing private banks from the federal student loan process allows the federal government to save \$68 billion dollars over an 11-year time span (Howard, 2011). Policymakers noticed the constant increase in the cost of higher education and the debt burden being placed on students seeking a higher education. For example, between 2002-2007, the cost of an undergraduate degree at a public university increased by 35% (Howard, 2011). HCER Act eliminated the need for the “middleman” (private banks).

Prior to the passage of the HCER Act, the housing bubble burst, requiring the federal government to create mechanisms to relieve corporations and citizens during the financial crisis. Very similar to the housing bubble, the inflating cost of higher education and the attempt to make college affordable to more people forced the need for more loans

to more people. The drive to make college affordable and increase graduation rates caused very similar market effects, as the drivers of the mortgage loan programs that caused the housing bubble. Howard (2011) states, “higher tuition requires more loans, which leads to higher tuition and even larger loans. This cycle is the result of transforming a student loan program from a means to help the indigent afford college into a program that gives money to all students regardless of true financial need” (Howard 511).

In 2010, when President Obama signed the HECR Act to eliminate private lenders authority to guarantee federal loans, the federal student loan portfolio totaled 749.8 billion dollars. The federal student loan portfolio at the close of fiscal year 2015 totaled 1,212.4 billion dollars (National Student Loan Data System). Policymakers predicted this increasing trend prior to the passage of the 2010 Act.

This dissertation determines whether student loan borrowers are more motivated to remain in the public sector following the 2007 Public Service Loan Forgiveness Program. The research design suggests that the 2007 Public Service Loan Forgiveness Program has significantly decreased Perry’s (1996) self-sacrifice motive of motivating persons to service their country and not seek personal gains (Perry, 1996). This dissertation will provide literature on public service motivation (PSM), student aid policy, and methodology that compares student loan borrowers and non-student loan borrowers to determine their level of public service motivation.

Statement of the Problem

The economic impact caused by student loan debt in the United States has not been explored at the rate of the student loan indebtedness of college graduates (Consumer Financial Protection Bureau). “Governments across the world provide student loans allowing students to borrow against the lifetime welfare gains created by a college education” (Dynarski 25). Borrowing has increased over time due to the rising cost of college tuition and the increasing number of individuals seeking a college education. While debt levels of college graduates are far less than the lifetime benefits gained from obtaining a college degree, Dynarski (2014) identifies the “mismatch” that existed within student loan policies. The author states, “there is a mismatch in the timing of the arrival of the benefits of college and its costs, with payments due when earnings are lowest and most variable” (Dynarski 3). This statement has been true for most student loan borrowers, as they enter the workforce. Federal student loan repayment, typically, begins six months after a student graduates (Office of Federal Student Aid). The earnings of most college graduates entering the workforce grow over time (Dynarski).

In 2007, the United States Congress passed the College Cost Reduction and Access Act, providing the newly-implemented Public Service Loan Forgiveness (PSLF) program. The PSLF was an important move to provide public service employees an opportunity to successfully repay their student loans. This program was motivated by data proving that public sector employees receive less compensation compared to private sector salaries (United States Congressional Budget Office).

As stated by Perry & Wise (1990), “Public service is a concept, an attitude, a sense of duty- yes, even a sense of public morality” (Perry and Wise, The Motivational

Bases of Public Service 368). For decades, the effort to determine issues affecting the motivation and retention of public service employees has been a driving force in public service motivation research (Gay). Scholars have explored multiple approaches to find: effective retention strategies, intrinsic and extrinsic motivators, and characteristics that identify employees with higher levels of public service motivation (Samuel and Chipunza).

Public service motivation has been explored and analyzed in an effort to strengthen all levels of government. Perry and Wise (1990) define public service motivation as, “an individual’s predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations” (Perry and Wise, The Motivational Bases of Public Service 368). Scholars have grasped a hold to the standardized and quantifiable theory of PSM, which was developed by Perry and Wise. Public Administration scholars such as Buchanan II (1975) and Rainey (1982) provide research on the public service ethic, however, their attempts lacked quantifiable measures needed to understand the PSM levels of employees. Public service ethic is defined as “putting the public’s interest first” instead of being motivated by personal motives (Buchanan). In recent decades, research sought to find value in the motives of public sector employees to increase the retention as well as ways to increase the human capital of the employees (Burgess and Ratto). Perry’s (1996) article, “Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity” provided the groundwork to making PSM a quantifiable theory. Perry (1996) defines motives as a term used to mean “psychological deficiencies or needs that an individual feels some compulsion to eliminate” (Perry, Measuring Public Service Motivation: An Assessment of Construct

Reliability and Validity 6). The motives created “three analytically distinct categories” referred to as the rational, norm-based, and affective theoretical based used to measure the level of public service motivation of employees (Perry, Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity). Specifically, this research focuses on the affective motive.

Perry’s theories began to be explored by other public administration scholars to test the PSM construct. The motivation to expand the PSM research is best stated in Leonard Bright’s (2007) article, “Does Public Service Motivation Really Make a Difference on the Job Satisfaction and Turnover Intentions of Public Employees?”. Practitioners noticed the benefit PSM had on helping address issues within human resources (Bright, 2007). This dissertation further examines two human resource issues in which scholars have attempted to address: public organizations desire to develop strategies to attract individuals to the public sector due to the decline of Baby Boomers and the need to increase the desire of young adults to seek careers in government (Bright, 2007).

Public service motivation is largely the difference between public and private sector employees (Houston, 2000; Perry and Wise 1990; Perry, 1996). Public employees “are seen as motivated by a concern for the community and a desire to serve the public interest and are more likely to be characterized by an ethic that prioritizes intrinsic rewards over extrinsic rewards” (Kim, Public service motivation and organizational citizenship behavior in Korea). Kim (2009) expanded the PSM research to determine whether Perry’s measurable scales are able to be generalized and applicable to countries other than the United States (Kim, 2009). Several studies concluded that PSM’s four-

factor construct was indeed generalizable and applicable over different contexts; however, there is a need to further expand the construct over different samples (Kim, 2009).

The main objective of this research, using theoretical bases, investigates the factors that motivate and retain faculty at Mississippi State University. There have been very limited efforts made using federal student loan data in a comparative manner. Mainly, student loan research has focused on the “economic implications of rising student indebtedness” (Looney and Yannelis 4). Using Perry’s (1996) self-sacrifice dimension, which includes an 8-item scale, combined with the collection of demographic information, this research explored the role federal student loan debt plays on an individual’s level of public service motivation. This research adds to the expansion of PSM theory and further examines factors impacted by federal student loan indebtedness. The importance of this body of work adds value to two factors: 1) assists practitioners and policymakers in their efforts to understand the motivation and retention of public sector employees and 2) groundbreaking literature and data to determine the impact of the Public Service Loan Forgiveness program.

Research Question

This research examines whether the implementation of the Public Service Loan Forgiveness (PSLF) program has strengthened or decreased the public service motivation of public servants in Mississippi. Very few researchers have studied the impact extrinsic benefits have on a sector that has been traditionally intrinsically driven. This research relies on James Perry’s self-sacrifice motive that believes individuals working in the public sector are not self-interested. The PSLF program is an investment in the human

capital of employees as it allows for the elimination of federal student loan debt if an individual's length of public service is at least ten years. These factors lead to the following research question:

1. Are extrinsic benefits increasing the public service motivation of state of Mississippi employees?

Theoretical Framework

Steven Kelman (1987) questioned "What are the distinctive advantages that might draw people to government?". According to Perry and Wise (1990), human behavior is motivated by self-interest and incentives. This dissertation explains the relationship between public service motivation and a specific extrinsic benefit (PSLF program) through human capital theory. These two factors have motivated policymakers to rely on human capital theory to help solve policy issues.

The Business Dictionary defines capital as "wealth in the form of money or assets, taken as a sign of the financial strength of an individual, organization, or nation, and assumed to be available for development or investment" (Business Dictionary). Deacon & Firebaugh (1988) states "human capital of an individual or family is the total stock of human capacities at a point in time for affecting future resources and their use" (Deacon and Firebaugh 228). Schultz (1971) contends that the investment made in an individual's education produces economic benefits for the individual as well as the society as a whole. The Public Service Loan Forgiveness program was implemented to aid in the total stock of public sector employees. Determining whether the PSLF program has an impact on a population of the labor force is the motivation of this dissertation.

This dissertation hypothesizes that people with student loan debt have a desire to remain in the public sector due to the extrinsic value tied to their length of service.

The objective of this dissertation is to increase the empirical data supporting extrinsic benefits in the public sector. The PSLF program affords government workers the eligibility to eliminate student loan debt after working in the public sector for ten years. Federal and state policymakers, corporations, and a number of industries added student loan repayment/forgiveness options as a means to ensure citizens/employees are able to afford the necessities of life and have purchasing powers to grow the economy (College Board). The nature of this dissertation relies on the human capital theory as the theoretical foundation.

Human Capital Theory

Human capital theory is a combination of economic and social benefits for individuals and to the society as a whole. Investing in economic development, such as human capital, is one area where policymakers are united (Jones & Kelly, 2007). Policymakers are aware of the strengths of an economy that is characterized by increased well-paying jobs that offer supplemental financial benefits (Jones & Kelly, 2007). Zumeta (2004) discuss the factors that contribute to societal development by investing in human capital. The study revealed that the proportion of college graduates and rate of economic development and growth are important contributors to the growth of human capital (Zumeta, 2004). An individual's investment in higher education has created a growing need for policymakers to implement policies that reduce any inequalities that prevent a class of citizens from reaping the benefits of a college degree. "Politicians and

social commentators routinely express concern about the political and social consequences of growing economic inequality” (Heckman and Locher 47).

Hypotheses Preview

The specific hypotheses tested in this research include the following:

(Student Loan Debt is the independent variable)

- H1: Public sector employees with student loan debt will report lower levels of **societal commitment** than public sector employees with no student loan debt.
- H2: Public sector employees with student loan debt will report lower levels of **duty** than public sector employees with no student loan debt.
- H3: Public sector employees with student loan debt will exhibit higher levels of **commitment to financial well-being** than public sector employees with no student loan debt.
- H4: Public sector employees with student loan debt will report higher levels of **self-interest** than public sector employees with no student loan debt.
- H5: Public sector employees with student loan debt will report lower levels of **self-fulfillment** than public sector employees with no student loan debt.
- H6: Public sector employees with student loan debt will experience a lower **need to give back to society** than public sector employees with no student loan debt.
- H7: Public sector employees with student loan debt will report lower levels of **personal loss** than public sector employees with no student loan debt.
- H8: Public sector employees with student loan debt will report fewer **enormous sacrifices** than public sector employees with no student loan debt.

Methods

To test the hypotheses, data was gathered through an online survey administered by the Office of Institutional Research and Effectiveness at Mississippi State University (MSU). Online surveys have proven to be the most cost-effective method to obtain data.

Using Class Climate software, the survey was sent to faculty members at Mississippi State University who were hired between October 1, 2007-October 1, 2016. Mississippi State University is a public land-grant institution located in Starkville, Mississippi. Established in 1878, MSU houses the state's only Veterinary Medicine School and Architecture program. MSU employed 4,787 full-time and part-time employees during the 2015-2016 academic year. Faculty make up 28.47% of the employee population (Mississippi State University). MSU being a public institution, faculty and staff are state of Mississippi employees. Currently, the state of Mississippi has more than 30,000 state employees. Some of the 2013 workforce statistics include: average age—44.5 years; average service time—9.8 years; gender—61% female & 39% male; average annual salary—\$34,506 (Mississippi State Personnel Board, 2013).

The survey is largely influenced by Perry's (1996) dimensions measuring public service motivation. The variables, determinants of self-sacrifice, have been operationalized as hypothetical constructs which include: societal commitment, duty, commitment to financial well-being, self-interest, self-fulfillment, need to give back to society, personal loss, and enormous sacrifices. Measured collectively, Perry (1996) defines these variables as the self-sacrifice dimension of public service motivation. "I have chosen to retain self-sacrifice as an independent dimension on substantive grounds because it has been a historical connection to how we think about public service this is explicitly preserved by retaining the dimension" (Perry, Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity 20). The survey uses a five-point Likert Scale to measure responses. The variables were tested for reliability using t-test and chi-square analysis. A contingency table analysis is also provided.

Dependent Variables: 8 Sub-Scale dimension of self-sacrifice

1. Societal Commitment: Making a difference in society means more to me than personal achievements.
2. Duty: believe in putting duty before self.
3. Commitment to financial well-being: Doing well financially is definitely more important to me than doing good deeds.
4. Self-interest: Much of what I do is for a cause bigger than myself.
5. Self-fulfillment: Serving other citizens would give me a good feeling even if no one paid me for it.
6. Need to give back to society: I think people should give back to society more than they get from it.
7. Personal loss: I am one of those rare people who would risk personal loss to help someone else.
8. Enormous Sacrifices: I am prepared to make enormous sacrifices for the good of society.

CHAPTER II

LITERATURE REVIEW

The literature presented in this chapter predominantly focuses on public service motivation theory, while using Perry's self-sacrifice motive to expand human resource management literature. The various theories presented within this section of the dissertation are divided, while illustrating a complete picture of the impact public service motivation has on public sector employees. Public service motivation has served as a theoretical base for a number of research projects for many decades. Scholars have stated the need to continuously expand the field which is the motivation of this dissertation.

Public Sector Employment

Rainey & Bozeman (2000) examined twenty-five years of empirical research on the variances between public and private organizations. The authors discuss literature and empirical data from previous economist and political scientist who confirm principal differences between public and private organizations. Public organizations, in sum, are characterized negatively; while private organization are seen as more "superior in efficiency and effectiveness" (Rainey & Bozeman, 2000). Many scholars in other disciplines challenged the studies that found vast differences between the public and private sectors. After much debate, political scientist Herbert Simon and others begin to denounce the distinctions between public and private organizations (Rainey and Bozeman). "Simon said that public, private, and nonprofit organizations are essential

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” (Rainey and Bozeman 449) . Traditionally, it has been assumed that the bureaucratic structure in the United States prevents leaders from implementing systems to reward employees similar to what is offered in private organizations. The bureaucratic structure allows for certain processes and procedures for government leaders to follow before implementing reforms. Many have suggested that the government should operate more as a business to allow for more reforms across the United States public sector. For the first time in history, the United States has elected a president who has more business experiences than government experiences. President Trump has stated many times his desire to implement business practices within the public sector (Koran and Browne).

Historically, it has been assumed harder to implement reward systems for public sector employees. This notion has been explored by many scholars and policymakers in an effort to address the negative characteristics which limit the growth of the public sector. Private businesses have been able to create lucrative reward incentives to recruit and retain individuals. Wiatrowski (1988) stated “while employee benefits are an important part of the compensation package for all workers, the characteristics of the benefit programs vary considerably between the private and public sectors” (Wiatrowski 1) Traditional benefits such as health insurance and paid sick leave have been nationally accepted by all employment sectors. Today, human resource managers and policymakers are having to consider additional attractive benefits such as work/life balance programs,

membership to professional organizations, childcare, and additional benefits to address an employee's personal needs (Farrell & Goodman, 2013).

Funding for additional benefits is one of the main reasons for the slower growth in the public sector. Private businesses receive their funding from fees charged for goods and services while public organization rely on regulated and scarce appropriations from taxation with strict guidelines for its use. When comparing the public and private sectors, the average citizen does not take into account the structural differences which places limits on the public sector. Farrell and Goodman (2013) state that the public sector must do more with less, while remaining transparent, and building the public's trust. Scholars and practitioners have called for public sector leaders to desert practices, programs, and policies which no longer benefit the sector. In 2013, the McKinsey Center for Government released four principles for the public sector to consider: 1) use better evidence for decision making, 2) thoughtful investments in human capital, 3) increased engagement and empowerment of citizens, 4) closer collaboration with the private and social sectors. Implementing these core principles in the public sector will help shift the reputation and effectiveness of government (McKinsey, 2013).

A public organizations most valuable assets are the employees who are mission-driven. Researchers such as Buchanan (1975) and Chapman (1994) used the terms public service ethic to define the mission of those seeking jobs in the public sector even in the present of the negative characteristics. An individual's public-service ethic is a behavior that presents itself in work settings. Public service ethic is not limited to only public sector employment; individuals working in the private and nonprofit sectors can exhibit public service ethic behaviors (Brewer & Selden, 1998). Many scholars have compared

the motivation and job satisfaction of private and public sector employees. Maidani (1991) uses Herzberg's two-factor theory of job satisfaction to compare private and public sector employees. Using a survey instrument to identify the hygiene and motivators, Frederick Herzberg's two factor model was sent to accountants and engineers employed at a private company and a government agency (Maidani, 1991). The data collected revealed no significant difference between an employees' values towards intrinsic rewards (motivators) and found that extrinsic rewards (hygiene factors) are positively valued in both sectors (Maidani, 1991). Although public service ethic can be applied to all employment sectors, it has been determined that the work characteristics of the public and private sectors cause differences which influence motivation (Wright, Public-Sector Work Motivation A Review of the Current Literature and a Revised Conceptual Model).

Perry and Porter (1982) discuss the generalizations of using public employees and public organization as terms to define the public sector as a whole. The terms and characteristics of public employees and public organizations will be discussed more in detail later in the literature review. The authors remind public administration researchers that "the public sector encompasses many different types of organizations and roles" (Perry and Porter, Factors Affecting the Context for Motivation in Public Organizations). Keeping this in mind, the generalizations can be applied across a variety of government agencies. Specifically, this study applies the term public employee to university faculty & apply public organization to public higher education institutions.

Perry and Porter (1982) also examined the techniques used to motivate public and private sector employees to determine if they attract different types of individuals. The

comparative analysis uses Locke, Feren, McCaleb, Shaw, & Denny (1980) four motivational methods: monetary incentives, goal setting, job design, and participation. Perry and Porter found that public and private entities attract different types of individuals and they pushed for an increased focus on public sector research to understand the motivational factors influencing public employees. Crewson (1997) compares the reward motivations used in the public and private sectors and the impact the rewards have on the performance of employees. The study finds that there are strong differences that motivate public and private sector employees. The study also found that the attitudes towards public policy did not reveal strong difference between public and private sector employees.

This project surveys university faculty at a public institution in Mississippi. Over the past few years, a growing number of reports have referenced tensions between university faculty and university budgets/tenure protections. Faculty across the country have expressed their need for adequate benefits and job security while serving as public servants (W. Jones). Public policies have been implemented to address the need for additional benefits for employees in the public sector. The Public Service Loan Forgiveness program is just one example of a public program designed to target the personal interest of faculty while fulfilling their duty to serve the public. Faculty benefits makeup a large percentage of the total compensation offered in academia (Woodbury and Hamermesh). The American Association of University Professors (AAUP) reported in 2013 an increasing wage gap between public and private full professors. “The average pay for all types of professors, instructors and lecturers is \$84,303 for the academic year 2012-13, but the report noted a big difference between public and private colleges. At

public institutions the average is \$80,578, while at private schools, its \$99,771”

(Kingkade, Faculty Pay Survey Shows Growing Gap Between Public, Private Colleges).

University administrators and policymakers have recognized that human capital is the heartbeat to all colleges and universities and the need to understand what motivates its employees have become vital.

In 2015, the AAUP reported that faculty salaries had seen a 1.4 percent increase but still lagged sufficiently behind counterparts in the private sector. The report reads, “The need to reclaim the public narrative about higher education has become increasingly apparent in recent years as misperceptions about faculty salaries and benefits, state support for public colleges and universities, and competition within higher education have multiplied” (American Association of Univeristy Professors) . The general public has traditionally blamed tuition increases at public institutions on the salary increases given to university faculty. The salaries for university faculty only make up a small percentage of the total university expenditures. The National Center for Education Statistics reported in a 2012-2013 dataset that instructional salary made up 30.98% of the expenditures at two and four year public institutions. While nonsalaried academic support made up 35.45%. See figure 1 below for a complete breakdown of expenditures.

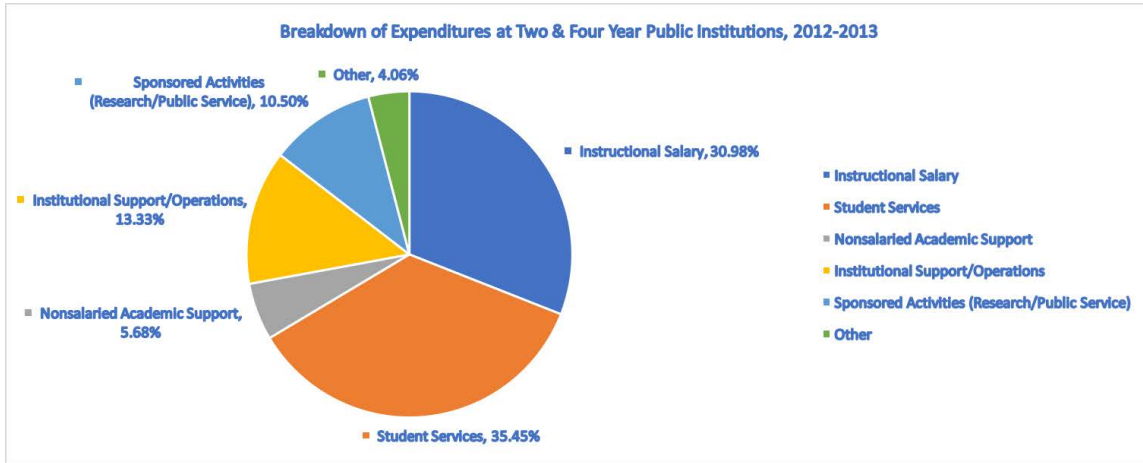


Figure 1 Breakdown of Expenditures at Two & Four Year Public Institutions

Source: National Center for Education Statistics, IPEDS DataCenter, 2012-2013

As the figure above shows, faculty salaries are not the sole reason for tuition increases. During times of budget cuts and heightened scrutiny, on its face, it is easy to blame university faculty for the rising cost because they are traditionally the highest paid at a research institution, excluding athletic staff. However, when comparing faculty at public institutions with faculty at private institutions the difference is quite large. The 2015 report by AAUP found that full professors at public institutions earned, on average, \$115,595. Their counterparts at private institutions earned, on average, \$148,036. See figure 2 below for a complete illustration of the salary difference between public and private institutions.

Table 1 Faculty Salary Comparison of Public and Private Institutions

ACADEMIC RANK	PUBLIC	PRIVATE
CATEGORY		
PROFESSOR	130,039	177,600
ASSOCIATE	88,716	109,658
ASSISTANT	77,446	95,312
INSTRUCTOR	50,913	66,286
LECTURER	57,303	70,426
NO RANK	56,678	81,813

Source: American Association of University Professors, 2015-16

I have provided literature on the structure and benefit distinctions between public and private institutions. The limitations of the bureaucratic structure and the growing salary difference between faculty at public and private colleges has led to the development of the following research question explored in this study: Are extrinsic benefits increasing the public service motivation of state of Mississippi employees? Many studies have examined the job satisfaction of faculty at public higher education institutions (Antony & Valadez, 2002). For example, Antony and Valadez (2002) study concluded that full-time and part-time faculty had moderately high levels of satisfaction. The authors of the 2002 study, along with other scholars, have yet to provide adequate

empirical data to identify what is truly motivating faculty at public institutions. Studying the abovementioned facts on the distinctions between public and private institutions, one would think there would be a flight of faculty seeking positions at private institutions. This study relies on the public service motivation theory to help explain the motivation of faculty at public universities. Previous literature has stated that the job satisfaction of public and private faculty has been relatively the same. The public sector has traditionally been built on the notion that their employees are intrinsically motivated. Increasingly, extrinsic benefits are being offered in the public sector. It is important for public administration researcher to expand public service motivation literature to include the role extrinsic benefits are playing on the field.

Public Service Motivation

Abraham Maslow, popularly known for creating the Maslow's Hierarchy of Needs, produced findings that have been beneficial theoretically and practically in public administration. Maslow believed that in order for employees to be satisfied, their lower level needs must be met first and that needs are only satisfied one level at a time (Maslow). The figure 3 below displays Maslow's Hierarch of Needs.

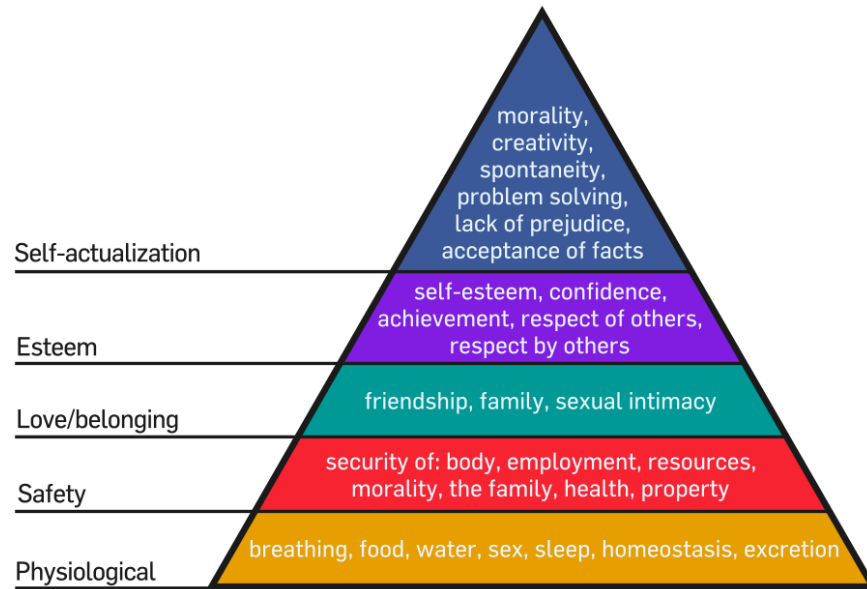


Figure 2 Maslow's Hierarchy of Needs

Public and private sectors have worked to implement new rewards that are able to attract and motivate employees. According to Maslow, once a need has been satisfied, it is no longer a motivator. Frederick Herzberg challenges Maslow's hierarchy of needs with his two-factor theory of motivation (Herzberg). Herzberg's theory suggests that there are two sets of elements within the workplace that satisfy employees. The first set of elements, known as motivators, cause employees to be satisfied; while the remaining set of elements, known as hygiene, produce dissatisfaction. The theory finds that the two sets of elements are independent of each other. This means as a sector satisfies the needs of employees, it does not simultaneously reduce any dissatisfactions that employees may have. Motivators can be described as intrinsic factors; while hygiene elements are described as extrinsic hygienes (Herzberg). James Perry (1996), in his scale measuring public service motivation, incorporated elements of Herzberg's hygiene and motivator

factors; which will be discussed in the preceding sections of the literature review. See figure 4 below of Herzberg's Two-Factor Model.

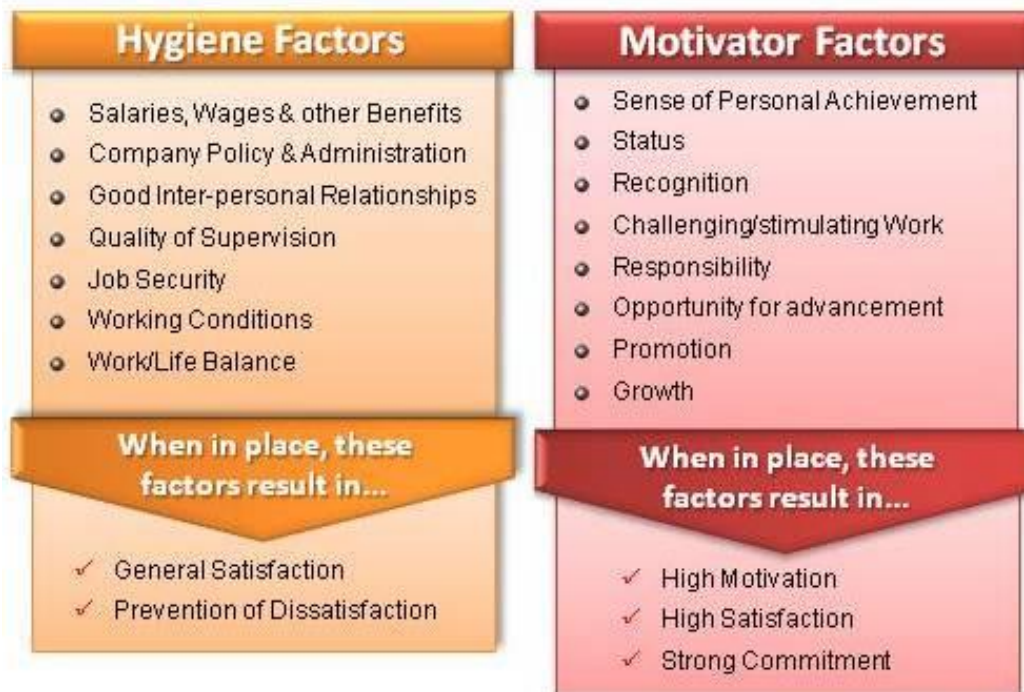


Figure 3 Herzberg's Two-Factor Model

Dating back to the 1960s, public service motivation has been a topic of discussion amongst several top scholars. Frederick Mosher authored the book Democracy and the Public Service which states that public administration researchers have long insisted that individuals have strong norms and emotions when it comes to performing public service (Mosher). Scholars such as Bruce Buchanan (1975) define public service ethic as the motivating cause for individuals seeking employment to serve the needs of the public. "This public service ethic is thought to attract certain individuals to government service and foster work behaviors that are consistent with the public interest" (Brewer, Selden

and Facer II, Individual Conceptions of Public Service Motivation 254). This notion by Brewer, Selden, and Facer II (2000) challenges the long-existing thoughts of public sector employees being self-interested. Rainey's (1982) literature found several problems with public service motivation literature that did not take into account that individuals have different conceptions of public service. "Importantly, Rainey (1982) point out that public service motivation is a broad, multifaceted concept that may be conceived many different ways" (Brewer, Selden and Facer II, Individual Conceptions of Public Service Motivation 255).

Following the works of Rainey, scholars James L. Perry & Lois R. Wise (1990) defined public service motivation as "an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations". In the article, "The Motivational Bases of Public Service" the authors discussed a "quiet crisis" that began to attack the federal civil service (Perry and Wise, The Motivational Bases of Public Service). Political leaders began addressing the crisis by calling for a rebirth of the public service ethic. They noticed that the motivating factors impacting human behavior had shifted. It was becoming common for human behavior to be motivated by self-interest which challenged the public service ethic of Buchanan (1975). Monetary incentives began to be offered throughout the federal civil service.

Perry & Wise (1990) developed three analytically distinct motives that categorizes an individual's motivation. Rational motives involve actions grounded in an individual's utility maximization (Perry and Wise, The Motivational Bases of Public Service). These individuals are motivated to participate in the policy process. Their personal identification draws them to public programs, and they feel the need to serve as

advocates for special or private interest (Brewer , Selden, & Facer II, 2000; Perry & Wise, 1990). Norm-based motives refer to actions generated by efforts to conform to norms. These are the more traditional public servants who are motivated to serve the interest of the public. Their motivating factors include patriotism, duty, and loyalty to the government (Brewer, Selden, & Facer II, 2000). “Affective motives refer to triggers of behavior that are grounded in emotional responses to various social contexts” (Perry and Wise, The Motivational Bases of Public Service 268). Individuals motivated by affective motives have a desire and eagerness to service others. “These three categories provide a useful framework for understanding public service motivation, but the categories overlap. An individual may have rational, norm-based, and affective motives that contribute to a single behavior” (Brewer, Selden and Facer II, Individual Conceptions of Public Service Motivation 255). Public service motivation theory has yet to be well developed.

With the recent development of more public servants being self-interested and motivated by extrinsic rewards, Perry and Wise (1990) call for a “recommitment” of Americans to value services performed by governments. Based on these motivating factors, individuals seeking rational motives became researcher’s center focus. This dominant force causes individuals to seek utility maximizers. “In its simplest form, the rational actor calculates costs and benefits associated with alternative actions and then chooses the alternative that maximizes expected value” (Perry, Bringing Society In: Toward a Theory of Public-Service Motivation 476).

There have been several studies focused on the motivation of public administrators and private sector employees (Rawls, Ulrich, & Nelson, 1975; Rainey, 1982). Empirical findings have long suggested that “public employees differ from their

private sector counterparts with respect to work-related values and needs” (Perry, Antecedents of Public Service Motivation 181). Perry desired to take it a step further in his research contributions. Perry (1996) converted the theory of public service motivation into a measurable scale. Prior to the development of the concise measurement instrument, public service motivation consisted of very few quantifiable studies that could be used as systematic research (Perry and Wise, The Motivational Bases of Public Service).

Originally, Perry (1996) developed a 35-item model of six variables which made up the public service motivation measurement instrument. Later, Perry redesigned the scale into a five-point Likert measurement scaling the favorability of the six dimensions of public service motivation: attraction to policy making, commitment to the public interest, social justice, civic duty, compassion, and self-sacrifice. Perry’s (1996) development revealed that measuring motivation was not as complex as it once was viewed. The construct “advances a means to measure public service motivation. Based on the developmental process and statistical analysis, the public service motivation scale presented here has a good overall face and construct validity, discriminate validity among four component dimensions, and high reliability” (Perry, Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity 21).

Authors such as Naff and Crum (1999) found the PSM scale useful in their efforts to examine the relationship between public service motivation and federal employees’ attitudes and behavior. Naff and Crum (1999) surveyed roughly 10,000 federal employees in response to Perry and Wise’s (1990) attempt to identify relationships between public service motivation and components such as job satisfaction, commitment and retention (Naff & Crum, 1999). Their research “provided substantial evidence of

construct validity for the concept of PSM” and also a “statistically significant relationship between public service motivation measurement instrument and attitudes towards employment with the federal government” (Naff and Crum 14).

Perry’s (1996) article “Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity” has proven to have formally identified significant behavioral implications. The attempt to close “the gap between assertion and empirical research” was finally coming into practice. Prior to Perry’s (1996) development of the public service motivation construct, scholars relied on indirect methods of examining factors which attracted individuals to the public sector (Crewson, 1997; Houston, 2000). Perry’s work was able to link the theory of public service motivation to an understandable scale measuring individual characteristics such as job satisfaction and work preferences (Crewson, 1997). Perry developed Likert-scale questions for each of the six dimensions. The dimensions include: *Attraction to Policy Making; Commitment to the Public Interest; Social Justice; Civil Duty; Compassion; Self-Sacrifice*. Graduate students in a master of public administration (MPA) program were gathered to develop a 35-item, six-dimension survey using their ideas on public service and public administration literature. The construct was first administered to respondents from a variety of public sector experiences such as MPA students, public affairs undergraduates, business executives, department heads in municipal government, social work graduate students, sheriffs’ deputies, university employees, social services, and natural resources department employees from state government, county government employees, and management employees at a federal defense installation. The survey produced “376 usable responses” (Perry, 1996). Anderson & Gerbing (1988) points out that the initial

PSM model failed to provide an acceptable fit, causing the six-dimension model to be reduced to a four-dimension model using confirmatory factor analysis. The four-dimension model includes: *Attraction to Policy Making; Commitment to the Public Interest and Civic Duty; Compassion; Self-Sacrifice* (Anderson and Gerbing). Once administered and revised, the survey was finalized as a 24-item survey measuring the public service motivation of individuals. This dissertation examines Perry's self-sacrifice motive. Self-sacrifice is the "willingness to substitute service to others for tangible personal rewards" (Perry, *Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity* 7).

Public Service Motivation- Self-Sacrifice 8-item subscale

- ❖ Making a difference in society means more to me than personal achievements.
- ❖ I believe in putting duty before self
- ❖ Doing well financially is definitely more important to me than doing good deeds.
- ❖ Much of what I do is for a cause bigger than myself.
- ❖ Serving citizens would give me a good feeling even if no one paid me for it.
- ❖ I feel people should give back to society more than they get from it.
- ❖ I am one of those rare people who would risk personal loss to help someone else.
- ❖ I am prepared to make enormous sacrifices for the good for society.

(Perry, *Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity*)

As stated previously, public sector jobs have been characterized as satisfying an individual's desire to serve the public. Recent findings challenged the traditional characteristics of individuals being recruited or retained in the public sector. Gabris and Simo (1995) explore the following question, "do public sector employees have a higher

need to serve the public and a lower need for monetary rewards?” (Gabris and Simo 33)

Students, scholars, and practitioners have continued to seek to advance the understanding of public service motivation. Wright and Grant (2010) discuss the importance of advancing the understanding of PSM because the traditional understanding is “contingent on the methods, populations, situations and underlying assumptions involved in the process by which it has been acquired” (Wright and Grant, Unanswered Questions about Public Service Motivation: Designing Research to Address Key Issues of Emergence and Effects 691). Public service motivation research has predominantly relied on cross-sectional research designs that allows the field to continuously be expanded (Wright and Grant, Unanswered Questions about Public Service Motivation: Designing Research to Address Key Issues of Emergence and Effects). PSM research has not provided enough clear evidence to determine to what degree government jobs attract, select, and retain employees who have already been identified as having high levels of public service motivation. Scholars such as Frederickson & Hart (1985), Mosher (1968), and Perry & Porter (1982) have explored the motives engrained in the public sector. Kim (2010) states that the public service motivation scale has been the most useful tool for determining public employee motivation. The PSM construct has forty questions that are placed into empirical components known as: attraction to policy making (APM), commitment to public interest (CPI), compassion (COM), and self-sacrifice (SS). Kim (2010) discuss the validity and reliability of using a shorten version of the PSM construct and finds that using partial scales “could threaten the integrity of the overall measurement”.

Various scholars have used James Perry’s (1996) public service motivation dimensions to measure the total level of PSM. Continuously assessing public service

motivation benefits practitioners who serve as public administrators, and further stabilizes the field's scientific foundation (Brewer and Neumann, Public Service Motivation: A Systematic Literature Review and Outlook). Some scholars have chosen to only select a few of the dimensions to explore in particular studies (Perry, Brudney and Coursey). This dissertation measures only the self-sacrifice dimension because it strengthens the theoretical fit to the motivation literature explored. A number of leading public service motivation articles found self-sacrifice to be a leading dimension when expanding the public service motivation concepts (Crewson, 1997; Houston, 2000). Coursey and Pandey (2003) explored PSM constructs which used both a four- and three-dimension study. Practitioners supported the idea of using a shorter public service motivation constructs because the full 24-item scale is too long for "typical public administration survey questionnaires" (Coursey and Pandey 449).

Brewer and Neumann (2016) provided a much-needed systematic overview of the 323 public service motivation publications that were done over the past two decades. The results of their research supports the desires of practitioners seeking research designs utilizing only partial scales to measure levels of public service motivation. The authors find "the most frequently assessed dimension was "commitment to the public interest: (26.4 percent), followed by "compassion" (25.7 percent), "self-sacrifice" (23.3 percent), and "attraction to public policy making" (17.6 percent)" (Brewer and Neumann, Public Service Motivation: A Systematic Literature Review and Outlook). Identical to this dissertation, the results identified eight publications that only assessed one of James Perry's (1996) dimensions. Brewer and Neumann's (2016) article concluded by compiling the groups of recommendations that were gathered from previous research

assessments of PSM. The third largest group of practical recommendations learned from previous research is the benefit of implementing “traditional or alternative reward systems instead of pay-for-performance” models (Brewer and Neumann, Public Service Motivation: A Systematic Literature Review and Outlook). The next section of the literature review explores reward-based motivation in a sector traditionally known for employing individuals motivated intrinsically.

Reward-Based Motivation

Scholars who explore public service motivation argued for the past two decades that money is less important in public sector than in the private sector (Crewson, 1997; Rainey, 1982). This dissertation was motivated by the need for more systematic research that explores ways to attract and retain individuals in the public sector. Rising public administration scholars would fail the field if they automatically assumed the characteristics of public service employees have not changed. The personal characteristics of those serving in public sector positions proved to be diverse, causing differentiated preferences (Andersen, Eriksson and Pedersen). Crewson (1997) encourages exploring preferences for reward incentives to further develop the understanding of PSM and the behaviors of individuals. “The lacking empirical evidence on this issue may, in part, be due to the challenging measurement of the relative preference for different elements in the compensation package” (Andersen, Eriksson and Pedersen 3). This dissertation examines a specific benefit which is granted to all individuals with outstanding federal student loan debt employed in the public sector. Utilizing only the self-sacrifice dimension of James Perry’s measurable scale allows this

study to examine whether offering extrinsic benefits challenges those scholars who have stated that public administrators are less motivated by financial incentives.

Ryan & Deci (1985) find that an individual's behavior is not solely internally or externally driven. The 1985 article defines motivation to mean "to be moved to do something" (Ryan and Deci). Scholars revealed that individuals require varying amounts and types of motivation. Two of the most basic distinction are intrinsic and extrinsic motivation. Intrinsic motivation refers to an individual being motivated based on "inherently interesting or enjoyable" factors. Intrinsically-motivated people have internal factors which produce drive. Examples of intrinsic motivational factors include: job satisfaction, public and personal recognition, positive relationships with managers and coworkers, and impact to the work environment (Thomas, 2000). Extrinsic motivation refers to an individual being motivated based on a "separable outcome" (Ryan & Deci, 1985). Extrinsically motivated people are motivated by external factors that may produce self-interested gains. Examples of extrinsic motivational factors include: salaries, bonuses, commissions, health care insurance, promotions, vacations, stock options, and other tangible benefits (Robbins, 2001).

Exploring the effects' extrinsic rewards play on public sector employees has caused a need to expand the public service motivation literature. The article, "Crowding Out Intrinsic Motivation in the Public Sector" examines how extrinsic rewards are crowding out the intrinsic nature of the public sector (Georgellis, Iossa, Tabvuma, 2011). Many researchers find that public sector employees ranked intrinsic rewards as being highly important in their decision to remain in the sector. Research consistently found that private sector employees value extrinsic rewards at a higher rate than public sector

employees. “Public sector managers are motivated by a high need for achievement and they place higher values on service to society as opposed to monetary rewards than private managers” (Georgellis, Iossa and Tabvuma 475). The comparative nature of the public and private sectors traditionally has led to defining the public sector as having intrinsically motivated employees.

In President Kennedy’s 1961 inaugural address he asked Americans, “ask not what your country can do for you—ask what you can do for your country” (John F. Kennedy Presidential Library and Museum). This quote has served as a standard example for Perry’s self-sacrifice motive. As more and more financial rewards can be redeemed for serving our country or working for the public, the question has arisen whether or not Buchanan (1975) public service ethic still exist. For example, the PSLF program provides financial rewards for those civil servants remaining in public service for at least ten years. The overarching question being answered with this research is whether the public service loan forgiveness program is destroying the public service ethic and Perry’s self-sacrifice motive.

A number of studies were performed to determine the effects’ extrinsic benefits have on intrinsically motivated people (Deci & Cascio, 1972). Cameron and Pierce (2002) studied the effects rewards have on intrinsic motivation. Their study concluded that rewards do not have wide-ranging negative consequences. With the appropriate amount of rewards, an individual’s motivation, performance, and interest are enhanced (Cameron & Pierce, 2002). Motivation theory has competing and complementary approaches revealing that a single approach fails to describe a large group of employees.

Condrey (1998) suggest using a variety of theories when attempting to measure motivation.

Historically, public service employees have a reputation for being lazy (Wilson, 1989), while human resources scholars have linked the poor reputation of public servants to the lack of incentives offered by public agencies (Benabou and Tirole). The school of thought (public service ethic) developed by Buchanan (1975) led to the public sector being behind in implementing new incentives to attract and retain employees. Scholars have stated for decades that incentives offered in the public sector differ greatly from the private sector (Benabou and Tirole). There has been a need for policymakers to implement incentives to recruit and retain individuals to the public sector due to the competing private sector. Public sector human resource officials are competing with leaders of private organizations for recent university graduates who are being offered entry-level positions with financial incentives which include signing bonuses, accelerated promotion schedules, and relocation pay (U.S. Merit Systems Protection Board, 2008). Many scholars examined the effects incentives have on the public sector. Burgess and Ratto (2003) examined the role of incentives in the United Kingdom's public sector. The study was motivated by the discussions from the Public Services Productivity Panel in 1998. The panel served as an advisory board to the Government on "ways of improving the productivity and efficiency of government departments" (Burgess and Ratto). "Theory suggests some arguments against the use of high-powered incentives schemes, relating to specific aspects of how organizations are structured and on how output is produced and measured" (Burgess and Ratto 5). Lazear (1995) and Prendergast (1999)

both administered surveys that revealed attractive monetary incentives can persuade highly productive workers to apply with an organization.

Student Loans

The Higher Education Act of 1965 established two programs designed to afford low-income youth an opportunity to seek a higher education. The Guaranteed Student Loan (GSL) program, known now as the Direct Student Loan program, and the Federal Pell Grant program were among the first programs to help fund an American college education. Since the 1970's, federal policymakers have attempted to address the inequalities that are a result of the increasing cost of higher education and the need for more students to rely on student loans (Fuller). In the late 2000s, several acts were passed to ensure a college education was still attainable for low-income youth (Heller).

The Ensuring Continued Access to Student Loans Act of 2008 increased the aggregate amount students can borrow for their higher education. Within two years, the president signed the Health Care and Education Reconciliation Act of 2010 making all federal student loans apart of the Federal Direct Loan program. Reforming the student loan program simplified the borrowing for students and parents by allowing the option to borrow directly from the United States Department of Education (Baum, Ma and Payea). The 2011 Nellie Mae's National Loan Survey assessed recent college graduates who had taken out student loans. 60% of the respondents agreed that student loans are worthwhile investments toward their educational and career goals. 72% of the respondents felt student loans were an investment to their personal growth (Sallie Mae & Gallup, 2011).

There exists a vast amount of data that supports the returns of a college degree; however, the returns have not been as steady as the rising cost of higher education

(Snyder, Tan and Hoffman). The higher cost requires colleges and universities to award higher aid packages. The proportion of students on aid who take out at least some loans rose from 55% in 1993 to 65% in 2004; over the same period, the proportion receiving grant aid fell slightly from 83 to 82% (Snyder, Tan and Hoffman). The data shows that an estimated 43 million Americans, an increase of 92% between years 2004-2014, have outstanding federal student loan balances. By 2014, the national average of student loan balances increased by 74% to \$27,000 (Brown, Haughwouth and Lee). Although a lifetime investment, educational debt affects millions of Americans' lives post-graduation. Rothstein and Rouse (2011) discussed the constraints student loans have on an individual's early-career choices. The financial pressures placed on college graduates who have educational debt cause them to seek lucrative jobs often not within the public sector (Heller). Scholars also argue that "educational debt deters individuals from purchasing homes or getting married, or assuming other responsibilities typically associated with full-fledged adulthood" (Rothstein and Rouse 1).

As of August 2015, the balance of outstanding student loan debt had risen to \$1.19 trillion (Federal Reserve Bank of New York, 2015). The growth of the mounting educational debt has caused it to become the second largest form of household debt (Denhart). The societal and economic impact student loan debt has on the United States has caught the attention most recently in the 2016 presidential race (Urken, 2015; Sandman, 2015). In October 2015, the Democratic Presidential candidate Secretary Hillary Clinton's policy proposal addressing the mounting student loan debt can be summed up by her quote, "No family and no student should have to borrow to pay tuition

at a public college or university” (Mayotte). The statement is far-fetched; however, it sparks much needed conversations about student loan indebtedness.

Many political leaders personally understand the financial burdens of financing a college education. “While more than half of federal lawmakers are millionaires and their combined median net worth shot up 6.7 percent between 2013 and 2014, there is at least one way in which many members of Congress can understand the plight of millions of Americans: They owe tens of thousands of dollars in student loans” (Gurciullo, 2015). In 2014, 10 percent of the United States Congress had student loan balances that totaled between \$1.6 million and \$4.1 million (Gurciullo). Student loan reform remains a bipartisan policy issue that I believe is supported due to lawmakers’ first-hand knowledge of the financial burdens. Policy leaders have also recognized the need for policies that attracts individuals to seek employment in the public sector. For the past decade, organizations have been faced with the challenge to attract and retain motivated employees (Holtom, Mitchell and Lee).

Under the leadership of President Bush and President Obama, Congress passed a series of federal legislation that made it possible for student loan borrowers to repay their federal student loans based on their income and employment sector. The programs, known as income-driven repayment plans, place income percentage caps on monthly payments. Additionally, the programs offer loan forgiveness after 20 or 25 years of repayment. Important for this dissertation, the legislation offers a 10-year forgiveness for individuals working in the public sector. The incentive to work in the public sector for 10 years and have federal student loans forgiven, helps reduce the financial burden placed on civil servants who historically have lower paying jobs compared to the private sector. The

program, known as the Public Service Loan Forgiveness program, began in 2007. The first batch of eligible forgivable loans will occur in October 2017. “Many of these borrowers believed they would continue to pay on their student loan debt for years, perhaps for the rest of their lives” (Plum).

Literature Review Summation

This literature review began with discussing the distinctions between the public and private sectors, followed by defining public service motivation and the foundational bases of the public service ethic. Public administration and human resource scholars, as well as policymakers, were challenged with creating an attractive public sector while keeping the true sense of service in public service. I have discussed the recent moves to offer extrinsic benefits in a sector that has traditionally relied on intrinsically motivated people. With the student loan debt levels continuously rising and attempts to recruit and retain college graduates in the public sector, policymakers implemented the Public Service Loan Forgiveness program that provides benefits to individuals and the society as a whole.

CHAPTER III

METHODOLOGY

This chapter will discuss the methodology used in this dissertation. The chapter will be organized in the following order. The first sections will display the model and hypotheses tested. The next section will discuss the research question developed from the model and hypotheses. The following sections will discuss data collection, methods, and data analysis. The research and data collected is the first study to provide a comparative exploration of public service motivation to a specific extrinsic benefits offered in the public sector. Traditionally, public service motivation has been explored through the lenses of an intrinsically motivated public sector.

Model & Variables

The model shown in figure 4 outlines the independent variable and eight dependent variables. The dependent variables include societal commitment, duty, commitment to financial well-being, self-interest, self-fulfillment, need to give back to society, personal loss, and enormous sacrifices. These variables are sub-scales of James Perry's (1996) self-sacrifice dimension. Perry finds that self-sacrifice is "grounded in emotional responses to various social contexts" (Perry, Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity 6). Additionally, Perry defines the motive as "the willingness to substitute service to others for tangible personal rewards" (Perry, Measuring Public Service Motivation: An Assessment of Construct

Reliability and Validity 7). Self-sacrifice is measured using a Likert scale measurement of participant responses to the scaled questions. Each question has been generalized into individual dependent variables.

Public Service Motivation - Dimensions and Composite Score Questions

Self-sacrifice (dependent variables)

11a. Making a difference in **society means** more to me than personal achievements.

Strongly disagree Disagree Neutral Agree Strongly agree

11b. I believe in putting **duty** before self.

Strongly disagree Disagree Neutral Agree Strongly agree

11c. Doing **well financially** is definitely more important to me than doing good deeds.

Strongly disagree Disagree Neutral Agree Strongly agree

11d. Much of what I do is for a cause **bigger than myself**.

Strongly disagree Disagree Neutral Agree Strongly agree

11e. Serving other citizens would **give me a good feeling** even if no one paid me for it.

Strongly disagree Disagree Neutral Agree Strongly agree

11f. I think people should **give back to society** more than they get from it.

Strongly disagree Disagree Neutral Agree Strongly agree

11g. I am one of those rare people who would risk **personal loss** to help someone else.

Strongly disagree Disagree Neutral Agree Strongly agree

11h. I am prepared to make enormous **sacrifices** for the good of society.

Strongly disagree Disagree Neutral Agree Strongly agree

The independent variable is student loan debt. Participants were asked in question 5 of the survey: Do you currently have outstanding U.S. Department of Education student loan debt obtained on your behalf or for a dependent child? A cross tabulation of

respondents with student loan debt and without are measured against each dependent variable to determine whether each hypothesis should be rejected or failed to be rejected.

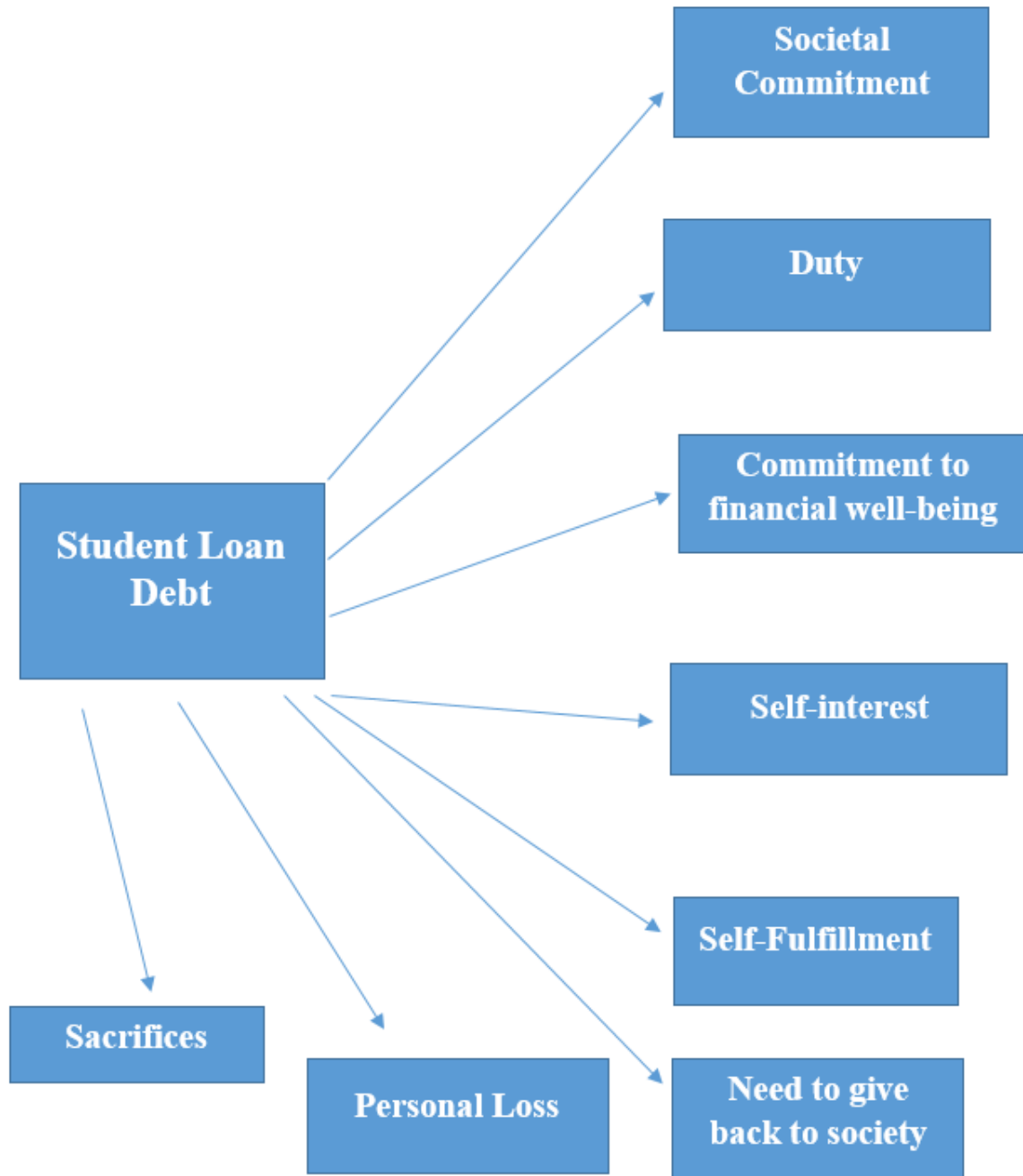


Figure 4 Model & Variables

Hypotheses

The specific hypotheses tested in this research includes the following:

(Student Loan Debt is the independent variable)

- H1: Public sector employees with student loan debt will report lower levels of **societal commitment** than public sector employees with no student loan debt.
- H2: Public sector employees with student loan debt will report lower levels of **duty** than public sector employees with no student loan debt.
- H3: Public sector employees with student loan debt will exhibit higher levels of **commitment** to financial **well-being** than public sector employees with no student loan debt.
- H4: Public sector employees with student loan debt will report higher levels of **self-interest** than public sector employees with no student loan debt.
- H5: Public sector employees with student loan debt will report lower levels of **self-fulfillment** than public sector employees with no student loan debt.
- H6: Public sector employees with student loan debt will experience a lower **need to give back to society** than public sector employees with no student loan debt.
- H7: Public sector employees with student loan debt will report lower levels of **personal loss** than public sector employees with no student loan debt.
- H8: Public sector employees with student loan debt will report fewer **enormous sacrifices** than public sector employees with no student loan debt.

Dependent Variables: Societal Commitment & Self-Interest

- H1: Public sector employees with student loan debt will report lower levels of **societal commitment** than public sector employees with no student loan debt.
- H4: Public sector employees with student loan debt will report higher levels of **self-interest** than public sector employees with no student loan debt.

There has been very few or no scholars who have developed empirical studies relating self-interest to public servants with student loan debt. Houston (2005) states

those seeking employment in government are motivated by a calling to service. “They act out of a commitment to the common good, rather than mere self-interest” (D. Houston, “Walking the Walk” of Public Service Motivation: Public Employees and Charitable Gifts of Time, Blood, and Money 67). According to current literature, those who possess the calling are motivated by internal motives (Houston, 2006; Crewson, 1997; Brewer and Selden, 1998). For example, Houston (2006) finds that employees in the public sector volunteer at greater rates than employees in the private sector.

Downing and Brady (1979) discuss the impact self-interest has on public policy formation. The authors state, “we view each individual as having a goal function which summarizes his preferences for alternatives” (Downing and Brady 15). Studies have found that bureaucrats who seek self-interest over public-interest are motivated by an increase in personal income and/or power (Downing and Brady). In sum, without expanding the empirical research regarding self-interest and extrinsic benefits, it cannot be said whether individuals with student loan debt are less or more self-interested to service the public.

Dependents Variable: Duty & Need to Give Back to Society

H2: Public sector employees with student loan debt will report lower levels of **duty** than public sector employees with no student loan debt.

H6: Public sector employees with student loan debt will experience a lower **need to give back to society** than public sector employees with no student loan debt.

Williams, Bottomley, Redman, Snape, Bishop, Limpanitgul, Mostafa (2013) define civic duty as “an employee’s commitment to serve the public’s interests” (Gould-Williams, Bottomley and Redman 937). Becker (1998) expresses duty as a person “acting with integrity toward the organization and an individual’s commitment to the

organization and its principles”. Alonso and Lewis (2001) discuss the effects extrinsic reward systems have on a sector built around intrinsically motivated people.

Traditionally, the public sector is characterized as having jobs which pay well below market rates because human resource experts and scholars have depended on hiring individuals with a sense of civic duty (Alonso and Lewis, 2001). The declining number of individuals motivated by civic duty or duty has led to the development of this study.

Benabou and Tirole (2003) discuss the impact contingent rewards have on an individual’s performance/duty. Referred to as a paradigm clash, the authors “argue that rewards may actually impair performance, making them “negative reinforcers”, especially in the long run” (Benabou and Tirole 489). Following Deci’s (1975) original experiment of college students who either received payment or did not for a particular task produced results that did not support the notion that rewards do indeed motivate individuals (Deci, Intrinsic Motivation). Since the 1975 study, several scholars have replicated the study producing varying results (Wilson, Hull, & Johnson, 1981). “Consistently, individuals in “reward” treatments showed better compliance at the beginning, but worse compliance in the long run than those in the “no-reward” or “untreated controls” groups” (Benabou and Tirole 490).

Dependents Variable: Commitment to Financial Well-Being, Self-Fulfilment, Personal Loss, Enormous Sacrifices

- H3: Public sector employees with student loan debt will exhibit higher levels of **commitment to financial well-being** than public sector employees with no student loan debt.
- H5: Public sector employees with student loan debt will report lower levels of **self-fulfillment** than public sector employees with no student loan debt.

H7: Public sector employees with student loan debt will report lower levels of **personal loss** than public sector employees with no student loan debt.

H8: Public sector employees with student loan debt will report fewer enormous **sacrifices** than public sector employees with no student loan debt.

Reported in a 2013 American Student Assistance executive summary, individuals with student loan debt are “delaying decisions to buy a home, get married, have children, save for retirement, and enter desired career field because of their debt”. Research has shown, regardless of the student loan debt amount, the impact affects the daily lives of many Americans (American Student Assistance). The American Student Assistance reports, “the number one career regret is cited as taking a job just for the money, but a 2008 study found that, regardless of the career choice of respondents, about 40% of recent graduates took a job that provided higher pay, but less satisfaction, in order to pay off the loans" (American Student Assistance).

As stated by one of President Obama’s staffers, literature on the compensation offered in the private sector has challenged the public sector in their attempt to recruit and retain employees (Office of the Press Secretary). The United States government increased spending from \$51,000,000 in 2006 to \$284,000,000 in 2010 for programs designed to recruit, provide relocation incentives and retention incentives for new federal employees (U.S. Office of Personnel Management, 2006, 2010). Policymakers are aware of the dangers of not focusing on personal financial incentives for employees due to growing benefits being offered in the private sector. “Far too many talented public servants are abandoning the middle levels of government, and too many of the best recruits are rethinking their commitment either because they are fed up with the

constraints of outmoded personnel systems and unmet expectations for advancement or simply lured away by the substantial difference between public and private sector salaries in many areas” (Volcker 8). Testing this hypothesis determines if the PSLF program motivates the personal financial commitment of public sector employees.

Population

The Mississippi State Personnel Board finds that “agencies are quickly recognizing that their human capital is, by far, their greatest asset because it is the agencies’ employees that possess the skills and knowledge needed to most efficiently carry out the day-to-day activities” (Mississippi State Personnel Board). Policymakers in the state of Mississippi have been concerned that the workforce is not being properly retained. It has been documented by the state of Mississippi Personnel Board that the state will experience a major retirement of state employees in the next coming years. According to a 2013 report, the demographics of Mississippi public service employees did not change from Fiscal Year 2012 to Fiscal Year 2013. The concern is that 15% of state of MS employees could retire today and one-third could retire in the next five years (Mississippi State Personnel Board). Authors French and Emerson (2013) state, “the aging public sector workforce presents a critical issue for local governments as the baby boomers generations engages in retirement over the next decade” (French and Emerson 83). Prior to this massive turnover in the state of Mississippi, this research presented in this dissertation assist in identifying successful motivational factors when recruiting and retaining a new workforce. Determining whether extrinsic or intrinsic motivators will be rated higher are important factors for human resource entities in the public sector.

Data Collection & Analysis

This study has determined whether extrinsic factors are motivating Mississippi public sector employees. The Office of Institutional Research and Effectiveness (OIRE) built and administered the electronic survey to Mississippi State University faculty using Class Climate software system. Utilizing the services offered by OIRE allowed the survey to be completely anonymous. The electronic survey instrument was designed to gather the information regarding an employee's motivation based on James Perry's self-sacrifice motive, whether the employee has federal student loans, and demographic information. Closed-end and Likert-scale questions were asked providing data on respondents' demographic information and level of self-sacrifice. Online surveys have been found to be the most cost-effective tool to collect data. "Online surveys can be administered in a time-efficient manner, minimizing the period it takes to get a survey into the field and for data collection" (Evans and Mathur 198). Although online surveys have many strengths, the response rate is lower than other methods of data collection. Barbes and Oldendick found that a 12% response rate is the norm for electronic surveys. The survey used in this study had a 16.1% response rate.

Mississippi State University employed 4,787 full-time and part-time employees during the fall 2015 semester. During the same semester, 1,363 were faculty members. MSU is located in Starkville, MS in the northeastern part of the state. The survey was emailed to 944 MSU faculty who were hired on or after October 1, 2007 through October 1, 2016. The Department of Human Resources at MSU places faculty into occupational codes such as: EEO 10, EEO 20, & EEO 30. This dissertation focuses only on tenured/tenure track faculty who are classified as EEO 20. Most faculty at MSU are

classified as EEO 20, which are department heads, assistant professors, associate professors, and full professors. Within the EEO classification, faculty are categorized into instructional, extension, or research professors. The survey was sent to all faculty classified as EEO 20 regardless of the category. Figure 5 provides descriptive information on the 944 faculty who were eligible to participate in the study.

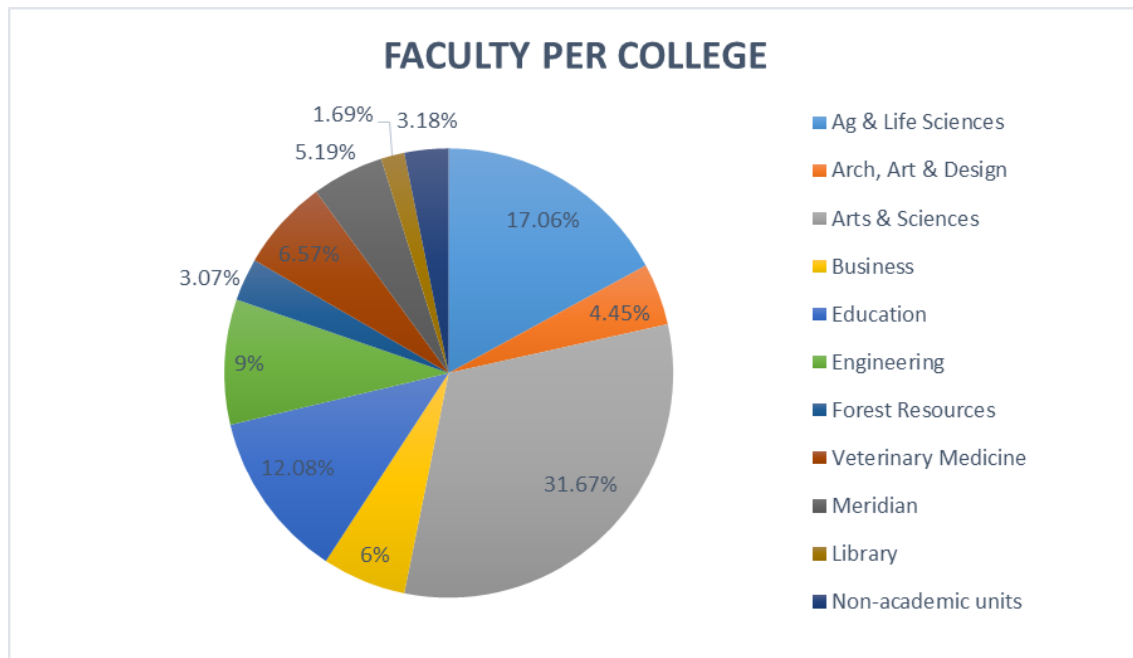


Figure 5 Percentage of Faculty Per College

Source: Mississippi State University- Office of Institutional Research and Effectiveness, Fall 2015

The largest eligible percentage of faculty who were eligible to participate came from College of Arts & Sciences at 31.67%; followed by the College of Agriculture and Life Sciences at 17.06%.

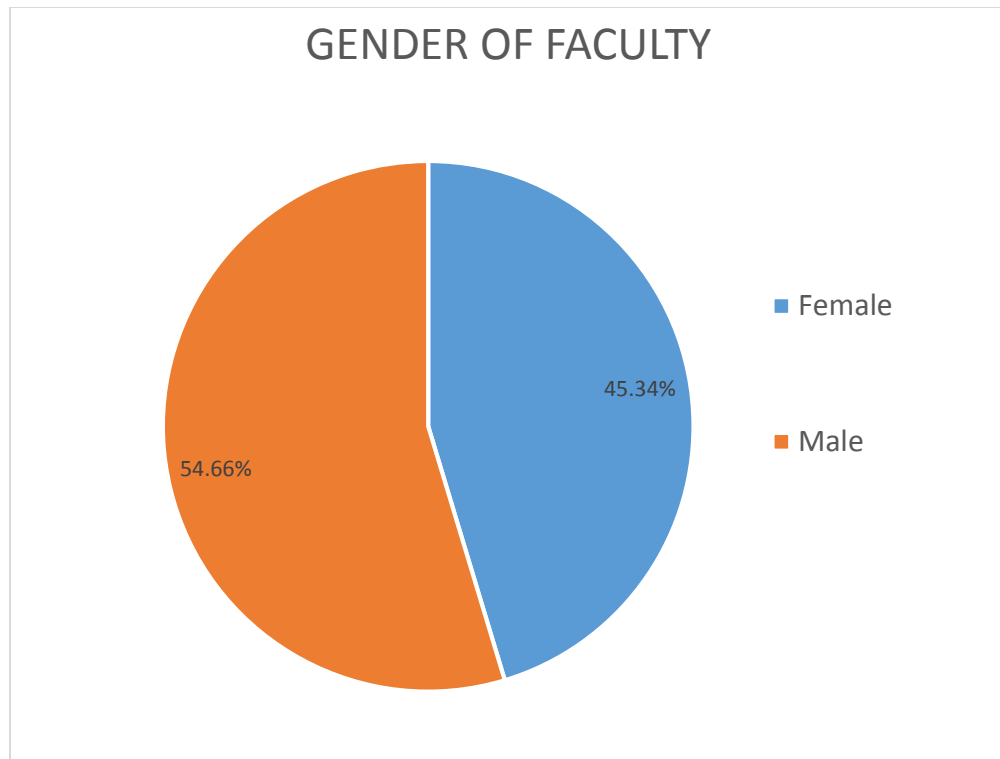


Figure 6 Percentage of Gender of Faculty

Source: Mississippi State University- Office of Institutional Research and Effectiveness, Fall 2015

Illustrated above, you can see that the majority of eligible faculty were males at 54.66%. Below in figure 7, reveals that overwhelmingly the largest percentage of faculty hired between October 1, 2007 – October 1, 2016 were white. It can be concluded that most faculty at Mississippi State University are white males.

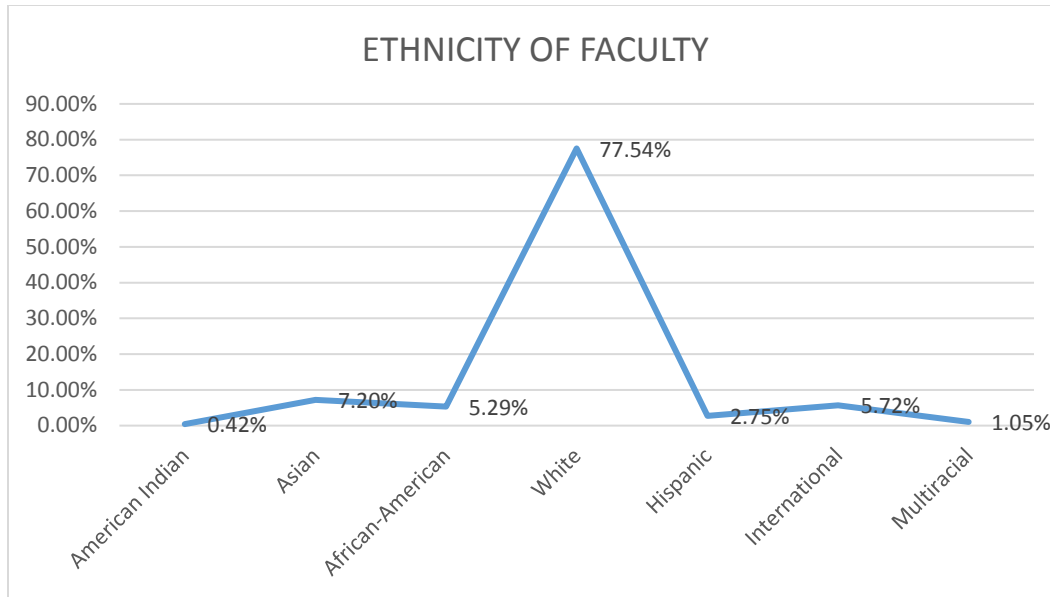


Figure 7 Percentage of Ethnicity of Faculty

Source: Mississippi State University- Office of Institutional Research and Effectiveness, Fall 2015

The data collection team consist of Dr. P. Edward French (dissertation faculty chair), Tracy Baham (associate director of OIRE), and myself. Approval of the project was granted by the Mississippi State University Institutional Review Board. *Packages for the Social Sciences (SPSS)* software was used to conduct the data analysis. To reduce chances of error, a five-point Likert Scale was used to assess the frequency of responses for each survey item.

Descriptive statistics for all variables within the model are provided. Cross tabulations and t-test are provided to explain differences between faculty with outstanding student loan debt and those with no student loan debt.

CHAPTER IV

FINDINGS

I analyzed the quantitative data to test the relationships between the independent variable-student loan borrowers with outstanding debt and the dependent variables- self-interest, societal commitment, duty, commitment to financial well-being, self-fulfillment, need to give back to society, personal loss, and enormous sacrifices. I will first provide descriptive statistics on all the survey questions, followed by an analysis of the hypotheses and research question. I will conclude by providing details and a summary of the findings of the study.

The survey was administered to Mississippi State University faculty who were hired, and currently employed at the university, between October 1, 2007 and October 1, 2016. The Office of Institutional Research and Effectiveness at Mississippi State University identified 944 professors who were hired during the set parameters. Of the 944 faculty, the response rate was 16.1%. Characteristics of the respondents are displayed below in Table 2.

Age, Gender, Education Level, Employment Status, and Years of Employment

The largest percentage of respondents (38%) were professors with ages between 35 to 44 years old, followed by respondents aging between 24 to 34 years old (35.3%), 45 to 54 year olds (17.3%), 55 to 64 years old (8%), and 65 to older (1.3%).

I asked respondents to identify their gender. The majority of respondents were females (53.7%). As expected when surveying professors, all of the respondents have obtained an advanced degree (100%).

Next, I asked the participants for the number of years they have been employed with Mississippi State University. The plurality of the respondents have been employed for 7 or more years (26.7%), followed by equal percentages between 1 to 3 years & 3 to 5 years (24%), less than 1 year (14%), and 5 to 7 years (11.3%).

Student Loan Borrowers, Debt Levels, and Household Incomes

I asked the participants to identify whether they currently have outstanding U.S. Department of Education student loan debt obtained on their behalf or for a dependent child. The largest percentage of respondents (54.4%) indicated that they have no outstanding federal student loan debt.

For the respondents with outstanding federal student loan debt, the plurality (25%) have debt between \$40,000 - \$59,999, followed by (22.06%) indicating they currently have debt less than \$20,000. Weissman (2014) states “doctoral programs still have a reputation for giving their students a (mostly) free ride by providing living stipends and teaching opportunities along with tuition breaks”. This question asks for only outstanding federal student loan held by the U.S. Department of Education. This does not take into account if respondents have private student loans held by private banking institutions.

The plurality of respondents (37.4%) reported a total household income before taxes for the past 12 months as \$100,000 to \$149,999. The second largest percentage of

respondents (21.8%) indicated their household income as \$75,000 to \$99,999. As the table indicates, most of the respondents (89.8%) have household incomes exceeding \$50,000 a year. Mississippi State University is located in Starkville, MS. According to the U.S. Census Bureau, the median household income in Starkville is \$31,397 (United States Census Bureau).

Student Loan Forgiveness

I asked participants to indicate whether they were aware of the Public Service Loan Forgiveness program. The majority (51.3%) indicated that they were not aware of the forgiveness program.

I asked participants whether they plan to take advantage of the Public Service Loan Forgiveness program. The majority of respondents (74.1%) indicated that they do not plan to take advantage of the forgiveness program. I performed a cross tabulation of these two survey questions to determine whether the respondents who were aware of PSLF had a desire to take advantage of the benefit. The findings of the cross tabulation will be discussed in chapter 5.

Table 2 Respondent demographics

Characteristic	N (%)
<i>Gender</i>	
Male	69 (46.3)
Female	80 (53.7)
<i>Age group</i>	
24 to 34 years	53 (35.3)
35 to 44 years	57 (38.0)
45 to 54 years	26 (17.3)
55 to 64 years	12 (8.0)
65+ years	2 (1.3)
<i>Highest Level of Education</i>	
Advanced degree	149 (100.0)
<i>Faculty Status</i>	
Yes	143 (96.0)
No	6 (4.0)
<i>Years of Employment</i>	
Less than 1 year	21 (14.0)
1 to 3 years	36 (24.0)
3 to 5 years	36 (24.0)
5 to 7 years	17 (11.3)
7+ years	40 (26.7)
<i>Outstanding student loan debt</i>	
Yes	68 (45.6)
No	81 (54.4)
<i>Student loan debt amount</i>	
Less than \$20,000	15 (22.06)
\$20,000 to \$39,999	9 (13.24)
\$40,000 to \$59,999	17 (25)
\$60,000 to \$79,999	8 (11.76)
\$80,000 to \$99,999	6 (8.82)
\$100,000+	13 (19.12)
<i>Household gross income</i>	
Less than \$25,000	2 (1.4)
\$25,000 to \$34,999	4 (2.7)
\$35,000 to \$49,999	9 (6.1)
\$50,000 to \$74,999	24 (16.3)
\$75,000 to \$99,999	32 (21.8)
\$100,000 to \$149,999	55 (37.4)
\$150,000+	21 (14.3)
<i>PSLF Program Awareness</i>	
Yes	73 (48.7)
No	77 (51.3)
<i>PSLF Program Participation</i>	
Yes	38 (25.9)
No	109 (74.1)

Frequencies of Public Service Motivation Variables

I used a Likert scale to measure the respondents' levels of self-sacrifice using James Perry's (1996) sub-scale of the PSM self-sacrifice dimension. Tables 3 provides the frequency data for each of the dependent variables.

The first question asks participants to scale their level of societal commitment. The majority (56.7%) responded that they agree with the following statement, "*Making a difference in society means more to me than personal achievements*". The next largest frequency revealed 20.7% of the respondents remained neutral to whether making a difference in society motivated them more than personal achievements.

The second scale question ask participants to scale their level of duty. The statement reads, "*I believe in putting duty before self*". The majority of respondents (54.4%) indicated that they agree with putting duty before their self-interest. It was followed by 30.2% of the respondents remaining neutral.

The next statement asks participants their feelings towards, "*Doing well financially is definitely more important to me than doing good deeds*". By far the largest group of respondents (62.6%) indicated that they disagree with the statement. This means more than half of the respondents have a desire to perform good deeds for the public rather than receiving a personal financial reward.

The fourth statement reads, "*Much of what I do is for a cause bigger than myself*". Slightly over half of the respondents (55.7%) indicated that they agree with the statement, followed by (24.8%) respondents remaining neutral.

The next statement asks participants, “*Serving citizens would give me a good feeling even if no one paid me for it*”. The majority of respondents (57%) indicated that they agree.

The sixth statement reads, “*I feel people should give back to society more than they get from it*”. Slightly less than half (48%) of the respondents indicated they agree with the statement. Combining the agree and strongly agree frequencies, indicates that well over half (74%) of the respondents feel they should give back to society more than they get from it.

The next statement, “*I am one of those rare people who would risk personal loss to help someone else*” revealed the plurality (47.3%) of respondents remained neutral to the statement. The next largest percentage of respondents (33.8%) indicated they agree with the statement.

The final statement reads, “*I am prepared to make enormous sacrifices for the good of society*”. The plurality (45.3%) of the respondents remained neutral. This is followed by a small margin between agree (25.3%) and disagree (24.7%).

Table 3 Frequencies of Responses to Public Service Motivation Variables

Variable	N (%)
<i>Societal Commitment</i>	
Strongly Disagree	2 (1.3)
Disagree	9 (6.0)
Neutral	31 (20.7)
Agree	85 (56.7)
Strongly Agree	23 (15.3)
<i>Duty</i>	
Strongly Disagree	2 (1.3)
Disagree	6 (4.0)
Neutral	45 (30.2)
Agree	81 (54.4)
Strongly Agree	15 (10.1)
<i>Financial well being</i>	
Strongly Disagree	17 (11.6)
Disagree	92 (62.6)
Neutral	29 (19.7)
Agree	9 (6.1)
Strongly Agree	0 (0.0)
<i>Self interest</i>	
Strongly Disagree	2 (1.3)
Disagree	6 (4.0)
Neutral	37 (24.8)
Agree	83 (55.7)
Strongly Agree	21 (14.1)
<i>Self fulfillment</i>	
Strongly Disagree	1 (0.7)
Disagree	8 (5.4)
Neutral	21 (14.1)
Agree	85 (57.0)
Strongly Agree	34 (22.8)
<i>Need to give back</i>	
Strongly Disagree	2 (1.3)
Disagree	3 (2.0)
Neutral	34 (22.7)
Agree	72 (48.0)
Strongly Agree	39 (26.0)
<i>Personal loss</i>	
Strongly Disagree	2 (1.4)
Disagree	19 (12.8)
Neutral	70 (47.3)
Agree	50 (33.8)
Strongly Agree	7 (4.7)
<i>Enormous Sacrifices</i>	
Strongly Disagree	4 (2.7)
Disagree	37 (24.7)
Neutral	68 (45.3)
Agree	38 (25.3)
Strongly Agree	3 (2.0)

Cross Tabulation of Hypotheses

Making a difference in society means more to me than personal achievements

Contrary to my hypothesis that public sector employees with student loan debt would report lower levels of societal commitment compared to employees lacking student loan debt, both of these groups of public sector employees demonstrated a high level of societal commitment. Fully, 59.2% of employees lacking student loan debt agreed that making a difference in society meant more to them than personal achievements, and another 13.5% strongly agreed with this statement. A similarly high 52.9% of employees having student loan debt agreed that making a difference in society meant more to them than personal achievements, and another 17.6% strongly agreed with the statement.

Table 4 Societal commitment by student loan debt

		Student loan debt		
		Yes N (%)	No N (%)	Total N (%)
Societal commitment	Strongly Disagree	2 (2.9)	0 (0.0)	2 (1.3)
	Disagree	4 (5.9)	5 (6.1)	9 (6.0)
	Neutral	14 (20.6)	17 (21.0)	31 (20.8)
	Agree	36 (52.9)	48 (59.2)	84 (56.3)
	Strongly Agree	12 (17.6)	11 (13.5)	23 (15.4)
Total		68	81	149

I believe in putting duty before self

Conflicting with my hypothesis that public sector employees with student loan debt will report lower levels of duty compared to employees lacking student loan debt, the results revealed both groups of public sector employees demonstrated a high level of duty. 54.4% of respondents with outstanding student loan debt agreed that they believe in putting duty before self, and another 5.9% strongly agreed. Similarly, 53.7% of respondents lacking student loan debt agreed that they believe in putting duty before self, and another 13.7% strongly agreed with the statement.

Table 5 Duty by Student Loan Debt

		Student loan debt		
		Yes N (%)	No N (%)	Total N (%)
Duty	Strongly Disagree	2 (2.9)	0 (0.0)	2 (1.3)
	Disagree	1 (1.4)	5 (6.3)	6 (4.0)
	Neutral	24 (35.2)	21 (26.3)	45 (30.4)
	Agree	37 (54.4)	43 (53.7)	80 (54.0)
	Strongly Agree	4 (5.9)	11 (13.7)	15 (10.1)
Total	68	80	148	

Doing well financially is definitely more important to me than doing good deeds

The results revealed in the variable “doing well financially is definitely more important to me than doing good deeds” were the most surprising. Disagreeing with my hypothesis that public sector employees with student loan debt will report higher levels of commitment to financial well-being compared to those lacking student loan debt, both of these groups demonstrated very low levels of commitment to financial well-being. 59% of employees with student loan debt disagreed that doing well financial meant more to

them than doing good deeds, and another 16.6% strongly disagreed. A similarly high 65% of those lacking student loan debt disagreed with the statement, and another 7.5% strongly disagreed. These results prove that even though the respondents have student loan debt, they are less motivated by their personal financial well-being.

Table 6 Financial well-being commitment by student loan debt

		Student loan debt		
		Yes N (%)	No N (%)	Total N (%)
Financial well being	Strongly Disagree	11 (16.6)	6 (7.5)	17 (11.6)
	Disagree	39 (59.0)	52 (65.0)	91 (62.3)
	Neutral	14 (21.2)	15 (18.7)	29 (19.8)
	Agree	2 (3.0)	7 (8.7)	9 (6.1)
	Strongly Agree	0 (0.0)	0 (0.0)	0 (0.0)
Total		66	80	146

Much of what I do is for a cause bigger than myself

Varying with my hypothesis that public sector employees with student loan debt would report higher levels of self-interest compared to employees without student loan debt, both of these groups revealed a lower level of self-interest. The results revealed that 61.7% of employees with student loan debt agreed that their work is for a cause bigger than their self-interest, and another 13.2% strongly agreed. 51.2% of respondents who lack student loan debt agreed that their work is for a cause bigger than their self-interest, with another 13.7% strongly agreeing. These results reveal that public sector employees are less motivated by fulfilling their self-interest.

Table 7 Lack of Self-Interest by Student Loan Debt

		Student loan debt		
		Yes	No	Total
Lack of self-interest	Strongly Disagree	2 (2.9)	0 (0.0)	2 (1.3)
	Disagree	2 (2.9)	4 (5.0)	6 (4.0)
	Neutral	13 (19.1)	24 (30.0)	37 (25.0)
	Agree	42 (61.7)	41 (51.2)	83 (56.0)
	Strongly Agree	9 (13.2)	11 (13.7)	20 (13.5)
Total		68	80	148

Serving citizens would give me a good feeling even if no one paid me for it

I found that my hypothesis that public sector employees with student loan debt would report lower levels of self-fulfillment compared to employees lacking student loan debt to be rejected. Both these groups demonstrated a high level of self-fulfillment. 57.7% of public sector employees with student loan debt indicated they agree that serving citizens would give a good feeling even if they were not paid, and another 20.8% strongly agreed. Equally, 56.7% of public sector employees with no student loan debt indicated they agree with the statement, and another 24.6% strongly agree.

Table 8 Self-Fulfillment by Student Loan Debt

		Student loan debt		
		Yes	No	Total
Self-fulfillment	Strongly Disagree	1 (1.4)	0 (0.0)	1 (0.6)
	Disagree	4 (5.9)	4 (4.9)	8 (5.4)
	Neutral	10 (14.9)	11 (13.5)	21 (14.1)
	Agree	38 (56.7)	46 (56.7)	84 (56.7)
	Strongly Agree	14 (20.8)	20 (24.6)	34 (22.9)
Total		67	81	148

I feel people should give back to society more than they get from it

Contrary to my hypothesis that public sector employees with student loan debt would report lower levels of need to give back to society compared to employees with no student loan debt, both of these groups revealed a high desire to give back to society. 52.9% of public sector employees with student loan debt agreed that people should give back to society more than they get from it, and another 26.4% strongly agreed. Similarly, 44.4% of employees with no student loan debt agreed, and another 24.6% strongly agreed.

Table 9 Need to Give Back by Student Loan Debt

		Student loan debt		
		Yes	No	Total
Need to give back	Strongly Disagree	2 (2.9)	0 (0.0)	2 (1.3)
	Disagree	0 (0.0)	3 (3.7)	3 (2.0)
	Neutral	12 (17.6)	22 (27.1)	34 (22.8)
	Agree	36 (52.9)	36 (44.4)	72 (48.3)
	Strongly Agree	18 (26.4)	20 (24.6)	38 (25.5)
Total		68	81	149

I am one of those rare people who would risk personal loss to help someone else

The plurality of the respondents with student loan debt (51.4%) demonstrated their neutral feelings towards being one of the rare people who would risk personal loss to help others. Equally, the plurality of respondents without student loan debt (44.3%) demonstrated a neutral response. Public sector employees lacking student loan debt are slightly higher in agreement and strong agreement with willingness to risk personal loss in exchange for helping others, compared to those having student loan debt.

Table 10 Personal Loss by Student Loan Debt

		Student loan debt		
		Yes	No	Total
Personal loss	Strongly Disagree	2 (2.9)	0 (0.0)	2 (1.3)
	Disagree	10 (14.7)	9 (11.3)	19 (12.9)
	Neutral	35 (51.4)	35 (44.3)	70 (47.6)
	Agree	19 (27.9)	31 (39.2)	50 (34.0)
	Strongly Agree	2 (2.9)	4 (5.0)	6 (4.0)
Total		68	79	147

I am prepared to make enormous sacrifices for the good for society

Lastly, the plurality of respondents with student loan debt (48.5%) and without student loan debt (43.2%) indicated a neutral response. Student loan debt exerted little impact on willingness to make enormous sacrifices for the good for society.

Table 11 Enormous Sacrifices by Student Loan Debt

		Student loan debt		
		Yes	No	Total
Enormous Sacrifices	Strongly Disagree	3 (4.4)	1 (1.2)	4 (2.6)
	Disagree	13 (19.1)	24 (29.6)	37 (24.8)
	Neutral	33 (48.5)	35 (43.2)	68 (45.6)
	Agree	17 (25.0)	20 (24.6)	37 (24.8)
	Strongly Agree	2 (2.9)	1 (1.2)	3 (2.0)
Total		68	81	149

Chi-Square and T-Test

A cross tabulation, also known as contingency table analysis, has been one of the most useful analytical tools. Typically, a cross tabulation table is a two dimensional table that records the frequency of respondents that have the specific characteristic described.

The next set of tables will provide a wealth of information about the relationship between the variables. A cross tabulation of participants with or without outstanding student loan debt was performed to test each hypothesis. Each cross tabulation revealed interesting findings which are briefly highlighted and displayed in Tables 4-11.

The chi-square test of independence failed to reveal any statistically significant relationships between student loan debt and the PSM variables: societal commitment, duty; financial well-being; self-interest; self-fulfillment; need to give back; personal loss; and enormous sacrifices. The lack of association between the variables could be due to some limitations of the study. In particular, the small sample size caused observations to fall beneath the expected frequencies threshold for each of the tested variables. Chi-square test results are displayed below in Table 12.

Table 12 Chi Square Values Applied to Student Loan Debt Relate to PSM Variables

Variable	Chi-square	df	<i>p</i> value
Societal Commitment	3.048	4	.550
Duty	7.661	4	.105
Financial well being	4.842	3	.184
Self interest	5.210	4	.266
Self-fulfillment	1.558	4	.816
Need to give back	6.965	4	.138
Personal loss	4.803	4	.308
Enormous Sacrifices	3.800	4	.434

*Note: df = degrees of freedom

Similar to the chi-square test, the t-test failed to reveal statistically significant relations in PSM responses between faculty with student loan debt and faculty without outstanding student loan debt. The Levene's Test of Equality of Variances demonstrated that the null hypothesis of equal variable between the groups should be accepted for all of

the PSM variables. Additionally, the t-test for Equality of Means indicated that differences in means were not statistically significant, thus the null hypothesis should again be accepted. T-test results are presented in Table 13.

Table 13 Results of T-Test Comparing PSM Variables and Outstanding Student Loan Debt

	Student loan debt						95% CI for Mean Difference	t	df	p value
	Yes			No						
	M	SD	n	M	SD	n				
Societal commitment	3.76	.916	68	3.80	.748	81	-.30, .23	-.27	147	.782
Duty	3.58	.757	68	3.75	.771	80	-.41, .08	- 1.28	146	.202
Financial well-being commitment	2.10	.704	66	2.28	.732	80	-.41, .05	- 1.51	144	.132
Self interest	3.79	.820	68	3.73	.758	80	-.20, .31	.43	146	.664
Self- fulfillment	3.89	.855	67	4.91	.766	81	-.38, .14	-.87	146	.383
Need to give back	4.00	.846	68	3.90	.815	81	-.17, .36	.72	147	.470
Personal loss	3.13	.808	68	3.37	.756	79	-.50, .00	- 1.91	145	.057
Enormous Sacrifices	3.02	.863	68	2.95	.804	81	-.19, .34	.57	147	.566

Table 14 Hypotheses

Hypothesis	Rejected or Fail to Reject
H1: Public sector employees with student loan debt will report lower levels of societal commitment than public sector employees with no student loan debt.	Rejected
H2: Public sector employees with student loan debt will report lower levels of duty than public sector employees with no student loan debt.	Rejected
H3: Public sector employees with student loan debt will exhibit higher levels of commitment to financial well-being than public sector employees with no student loan debt.	Rejected
H4: Public sector employees with student loan debt will report higher levels of self-interest than public sector employees with no student loan debt.	Rejected
H5: Public sector employees with student loan debt will report lower levels of self-fulfillment than public sector employees with no student loan debt.	Rejected
H6: Public sector employees with student loan debt will experience a lower need to give back to society than public sector employees with no student loan debt.	Rejected
H7: Public sector employees with student loan debt will report lower levels of personal loss than public sector employees with no student loan debt.	Rejected
H8: Public sector employees with student loan debt will report fewer enormous sacrifices than public sector employees with no student loan debt.	Rejected

CHAPTER V

SUMMARY, DISCUSSION, AND CONCLUSION

The purpose of this research was to examine the public service motivation of public sector employees who have outstanding federal student loan debt. As discussed in Chapter 2, researchers suggested that “public service motivation is a broad, multifaceted concept that may be conceived many different ways” (Brewer, Selden and Facer II, Individual Conceptions of Public Service Motivation 255) and that rising public administration scholars would fail the field if they automatically assumed the characteristics of public service employees have not changed (Andersen, Eriksson and Pedersen). Literature on reward based motivation has analyzed the effects extrinsic benefits have on intrinsically-motivated people (Deci & Cascio, 1972). This dissertation has illustrated groundbreaking public service motivation literature and empirical data on federal student loan borrowers and public sector employees in Mississippi. The study used a quantitative research model to test the following research question: Are extrinsic benefits increasing the public service motivation of state of Mississippi employees?

The quantitative test used a partial scale of Perry’s (1996) public service motivation measureable instrument as well as closed-ended demographic questions to identify characteristics of participants. Data was collected electronically using Mississippi State University’s Class Climate survey system. The survey was emailed to 944 faculty at Mississippi State University with a 16.1% response rate.

Discussion of Findings

Previous public service motivation empirical studies found that the work-related values and needs of public sector employees differ from those who work in the private sector. Scholars have expressed the need to expand Perry's measureable scale across an increased number of population samples. The call for more quantitative studies motivated me to determine whether the financial burden of student loan debt and the implementation of the Public Service Loan Forgiveness program played a role in the PSM's self-sacrifice dimension for faculty at Mississippi State University.

Although the chi-square test and t-test both failed to reveal any statistically significant results, the findings are valuable to the field of public administration and human resource management. The research question and hypotheses, in sum, have questioned whether individuals working in the public sector are more self-interested or more willing to make self-sacrifices. When asked whether doing well financially is more important than doing good deeds, respondents with and without outstanding student loan debt overwhelmingly disagreed. The findings reveal that doing financially well does not increase the desire to substitute a personal reward over the good of society.

Respondents with student loan debt and who were also aware of the PSLF revealed consistent findings. I ran a cross tabulation with student loan debt and awareness of the PSLF program. See table 15 below. The majority of respondents with outstanding student loan debt indicated they were also aware of the PSLF program. The majority of respondents with no student loan debt indicated they were not aware of the PSLF program. These findings are important because it reveals that awareness of the program has reached those who qualify for the forgiveness. This study did not reveal whether

having knowledge of the PSLF was a factor in accepting a faculty position at Mississippi State University.

Table 15 Student Loan Debt & Awareness

		Student loan debt		
		Yes	No	Total
Are you aware of the PSLF program?	Yes	45 (66.2)	27 (33.3)	72 (48.3)
	No	23 (33.8)	54 (66.7)	77 (51.7)
Total		68	81	149

Next, I examined whether respondents who indicated their awareness of the Public Service Loan Forgiveness program also planned to take advantage of the benefit. The majority of the respondents indicated that they were not aware of the program; which also led them indicating a desire not to participation in the benefit. For those who were aware, the majority indicated a desire to not participate in the benefit. This is a major finding for this study. MSU faculty, aware and not-aware, are not motivated to participate in the loan forgiveness program. This supports the findings presented in Table 6; awareness of a personal financial benefit does not motivate participation in the loan forgiveness program.

Table 16 Awareness & Participation

		PSLF Awareness		
		Yes	No	Total
Plan to take advantage of PSLF?	Yes	30 (41.7)	8 (10.7)	38 (25.9)
	No	42 (58.3)	67 (89.3)	109 (74.1)
Total		72	75	147

To illustrate a complete picture of participation, the table below provides a cross tabulation of student loan debt and plans to take advantage of the forgiveness program. The majority of respondents who have outstanding student loan debt indicated that they do plan to take advantage of the program. The results are interesting because only slightly half of those who have outstanding debt plan to participate. Note, to take advantage of the loan forgiveness program, a borrower must be in repayment for ten years. Once ten years of on-time payments are recorded, any outstanding loan balance is forgiven.

Table 17 Student loan debt & Participation

		Student loan debt		
		Yes	No	Total
Plan to take advantage of PSLF?	Yes	34 (51.5)	3 (3.8)	37 (25.3)
	No	32 (48.5)	77 (96.3)	109 (74.7)
Total		66	80	146

The findings above required me to go a step further. I cross tabulated the amount of outstanding student loan debt with those who indicated they plan to take advantage of the program. For borrowers with lower amounts of student loan debt, the program is not as attractive. However, the plurality of respondents with student loan debt who indicated their desire to participate in PSLF had \$100,000 or more in outstanding student loan debt.

Table 18 Amount & Participation

		Participation		
		Yes	No	Total
Amount of Debt	Less than \$20,000	3 (8.1)	59 (73.8)	62 (53.0)
	\$20,000 to \$39,999	2 (5.4)	7 (8.8)	9 (7.7)
	\$40,000 to \$59,999	9 (24.3)	8 (10.0)	17 (14.5)
	\$60,000 to \$79,999	6 (16.2)	2 (2.5)	8 (6.8)
	\$80,000 to \$99,999	7 (18.9)	0(0)	7 (6.0)
	\$100,000 or more	10 (27.0)	4 (5.0)	14 (12.0)
Total		37	80	117

The Public Service Loan Forgiveness program was implemented and made available to all federal, state, local, and not-for-profit employees in 2007. By the latter part of 2017, more data will be available to determine the characteristics of PSLF participants. Based on the results of this study, participation in the forgiveness program may be less than what policymakers projected. The findings also support the fact that borrowers with higher loan balances are more interested in the loan forgiveness program. A further study can determine whether the Public Service Loan Forgiveness program has motivated job seekers to the public sector or retain those already employed by providing the extrinsic financial benefit. More research and quantitative studies on a variety of population samples must continue to be performed to determine what motivates individuals to the public sector or aid in retaining those already employed in the public sector. This study provided valuable findings on the factors public servants are willing to substitute or not-substitute for the good of society.

Study Implications

The chi-square analysis testing the relationships between student loan debt and the public service motivation variables indicated statistical insignificance. Since the chi-square failed to reveal any statistically significant results, it is harder to generalize the survey participants to greater populations. The findings of this study have implications for Mississippi State University and its understanding of the faculty's level of public service motivation.

Mississippi State University's accolades speak for themselves. The National Science Foundation Higher Education Research and Development Survey found MSU to be ranked 8th among colleges in their expenditures for agricultural sciences. Forbes Magazine ranks MSU among its top 100 best public colleges in America. The diverse research being produced allows for limitless possibilities for students. Given the countless number of awards, the rich history of the university and diverse student populations, it must be noted that MSU is currently providing opportunities for faculty to mature, succeed, and provide a way of life. The findings of the study revealed that faculty are more interested in supporting the university's efforts to transform and empower communities throughout the world rather than focus on their self-interest.

This study is first of its kind to collect data on university faculty to understand their level of public service motivation, amount of student loan debt, and motivation to participate in a student loan forgiveness program. By using the self-sacrifice dimension of PSM, this study helped expand the PSM empirical measurement across a public organization and public employees that has been neglected in public administration research. Specifically, this research provides valuable data on faculty at public

institutions and their desire to serve the public or reap personal gains. The data revealed that the majority of respondents favored the statement: serving other citizens would give me a good feeling even if no one paid me for it. More than half of the respondents agreed or strongly agreed that they would feel good serving the public even if they did not receive a financial benefit. This finding means that faculty at Mississippi State University have very high levels of public service motivation.

The results of this study challenge Perry and Wise's (1990) call for researchers to measure public service motivation because public servants were becoming more self-interested and motivated by extrinsic rewards. However, theoretical foundations of public service motivation are strengthened by the findings in this current study. Perry and Wise categorizes an individual's motivation into three motives: rational, norm-based, and affective. This study revealed faculty at MSU have high levels of affective motives which determines the desire and eagerness to service others. Based on the findings of this study, faculty at Mississippi State University are not expressing increased levels of self-interest nor a desire for more extrinsic benefits. Perry and Wise concluded that there is a correlation between a person's PSM and their desire to work in the public sector. They also concluded that organizations who attract people with high levels of motivation do not have to provide as many extrinsic benefits to motivate the performance of their employees. Christensen and Wright (2011) implied that individuals with high levels of PSM may be more attracted to certain categories and classes of jobs. Bright (2011) found that certain characteristics of an organization may produce different levels of PSM.

This research provides relevant insight for public administration researchers who study employee motivational differences between public and private institutions. Perry

and Porter (1982) examined the techniques used at public and private institutions to motivate their employees. Their research found that public and private institutions attract different types of individuals. The results of this current study reveal that the respondents are more attracted to public service. This supports Brewer, Selden, and Facer II (2000) claim that Buchanan's (1975) public service ethic attracts individuals to public institutions and that their behaviors are consistent with serving the public.

Fiala (2017) states that as of June 2016, the United States Department of Education reported that 432,000 public sector borrowers submitted qualifying certification forms for the PSLF. Berman (2016) state that an estimated 4 million student loan borrowers could be eligible for the program. The first round of forgiveness will begin in October 2017. Although the findings of this current study revealed that faculty at Mississippi State University are not motivated by the PSLF, thousands of other public servants are counting on the PSLF to relieve their debt burdens. Journalist and policy analysis have recently reported that the United States Department of Education are concerned that the interest in the program is higher than previously expected. "It is unclear whether the Department of Education has a handle on how many people will qualify and whether they'll follow through and how expensive the first cohort of beneficiaries will be" (Fiala, 2017). After October 2017, the United States Department of Education will be able to analyze data on the participants of the program. Many fear this data and are concerned about the future of PSLF. Current students, recent graduates, and current public sector employees are all concerned that under President Trump's administration Congress may reauthorize the Higher Education Act to include forgiveness caps and other provisions excluding certain employees. Fiala (2017)

discusses the impact PSLF has on veterinarians. “Efforts to cap PSLF forgiveness will negatively impact veterinarians providing much-needed services to rural America’s underserved areas, critical services in animal disease and surveillance activities as well as those practicing in shelter medicine and working to protect animal welfare. Qualified employers need PSLF in their toolbox to compete for highly educated, highly skilled veterinary graduates” (Fiala).

Using the results of this study to defend the public service loan forgiveness program can potentially be difficult. Although the results revealed that the plurality of respondents who indicated their desire to participate in the program had \$100,000 or more in outstanding debt, the results also revealed that the majority of respondents with student loan debt indicated that they would not participate in the PSLF. Policymakers and program analyst could use the results of this study to find that PSLF is not fulfilling its mission. It must be noted that the sample size and low response rate makes it harder to generalize the findings over larger populations. Future federal student loan and public service motivation researchers will need to conduct additional studies that measure faculty motivation at other public institutions. Additionally, the research question should be expanded to other local, state, or federal agencies as well as to recent graduates seeking employment in the public sector.

Before concluding, a cross tabulation of desire to participate in PSLF and the age of respondents is provided in table 18 below. As stated previously, the majority of respondents were not interested in participating in the federal program. Focusing only on the age of those who indicated a desire to participate reveals beneficial information for policymakers and researchers. The plurality of respondents (44.7%) indicated a desire to

participate in PSLF were between the ages of 24 to 34, followed by 39.5% between the ages of 35 to 44. I conclude that younger faculty are more interested in participating in the Public Service Loan Forgiveness program than older respondents. As more and more recent Ph.D. graduates enter the public sector, the desire to participate in the program will continue to rise. Bidwell (2014) states in a U.S. News article that, “the large spike in graduate student debt occurred between 2008 to 2012, after several different policy changes took effect. For one, a 2006 policy change allowed graduate students to borrow an unlimited amount of federal loan dollars. Second, a series of income-based repayment and loan forgiveness programs have been put in place in recent years”. Conflicting reports have provided mixed signals on the expected participation of graduate students. The data provided in this study revealed that the majority of respondents do not have outstanding student loan debt and those who do have debt have balances of \$20,000 or less. Data has shown in the past that “prospective Ph.D. candidates have an abundance of financial aid options to help fund their graduate studies. Typically, students are fully funded by a combination of sources, including scholarships, fellowships, research assistantships, teaching assistantships, or student loans” (Go Grad). I plan to explore and expand empirical research on student loan debt, borrower characteristics, and interest in employment in the public sector.

Table 19 Participation & Age

		Participation		
		Yes	No	Total
Age	24 to 34	17 (44.7)	36 (33.0)	53 (36.1)
	35 to 44	15 (39.5)	40 (36.7)	55 (37.4)
	45 to 54	5 (13.2)	21 (19.3)	26 (17.7)
	55 to 64	1 (2.6)	10 (9.2)	11 (7.5)
	65 or older	0 (0)	2 (1.8)	2 (1.4)
Total		38	109	147

Recommendations for Future Research & Practice

Although a small sample, this study was able to measure the level of self-sacrifice of faculty members at Mississippi State University. In addition to the public service motivation measurement, this study was able to compare two sets of public sector employees. Overall, the study focused on participants with outstanding student loan debt and the effects PSLF had on their decision to be employed at a public institution. The findings presented in Chapters 4 and 5 found that the PSLF is not a motivator to those who participated in the study. In hopes to fully understand what is motivating public sector employees and the impact outstanding student loan debt has on career choices, I will provide future research ideas that will help advance public administration, public policy, and student aid policy research.

This study assessed the PSM of faculty who were hired between October 1, 2007 – October 1, 2016 at a public institution and did not take into consideration prior career choices. To get a complete depiction of the impact PSLF is having on student loan borrowers, I plan to expand this research question to include master and doctoral students studying political science or public administration. Typically, these students seek and

obtain jobs in the public or non-profit sectors. I plan to hypothesize that current students with outstanding student loan debt are more motivated to seek a job in the public sector than students with no outstanding student loan debt. This proposed study will help support the findings identified in the previous section of this chapter. The plurality of respondents who indicated their desire to participate in PSLF were aged 24 to 34. Exploring this proposed hypothesis would help determine the future participation rate of those who plan to seek public sector employment and participate in PSLF.

Previous literature on the debt burdens of student loans has focused on the negative impacts debt has on a borrower's decisions. Honan's (1989) study sought to understand the burdens student loans have on individuals and whether existing student loan policies played a role in increasing the burdens. The author was able to identify groups of respondents who felt student loans were more burdensome or more unmanageable. Important to this current dissertation, Honan (1989) found that 6.8% of respondents with a doctoral or professional degree felt they were burdened by their student loan debt, compared to 53.7% of respondents with only a bachelor's degree (Honan). This 1989 study was prior to the passage of the 2007 College Cost Reduction and Access Act and the 2010 Health Care and Education Reconciliation Act. Both the CCRAA & HCER were designed to help borrowers successfully repay their student loans. A future research project would be to duplicate James Honan's (1989) study in Mississippi to determine the demographics of public sector employees who find student loans to be more burdensome or unmanageable post the passage of CCRAA & HCER.

Next, I recommend a duplication of this current quantitative study at two additional government agencies in Mississippi allowing for an expanded comparative

study on the levels of self-sacrifice. The current study only surveyed faculty at MSU. The majority of respondents indicated a household income of \$100,000 to \$149,999. MSU is located in the rural northeastern part of Mississippi. The median household income in Starkville was \$31,397 in 2015, which means the majority of faculty who responded to the survey are well-above the median income for the geographical area. A future research recommendation is to duplicate this study at two government agencies in more urban parts of Mississippi. This proposed study would determine whether cost of living plays a role in the level of self-sacrifice and desire to participate in PSLF.

Finally, the literature and data presented in this study should be considered by policymakers and human resource management departments at public institutions. Based on the findings, faculty at MSU are generally aware of the PSLF; however, interest in participating in PSLF is low. Policymakers are currently deciding whether the PSLF should be reformed because of the expected overwhelming participation in late 2017. Policymakers are considering implementing forgiveness caps and employment exclusions into the criteria to participate in PSLF. I recommend using the data presented or a similar study to determine the number of public sector employees with high debt levels and those interested in PSLF. Reforming the program to cap the forgiveness may not impact the participation in the program on a large scale if public sector employees do not carry large outstanding student loan balances. Likewise, human resource management departments should determine whether their employees are attracted to programs that positively impact their personal finances. As stated previously, private corporations have increased their compensation packages to include loan forgiveness. Public institutions should monitor the participation and burdens placed on their faculty to ensure that benefits

offered externally are motivating the employees or whether internal benefits should be reformed to include the preferences of their employee population.

Conclusion

Faculty at Mississippi State University have proven to be more dedicated to public service than reaping personal benefits. MSU, a public land grant institution, offers a diverse faculty, staff, and student experience that impacts the lives of global communities. The results of this study revealed that faculty at MSU are dedicated to advancing the mission of the public institution even if that means they have to make personal sacrifices. Public administration and human resource management researchers can use this valuable empirical study to expand literature on the level of public service motivation of employees at public institutions. Administrators have feared that the lack of interest in the public sector would soon cause a decline in the number of productive public sector employees. However, it seems as though the current structure at public institutions have found ways to attract and challenge faculty to find satisfaction at universities.

In addition to literature provided on the motivational factors impacting public sector employees, this study also examined the financial burdens of federal student loans. There has not been any previous research on the impact student loans have on public service employees. The findings of this study are very different from the national narrative that many analysts and commentators have stated about the growing federal student loan debt. The majority of the faculty at MSU indicated they do not have outstanding loan balances and their interest in PSLF is not impacting their desire to remain employed at a public institution. The structure and mission of public universities

is different from other public agencies. Most employees at public universities have advanced degrees and higher incomes compared to other public sector employees. Expanding this study to include other public agencies will help generalize the findings over larger populations. It is my hope that this study will open the eyes of other researchers to expand on the topic.

Federal and state policymakers have become more aware of the financial burdens that student loans place on borrowers (Keeping College within Reach: Examining Opportunities to Strengthen Federal Student Loan Programs). The 46 United States members of Congress with outstanding student loan debt ranging from \$1.8 - \$4.3 million have a vested interest in increasing the participation of the Public Service Loan Forgiveness program designed to aid Americans working in the public sector (Kingkade, 2013; Gircoillo, 2015). The pursuit to become a public servant is not chosen in hopes of being among the wealthiest in the country. Literature and data presented in this study has shown that the compensation of faculty at public institutions is lower than counterparts at private institutions. According to Buchanan (1975), public service ethic is the underlying motivator of those seeking to serve the public. More recently, the motives, emotions, and norms that were previously present in those seeking careers in public administration have shifted and will continue to shift in the coming years. This study is an example of where public administration research has been and where it needs to go. As scholars have previously stated, the characteristics and motivation of public employees may be different but their desire to serve the public is the same.

The private sector has historically been known as a huge provider of extrinsic benefits (Lyons, Duxbury and Higgins, A Comparison of the Values and Commitment of

Private Sector, Public Sector, and Parapublic Sector Employees). For example, persons working in a commission-based position, will reap benefits such as bonuses, if their goals are met. Public sector employees are not able to reap such benefits due to the structure and funding restrictions placed on public servicing agencies. Public Administrators must continue to examine the extrinsic motivators that may outweigh the intrinsic nature engrained in public sector employees. The field of public administration should continue to rely on its traditional foundation while taking into account the growing characteristics of those entering the field.

This dissertation adds to the body of literature that has worked to expand public service motivation theory. Understanding why individuals seek careers to serve the public and the depth of their public service ethic provides value to states and institutions in their attempt to recruit and retain job seekers. The investment student loan borrowers undertake can be life-changing as well as burdensome. Policymakers and scholars should continue to monitor the federal student loan bubble and provide solutions/programs that allow for successful repayment to all individuals who seek a career in the public sector.

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APPENDIX A
SURVEY INSTRUMENT

Descriptive statistics for all variables within the model will be provided. Each of the hypotheses will be tested with bivariate statistics using cross tabulations and T-tests.

Questions 1-10 (Demographic Information)

1. What is your age range?
 Younger than 24
 24 to 34
 35 to 44
 45 to 54
 55 to 64
 65 or older
2. What is your gender?
 Male
 Female
3. Are you a faculty member at Mississippi State University?
 Yes
 No
4. How many years have you been employed with Mississippi State University?
 Less than 1 year
 1 to 3 years
 3 to 5 years
 5 to 7 years
 7 years or more
5. Do you currently have outstanding U.S. Department of Education student loan debt obtained on your behalf or for a dependent child?
 Yes
 No
6. How much student loan debt do you currently owe?
 Less than \$20,000
 \$20,000 to \$39,999
 \$40,000 to \$59,999
 \$60,000 to \$79,999
 \$80,000 to \$99,999
 \$100,000 or more

7. What was your total household income before taxes during the past 12 months?
- Less than \$25,000
 - \$25,000 to \$34,999
 - \$35,000 to \$49,999
 - \$50,000 to \$74,999
 - \$75,000 to \$99,999
 - \$100,000 to \$149,999
 - \$150,000 or more
8. What is the highest level of school you have completed or the highest degree you have received?
- Less than high school degree
 - High school degree or equivalent (e.g., GED)
 - Some college but no degree
 - Associate degree
 - Bachelor degree
 - Advanced degree (Masters, Doctorate, or Professional)
9. Are you aware of the Public Service Loan Forgiveness Program?
- Yes
 - No
10. Do you plan to take advantage of the Public Service Loan Forgiveness Program?
- Yes
 - No

Question 11 (PSM Self-Sacrifice Scale based on Perry (1996))

11. Indicate your level of agreement with the following statements (Place an X in the appropriate box):

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Making a difference in society means more to me than personal achievements					
I believe in putting duty before self					
Doing well financially is definitely more important to me than doing good deeds					
Much of what I do is for a cause bigger than myself					
Serving citizens would give me a good feeling even if no one paid me for it					
I feel people should give back to society more than they get from it					
I am one of those rare people who would risk personal loss to help someone else					
I am prepared to make enormous sacrifices for the good of society					