



IMPROVING PERFORMANCE AT THE NEXUS OF THE COMMERCIAL AND SOCIAL SECTORS

ABSTRACT

**EXAMINING THE RELATIONSHIP BETWEEN PRIVATE SECTOR & PUBLIC SECTOR
EMPLOYEE COMPENSATION**

(SEPTEMBER 2012)

A wide variety of employee compensation plans have been created in the public and private sectors. Within the two segments compensation differences are changing due to the different characteristics of these segments as well as disparities in skill levels, experience, qualifications of employees, and location of the job. Among employees with a high school diploma or less education, total compensation is 36 percent more in the public sector than in the private sector. By contrast, among people with a professional degree, total compensation is 18 percent lower for public-sector employees than for private-sector employees. Overall, the public sector has more skilled employees than the private sector.

