RENTAL WORK

Flexible Employment as a Challenge for Management

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This thesis is done in order to introduce employee leasing as a form of employment, and to research the factors that enable efficient usage of agency work as a management tool. As its best, temporary agency work creates value for all the parties involved: Employees gain experience and get to fit work with their personal timetables, employers gain efficiency by hiring employees just for the time needed, and agencies gain business by connecting these two parties. Available work is as its fastest turned into jobs by agencies, and agency work is indeed a significant employer globally.

Agency work has however created a new kind of challenge for human resource management: Stable teams with stable skills have shifted to fluctuating teams with fluctuating skills. Still, management should be able to create commitment that is highly linked with better work outcomes.

The author has been by her own experience recognizing which are the factors that lead either to commitment or lack of it. In addition to participation, the qualitative research is conducted by interviewing representatives from each group involved in this triangular employment relationship. The study results that meaningful agency work demands active attitude from all three parties, but after all the atmosphere and attitude created by the management has a significant affect on the work outcome and on how well-being and commitment at work is experienced.

Key words: employee leasing, temporary agency work, human resource management
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1 INTRODUCTION

The world of work has experienced major changes during the recent decades. Lifelong careers have shifted to new modern idea of experiencing several work places, or even several fields during the active years in work life: Employees are searching for solutions where they can build their careers without cutting resources from other commitments in life, such as family and studies. In the same time, stable teams have shifted to fluctuating groups of work forces: Businesses are searching for solutions where the number of staff walks hand in hand with the current situation in business. Temporary employment agencies were born first to serve the latter, but nowadays, instead of being something optional, it is also a preferable choice for many of employees.

Available work is as its fastest first turned into jobs by agencies, and employment industry has indeed gained a strong foothold globally. However, whereas it is technically easy to cover an amount of need with equal amount of help, the temporary and untraditional nature of this employment relationship has created a need to reform HR processes: How to create commitment when the group managed fluctuates even in a daily basis? As it is widely understood, commitment is linked with job satisfaction and so on with will to create value and good results for the work place. Still, agency workers are often treated rather opportunistically resulting in worse outcome.

1.1 Background and purpose

As an employee of two employee agencies I have experienced tens of workplaces and hundreds of shifts since I usually cover just one day at a time in each place. While going around I have formed a clear share between those I enjoy working in, and those I will preferably not step in again. After having conversations with my agency worker colleagues, many seemed to share my thoughts. Clearly, the difference was created by atmosphere and overall handling of temporary help. I started to pay attention on the little facts that in the end affected on my performance and job satisfaction.

As it worst, temporary work is considered in a temporary, less meaningful manner, but this comes with a cost of losing commitment and so on a potential worker to cover the
business in the future. Thus, the objective of this thesis is not only to introduce employee leasing as one form of employment, but also to open the topic and awake conversation on what is the difference between the management that makes it easy for us to perform our job - even though we might be jumping from place to another - and the management that makes the job satisfaction levels to drop. No matter temporary agency work is not traditional work, it could be experienced as satisfying than any other job. Job satisfaction and commitment is a critical issue for businesses especially now that temporary work forces are more and more taking part in the core processes.

1.2 Research questions

During this research, these following questions are to be answered:

What is employee leasing and what is its position as a form of employment?
What is needed from management to create commitment among rental workers – how to make temporary employment satisfying for both the employer and employee?

1.3 Methodology

To best serve the purposes of this study, the research method to be used is qualitative. “Qualitative research is a type of social science research that collects and works with non-numerical data and that seeks to interpret meaning from these data that help us understand social life through the study of targeted populations or places.” The aim is to get deeper understanding on the meanings, interpretations, symbols and the processes and relations considering the topic. Focus is on everyday life and people’s experiences. (Crossman 2018.) Research data collected consists of nonquantitative materials, such as interviews, fieldnotes, documents and visual materials and outcomes are composed of essential information all this data is representing (Saldana, Leavy & Beretvas 2011).

The aim of this thesis is to get real life perspective considering the factors that affect on job satisfaction and commitment of rental employees, and to find procedures that are either forwarding or preventing positive and effective experiences. To get the closest point of view on this, I have chosen to interview a representative from all three groups involved
in the triangular employment relationship of agency work. In addition, as I myself have a few years’ experience working through a couple of agencies, I had the possibility to use participation as a second method of the qualitative research and so to have a reliable view while analysing the data collected from the interviews. Due to my own experience I could also bring my own observations in, and the structure of each interview was mostly conversational. By this conversational nature, the interviews were mostly leading itself deeper into the critical points of views and main considerations behind the topic. However, there were some basic questions in each interview to ensure that this conversation stays in the limits that the purpose and the research questions of this thesis are setting.

The interviews were put into practice on 7th of March 2018 in Tampere, Finland. All representatives are working in Tampere area. Each conversation lasted about an hour, and all of them were taped to secure the reliability and verisimilitude when writing them into their last forms for this thesis. Participants were interviewed one at a time, and all of them are represented anonymously (name changed). First, there is introduced a story from an employee, who had been working several years through an agency. As she also had experience of working shortly in many different places, and had had various differentiating experiences on each of these, I was willing to take her into the conversation. Second, I wanted to introduce the position of the leasing firm, since this is often left out of the conversation even though being legally the party representing the employee. A representative of the mandator of this thesis, Opteam, was willing to take part and bring in their investment in the better future for the industry. Third, with the help of Opteam, I was able to connect with a member of management, whose business has achieved a position where there are more agency workers willing to work than they can take in. I was very keen on finding out what are the procedures that are indeed answering to my research question – What is needed from management to create commitment among rental workers? Last, by reflecting all these three experiences with my own ones, I was able to draw my main conclusions.

1.4 Structure and limitations

After the introduction, chapter two introduces Opteam, the mandator of this thesis, as a company and as an actor on the employment agency and human resource field.
Chapter three is based on the theoretical information. Before heading to the main topic, the reader will learn about employment planning and different contract types. The rest of the chapter concentrates on introducing employee leasing as a form of employment: History, characteristics, pros and cons for actors and finally the challenge that the flexibility of workforces is setting for the nowadays HR management.

Fourth chapter introduces the data collected from the qualitative research, and leads to the conclusions that are presented in chapter five.
2 THE MANDATOR

OPTEAM, founded in 1999 started as a small employee leasing firm in Helsinki and has ever since grown to a modern recruiting company offering a variety of personnel solutions all around Finland, Poland, Slovakia, and the Filipins. Nowadays they have over 10 000 employees, and they fill over 600 000 shifts a year in different fields. Their services include temporary staffing, recruitment, personnel development, outplacement and vocational rehabilitation and so turnover reached €85.4 in 2015. In the beginning of 2017 Opteam was joined to be part of the Barona group, a combination of independent companies on the HR field. The aim is to “create tailored and innovative solutions to impending challenges, we help our clients face the future with their full potential.” Opteam continues as an independent actor, but now they are able to create even more specialized service with more broaden selection of solutions for their clients and jobseekers.

“The world of work is changing dramatically. The classic idea of employment is increasingly giving way to the notion of maintaining a balance between life and work. Recruitment is plagued by an uneven need for labour, retirement of the baby boom generation, and a serious shortage of professional and skilled workers. The rapid pace of change has created new kinds of needs for services and innovative approaches. The world of work needs new solutions that respond to labour shortage and challenges in demographic and cultural changes.”

The era of temporary work agencies is now offering flexibility not just for the companies, but for the jobseekers too. A career is no longer meaning the same for everyone. “Some people are seeking a steady career progression, permanent employment and solid professional skills in the field of their choice. Others want to slog away to fund that next surfing holiday or find work that accommodates the demands of family or studies. It takes all sorts. The most important thing is to achieve a balance between life and work.”

Opteam bases their professionality in innovative and open-minded attitude among high level of experience in the HR sector and on the job markets. In addition to providing skilled workers, they offer services in skill-updating and improving well-being at work. Well-being is a major consideration for all HR services since – happy workers create more value in a company. Indeed, responsibility is a fundamental aspect that follows all
decisions made in Opteam. Social responsibility has become especially critical in front of the globalization. “For example, we have prepared a comprehensive induction pack to ensure that foreign employees have all of the information that they need to work in Finland and that they understand the rules that govern working life in Finland. All of this information is provided in the employee’s native language.”

All in all, starting work through Opteam is made as comfortable possible. Everything starts with an induction about the basic procedures, and during the employment it is made sure that everything is based on practices that are fair to both the employee and the user company. The aim is that attitudes towards temporary agency work would change – it is a form of employment where any other, not just an option when there are not permanent positions available. This is how it should also feel for the employer. “It should not be called a rental employee – it is simply an employee”

![Our values](https://www.opteam.fi/en/opteam-2/)

Consequently, in the image of the page, we observe a diagram titled “Our values” which includes four main sections: **Innovation**, **Accountability**, **Entrepreneurship**, and **Value Creation**.

**Innovation**
- We develop and implement bold, open-minded, and novel solutions to meet the changing needs of the world of work. We pioneer in forecasting changes within operational conditions.

**Accountability**
- We are open, honest, and ethical. Clients and employees are our partners, and we listen carefully to their needs. We are guided by a sense of social responsibility and stand up for fairness and diversity.

**Entrepreneurship**
- We are committed, hard-working, and flexible. We seize opportunities and are always on the lookout for new ventures. Our enthusiasm and expertise are also visible to outsiders.

**Value Creation**
- We deliver added value for our clients, employees and our company. We are productive, specialized and quick to act. Success and achievement inform everything we do.


Opteam is a member of The Private Employment Agencies Association of Finland, FIBS, Finland’s leading corporate responsibility network and the diversity network. Opteam has also been awarded with “good workplace – professional recruiting” authorization” and Finland business magazine Kauppalehti’s “Achievers 2017” and “Growth Company 2017” nominations. (Opteam, 2018).
3 EMPLOYEE LEASING

3.1 Employment planning and defining contract types

3.1.1 What is employment planning

Fluctuations in demand create need for flexibility, not just in production planning, but also in the structure of the employment base. To continue, firms need to define which kind of contracts are made to meet the demand now and in the future. Employment law means the relationship between employer and employee, and the contract is a legal base for this relationship that defines rights for both parties (Ross 2010, 1).

Employment planning is the process of deciding what positions the firm has to fill, and how to fill them. More specifically, it means defining the needed positions and hiring staff with right skills and competencies to fill the positions. (Dessler 2011, 178.) The process walks hand in hand with the overall strategic plan of the company.

3.1.2 Contract types

**Full-time contracts** are made for permanent positions, and this usually means 35 to 40 hours of work per week. Also, **part-time** contracts are considered as permanent employees since the difference is mostly seen in the number of hours worked. Part-time contracts are often made in favour of the employee to allow them to fit work with the current situation in their personal-lives. Part-time contracts also allow the employee to try the position before proceeding to possible full-time contract. Both these contracts include full employment rights, such as holiday and sick pay. (Cheary 2018.)

**Fixed-term/temporary contracts** last a certain period of time. An employee with this kind of contract might be contracted to complete a specific task, and the relationship ends when this task is fulfilled. However, fixed-term contracted employees will enjoy the same benefits as the full- and part-time contracted, only taking in note that some factors, such as holidays, might depend on the length of the contract. (Cheary 2018.)
**Zero-hour contracts**, also known as *casual contracts* mean that the contract does not define any guaranteed minimum hours of work for the employee. As the company is not obligated to offer any shifts for the employee, similarly, the employee does not have any obligation to accept any shifts offered to him/her. However, they have the same employment rights as regular workers. (Cheary 2018.) The same health and safety laws do apply no matter the casual nature of the work (gov.uk 2018). This type of contracts become useful for companies that are facing fast changes in demand and need reliable workers to ensure those demands are met effectively. However, in this point is important to notice the differences between zero-hour contracts, fixed term contracts and agency workers, and which of them is to meet the best the current situation. This is where constant monitoring and staffing planning becomes essential (Acas 2018.)

As well as some zero-hour/casual contracted employees, *freelancers* are completing duties in a casual manner for a company. They are not to be confused though, since unlike casual workers, freelancers do not have a status of an employee. In other words, they are self-employed, thus they do not get any employment benefits. They have, however, a contract directly with the company or through an agency, for example. As casual contracts, freelancers help meeting the variations in demand: For example, a task where specialized skills are needed could be accomplished by a freelancer. (Sharif 2018.)

In addition to the contracted personnel, a company can have *apprentices and trainees*. They however have a special internship contract and their duties should serve best the trainee and his/her benefits, not the employer’s own good. (Nelson 2018).

### 3.1.3 Who is considered as an employee

The line between being an employee or self-employed is rather indeterminate. It is not always clear how for example casual workers and agency workers are identified or identify themselves. However, it is highly important to draw this line to define the legal right, such as employment benefits, for all parties involved. The contract also limits the rights in case of legal and employment protection issues (Ross 2010, 11).
3.2 What is employee leasing

Employee leasing means “an arrangement in which a company's workers are employees of another company which pays them and manages other costs and responsibilities relating to them” (Cambridge Dictionary 2018). The firm providing the workers is called leasing firm, and the company using these workers is called subscribing firm. The subscribing firm’s only administrative duty is to pay the leasing firm, and with this payment the leasing firm is now responsible for the administrative duties such as recruiting, screening and payroll. (Business Dictionary, 2018). The payment includes a fee to cover these costs and to ensure the profitable operation of the agency.


3.3 History

There are various stories about how the recruitment industry actually got its spark, but the overall idea was to create business of making other business makers’ job easier: By offering the possibility to outsource not just labour force, but the all the time increasing number of administrative duties: In the 1960’s the rising insurance costs among many
other labour issues were expensive and took time. The arrangement with recruiting companies transferred the employees and employment related duties away from their shoulders, and in addition to cost savings in administrative duties, businesses were also able to create efficiency on labour costs since now it was possible to hire employees just for the needed time. (Burgelin 2017.)

As seen, the problem was not in finding workforce, but in the fact that the number of hours necessary to be worked did not match with the hours each employee should be working, argues Huyian Fu in his book “Temporary Agency Work and Globalisation: Beyond Flexibility and Inequality” (2015). In other words, there was some room for improving productivity. By the idea of “downstaffing” companies form so called permanent “skeleton staff” and replace all the remaining, before permanent positions, with temporary help. Even about 40% cost savings were promised. In addition to covering some temporary-natured work without hiring a new person, leased employees were a great addition on occasional peak times and in any sudden need such as absences.

An example from 19080’s tells the story of Motorola, an American multinational telecommunications company: The company had fully embraced downstaffing as a management strategy, and survived without layoffs after the recession hit the markets, since they could just reduce the usage of the leased employees instead of carrying out major layoffs. Many other companies had to make this solution that was often accompanied by loss of reputation. (Fu, 2015.)

3.4 Employment agency industry in numbers

In 2002 the yearly employment outlook by the Organisation for Economic Co-operation and Development (OECD 2002) stated that even the trend varies in all its at that time 30 member countries, overall the industry was gaining strong foothold around the world. As an example, by the year 1999, taking in account only the members of the European Union, the number of temporary workers was estimated to be between 1.8 and 2.1 million, meaning about 1% of the total employment.
Similarly, a study carried out in 2006 in EU15 countries and Norway, indicated that in most of those countries temporary workers cover on average 1 to 2 percent of the workforce, meaning there were millions of individuals and jobs in question by that year. The strong growth was supported by the overall economic growth started in 1990s. (Arrowsmith, 2006.)

2012 Ciett (International Confederation of Private Employment Agencies) in turn reported that the industry had survived well the economic recession started in late 2010s, and the long-term trend remained growing. In 2014 report there were already counted 67.2 million agency workers worldwide, meaning moderate growth most of the countries; this number included all those who in any point of the year had been working in any duty through an agency.

The most recent report (2017) reveals the agency industry achieved a €417 billion global turnover (including agency work €279bn, direct recruitment, career management, recruitment process outsourcing and managed services provision), and agency work represented on average 1.7% of the global working population (e USA (2.2%), Japan (2%) and Europe (1.9%). “Each year, around 50 million people access the labor market thanks to an employment agency (43 million of whom via agency work).” Ciett gathered 169,000 employment agencies, agency work applied to 43,319,404 individuals in 39 countries, leading to sales revenues of €374 billion.

In this point it should be reminded that collecting data in this specific area is difficult due to the high turnover of temporary agency workers and the interpretation difficulties in whether some groups are considered as temps or not. Thus, all data should be approached carefully. The numbers vary by the country in question and in some countries the trend has been rather decreasing than growing.

3.5 Employment law on temporary agency workers

The triangular employment relationship has made the conversation on temporary agency workers’ rights challenging. As this form of employment after all makes up a significant part of the working world, and not to mention this tricky nature of it, it has naturally called attention of those involved in employment protection acts. As an example, the European
Union has acted to avoid loopholes and harmful exploitation of workers in offer to save in costs: “Accordingly, under the Directive, temporary agency workers are to be granted the same basic working and employment conditions that would apply had they been recruited directly by the user undertaking to perform the same job.” Regulations may vary country by country as local legal measures differ, but all European countries should have been implemented this into their law frame by 5 December 2011. (American Bar Association 2012.)

No matter these acts have become more common lately as the industry has been growing, there are still countries who could afford improvements in their regulation. For example, in Australia, Estonia, Chile, Canada, Iceland, and Japan among many, there is no obligation to offer the same payment and benefits to temp workers. The United States is reported to have some of the weakest labor protections for this group. (Grabell & Groeger 2014.) Overall the legislation can vary significantly country by country and each worker should have a look on these factors when considering starting as a temp.

3.6 Pros and cons

Job descriptions, forms of employment, know-how and the companies’ needs are in breaking, and so are the needs of employees of the modern world. Employment agencies are the link between these two parties; by connecting these needs they are providing a solution that satisfies all three involved. It is a fact that available work is as its fastest first turned into jobs by agencies and number of hours worked by agency workers walk nearly hand in hand with the GDP growth. Total employment levels react to these economic fluctuations much slower, even several months later. (Ciett, 2014.)

3.6.1 For an employee

Agency work is a great way to enter the job markets, and for some it even is the only way to get the first contacts. After entering to a job or a single shift, there is a great chance to show one’s potential and to get experience. This may lead to future possibilities, or even create a pathway to higher-paying jobs. Prospects on job markets are also supported by
various contacts one is able to make with the managers and co-workers. (Susan N. House-
man 2014.) To continue, occasional shifts are a great way to explore new fields of work
one might be interested in: For some it makes a shift from one job to another easier, for
others it may help identify their preferences when making choices for the future (Mea-
som).

One of the major motivations is, however, flexibility. As the employee is able to accept
or dismiss shifts without limit, work life is easier to fit to other demands in life, such as
family, hobbies or studies. Especially for students this makes a great chance to gain extra
earnings without having to cut resources from studies and free time. (Moore.)

Based on data from 2015, each year around 43 million people access the labour market
via agency work. On average, 17% of them are indeed students working while studying,
and overall 31% of the group is younger than 25 years old. However, older people have
been increasingly represented: Seniors more and more preferably stay in work life after
retirement, and agency work gives a possibility to do it flexibly taking in account their
own expectations. (Ciett 2017.)

However, on the other side, temporary work has also gained reputation as a rather unse-
cure form of employment. There is not any guarantee that working through agency brings
any further possibilities, neither any new experience or contacts. Earnings may stick even
notably lower than in regular jobs due to facts like wage is tied with hours worked and
one might be left without normal employment benefits such as sick pay. It is argued, that
at least in Europe fixed-term contracts provide workers with better opportunities for up-
ward mobility than temporary agency work. To continue, where others are searching flex-
ibility, for others it might not be a choice: Most agency contracts do not secure any min-
imum hours to work. (Houseman 2014.) Jumping from one place to another might cause
feelings of isolation since there is not any permanent work community one could be in-
ducted, and some might even be treated as someone passing through – less meaningful.
### 3.6.2 For an employer

A number of studies aiming to find the main motivations behind usage of agency work concluded these top reasons: Not just the workers, but also companies are searching flexibility as the need of staff varies by demand fluctuations. Companies are also able to save in direct and indirect costs, starting from savings in recruitment and selection processes. Offering temporary shifts also makes it possible to screen potential future employees before hiring them. (Burgess & Connel 2006, 163 - 165.)

Research carried out in Australia in the beginning of the 21st century resulted to findings where companies indeed saved on recruitment, selection, induction and training and development costs “by benefiting from the allegedly greater efficiency of agencies in sourcing and placing labour.” Agency workers were mostly used for “traditional reasons” such as covering sudden absence of a staff member. Other reasons respondents provided were access to scarce skills, strategic reasons such as outsourcing, screening potential employees, access to skills that are rarely needed, and avoidance of insecurities considering permanent staff. (Toms 2012, 24.) In 2015 a global average on saving in hiring costs by investing in recruitment process outsourcing was 38% (Ciett 2017). Altogether, temporary agencies enable a business to adjust more easily and quickly to workload fluctuations. Fulfilling a full-time team with temps results to boosted bottom line and better employee job security by improving productivity (Schaefer 2017). After the situation is normalized, it is easy continue with the normal number of staff. Temps can be hired on a part-time, casual, or full-time basis – the difference is that the real employer is a third-party agency, not the client company.

As flexible as the temps make the staffing process, there some matters to consider before adopting it as a management strategy: No matter one is saving money on one behalf, the agency charges a fee to cover the costs on administrative duties the company has transferred to them. “Generally, temps cost 20% to 50% more than comparable permanent workers (per hour or per week)”. In some scale they might not make any changes to the level of productivity. (Dessler 2011, 193) In addition to money, temps claim more attention – at least the new ones. In worst case scenario a company might face a new temp every time they need a shift covered, and no matter the skills the worker conducts already, there is always some training and inducting need to be done since the place and team is new for them. (Schaefer 2017.)
Indeed, when in other cases a short induction is enough to make everything start smoothly, sometimes one might end up working with a rather unskilled person – there is not any guarantee of the quality of the worker the agency is sending to perform the shift, especially in sudden cases. Here the company might end up losing money instead of benefitting of the extra hands. In addition to the lack of skills the management can be faced with lack of commitment: The outcome does not matter if the temp feels like she or he is just passing through and perhaps does not have any future with the company in question. And, even though these workers would not have any attitude problems, there is a risk that they feel outsider and less valuable as there is often time for just a little induction. This might also influence the work outcome. (Kappel 2016.)

3.7 Basic considerations for an employer

As there is a third party involved, it is important to make clear which responsibilities belong to who; if the contract is interpreted wrong, a company could even face costly law issues. However, even though temporary workers are property of the agency and should legally be treated like that, the subscribing firm is equally responsible for ensuring normal working conditions, such as by minding safety and health conditions - just as they are in the case of those employed directly. (Dessler 2011, 193.)

- **Invoicing.** Get a sample copy of the agency’s invoice. Make sure it fits your company’s needs.
- **Time sheets.** With temps, the time sheet is not just a verification of hours worked. Once the worker’s supervisor signs it, it’s usually an agreement to pay the agency’s fees.
- **Temp-to-perm policy.** What is the policy if the client wants to hire one of the agency’s temps as a permanent employee?
- **Recruitment of and benefits for temp employees.** Find out how the agency plans to recruit employees and what sorts of benefits it pays.
- **Dress code.** Specify the appropriate attire at each of your offices or plants.
- **Equal employment opportunity statement.** Get a document from the agency stating that it is not discriminating when filling temp orders.
- **Job description information.** Ensure the agency understands the job to be filled and the sort of person, in terms of skills and so forth, you want to fill it.

FIGURE 3. Basic policies and procedures to view when planning working with temporary agencies. Gary Dessler 2011, ibid. 194
3.8 Agency worker profile and overall job satisfaction

International Confederation of Private Employment Agencies (Ciett) reports following (2017): On 2015, on average globally, 31% of agency workers were younger than 25 years old. About 17% of agency workers are students working while completing their studies. 26% fall in the group of those aged 26 to 30, and over 30-year-olds represent the remaining 43%. The share between men and women varies country by country depending on the socio-economic situation; globally women represent 44% of agency workers. Main reasons for working through an agency include the following:

- It’s a way to get a permanent job
- It’s a way to enter the job markets and find work quickly and easily
- Looking for different professional experiences before settling for one
- To obtain experience and new skills
- Flexible hours and possibility to plan your schedule (to fit personal obligations)
- Additional income

(ibid.)

Most of the agency work is concentrated on manufacturing and services (70% all together), and on average the level of skills needed is medium (48%). 24% of duties concentrate on low skills, and 27% demand higher know-how. (ibid.)

In 2005 the average satisfaction level of agency workers varied between 69% and 90%. Up to 35% of the agency workers even preferred agency work over permanent jobs (Ciett 2007.) In 2012, taking samples from Europe and US, on average 49% of workers were satisfied and 34% very satisfied. Most of the respondents would recommend agency work to family or friends (Ciett 2014.) In 2015, on global average, 81% were satisfied (Ciett 2017).

3.9 Criticism on agency work

A study on temporary agency workers experiences revealed following bad experiences: Unequal treatment compared to those working permanently, stress caused by unsecure future, complicacy with employment benefits, being misled about their job assignments
and about the continuance of the job, and becoming disappointed of not getting any further opportunities through the agencies. (Dessler 2011, 194.) Undefined future comes as an unnecessary risk for a TAW, since they are more vulnerable for the economic fluctuations due to the limited protection of the agency contract. In other words, the agency is not obliged to provide any certain numbers of hours (but to offer all the available shifts to all the skilled enough worker candidates), neither companies are not obliged to offer any shifts if no needed. In addition, although not to be generalised due to the lack of data, some research implicated that agency workers received poorer health and safety instructions and additional not so qualified working clothes and equipment due to the temporary nature of the work. (Toms 2012, 16.)

To continue, as studies have shown, many chose agency work hoping it would offer a way to permanent position. While those who choose agency work voluntarily are naturally satisfied with the factors such as flexibility, are other struggling to get what they are searching, such as work fitting their skills. Agency work is still highly concentrated on the lower paying and low-skilled jobs, and rather than to screen new potential workers, temporary help is mainly used to meet the fluctuating need of workforce (Houseman 2014). “This is not surprising as firms may be more likely to shelter such workers within internal labor markets for retention and development purposes, and since the use of variable labor is naturally less problematic for jobs without significant entry barriers” (Arrowsmith 2006). Lower occupational status however causes feeling of being less worthy and so on possibly unequally treated. In a research introduced 2006 (Toms 2006, 74) agency workers experienced less autonomy, empowerment and skills utilization. More recent study by a Finnish agency StaffPoint (2016) implied that workers hope improvement in offering skill-fitting jobs. This research also revealed that employees are not getting enough feedback, neither positive nor constructive. To add, ciett report (2012) reveals that agency workers work half as many hours as full-time permanent employees, which could explain the relatively lower earnings that many time come up when speaking about agency work.

However, viewing the statistics it should be kept in mind that the profiles of agency workers are varying: For example, where someone is dissatisfied with his/her hours, another one feels having more than enough. Especially students preferably work less, thus lowering the average numbers significantly. (Ciett 2012.)
3.10 Commitment as a challenge – managing temporary workforces

Number of hours and the nature of the work available (skilled or unskilled) are variables that depend on economical fluctuations and so on are hard to control and adjust to satisfy everybody. Inside work, however, it is possible to influence on how the work is experienced by those who do it. Temporary agency work is clearly answering to a need in the working world by connecting available work and workers in real time and by rising penetration levels globally it has become a form of employment where any other. Yet, HR practices have not quite identified this new, increasingly important group, and it has been a challenge to make the workers to identify themselves as any other “normal” worker among others. In other words, as temporary workers have still been treated indeed as temporary – rather opportunistically – it is not any miracle that some research bring up problems such as feeling alienated and unequally treated. The question is, how to create commitment in fluctuating work teams?

Now this is a rather critical issue, since it is widely understood that committed workers usually lead to higher productivity and efficiency in a company. If the level of commitment is low, there is low level of care for the success of the organization. “Organizational commitment is important both to the organization and the employee. The more loyal and committed the worker feels to the company, the less stress she/he experiences and the more efficient his/her work is; and, as a result, productive work makes the organization stronger in competitive market. - - - Committed workers are loyal to the company and dedicated to the work they perform.” Commitment and dedication so on create satisfied feeling towards work. (Dačiulytė & Aranauskaitė 2012.)

In traditional organizations there is a stable core of employees in which skills can be expected to remain rather stable. The group’s potential is easy to recognize and new information can be provided on old one. Due to the external fulfilling of core staff (temporary agency workers) recognizing this potential becomes challenging since skill level is now fluctuating. Furthermore, Burgess and Connell (2006, 172) argue that commitment is highly linked with continuance, use, development and deployment of high skills, the design of enriched and challenging jobs, relatively high pay, the extension of considerable autonomy to individual workers and teams and the empowerment of employees through the ceding of decision making power. All these factors are questionable when speaking about temporary work.
Due to the transactional nature of the employment, the focus is often on completing a certain assignment rather than paying attention on workers socialization and induction to the team when he or she comes to work. It is not unusual either that temporary agency workers are left out of work related decision-making. Seemingly minor details, such as not introducing the worker to his/her co-workers, naturally cause big consequences such as feeling of being useless and uninformed. As the worker is not properly treated as one of the team, it is less probable that there is any will to do the assigned work properly, nor in time. Some studies have indeed revealed a negative impact of temporary employment on temporary workers: Some experience higher stress at work than their co-workers employed with permanent work contracts. (Dačiulytė & Aranauskaitė 2012.)

Now, even though temps should be treated as any other worker, it does not mean that traditional HR practices would be compatible. Instead, this has created a new kind of challenge to create a management style that is best adapted with fluctuating work forces. Temporary workers should be able to work effectively side by side with the permanent staff. “When there is a lot of insecurity and a succession of short-term jobs, long-term perspectives and the long-term promises of the company become less clear, and what’s needed from the company in terms of HR practices also starts to change.” (Koene 2014.)

“When organizations increase the flexibility of their core and differentiate their labour-sourcing strategy, they need to deal with two key challenges: (1) actively manage an increasingly differentiated workforce and (2) seek ways to stabilize consistent performance and to safeguard access to the relevant (human) resources at all times.” There is a new need to seek clarity instead of control and to create new ways of making possible both effective collaboration and building team spirit, this especially now that agency workers are more and more responsible of the core processes in many companies. The aim should to create loyalty and commitment instead of ambiguities and stress. (Koene et al. 2014.) Value of the traditional communication skills becomes more and more essential, even though the world around is modernizing. After all, work is about interaction between people. Thus, as working world has experienced a breaking point, so it is time to reorganize employment and human resource management.
4 RESULTS OF THE QUALITATIVE RESEARCH

As we have learned, rental work – no matter the flexibility it brings for employees and employers – is often seen as a choice that is rather insecure and challenging. These following stories from real life actors of the triangular relationships in employment leasing are to give more practical and truthful perspective onto the topic, in other words, to introduce actual threats, challenges, possibilities and solutions on the field.

4.1 Experiencing rental work as an employee

Mary (name changed), worked through an agency for three years during her studies:

“As worst, I remember a shift in hotel X. I showed up, but there was no one welcoming me, neither I did not get a hello from any other worker. I did not have any idea about who is who, even about who is the supervisor. I got to know him in a briefing session later on, but we were never introduced personally. Briefing left me more like confused than informed. As the time was passing, I obviously had a lot of questions as I was a new one, and instead of getting any helpful advice, it seemed that those people only got very annoyed that I did not know. The worst was that they spoke to me like that so that sometimes the customers could hear us. On the top of everything, I heard clearly how the seemingly permanent workers spoke about other workers in a bad manner. That made me think that probably they will speak about me too. In the end of the shift nobody said thanks neither goodbye to me.”

“In another case, I was supposed to work until midnight as a dishwasher. I ended up being there until four o clock in the night. Fine, this happens all the time, but the thing was that here neither I did not know who is who and who am I supposed to consult if there are problems. Nobody asked if I want to have a break, neither is it ok that I have to stay longer than planned.”

In both cases there was an overall feeling of being uninformed and outsider. “I felt like if I would not have shown up, nobody would have noticed because it seemed like nobody really cared. Already a little detail such as leaving out greetings made me feel like I am
not wanted there.” She admits, that after bad experiences she felt rather stressed and it made her feel a bit unsecure about picking shifts in new places, not to mention about going in those bad places ever again.

After all, it has not been all bad – There are a lot of good experiences to share too. “Again, I was doing my first shift in one event. As expected, I was a bit lost and even a bit slow getting used to everything, but this time nobody seemed to get frustrated of it. The shift was getting late but I was asked if it is ok, and moreover it was made sure that I really had my breaks. In the end of the shift I was thanked. I felt informed, and that they welcomed and treated me as a person, not like outsider.”

In this point is to take in account that not only the humane treating has the solution to make it work: “I remember also cases where I surely felt welcome, but the introduction and organizing was lacking clarity and made the working uncomfortable for its part.”

Overall, Mary would recommend temporary working to others: “I was studying, and it was great that I could choose shifts that fit in my timetable. But more than for money, I chose to start with an agency to gain experience. I was studying the bachelor of hospitality management, and working in different kind of duties and places already during those studies helped me to figure out what might be the thing I want to do in the future. And to add, now I know what kind of co-worker and manager I want to be in the future. I would definitely say that I am in my current job as one of the foremen in a lunch restaurant because of the way that rental working showed me. Furthermore, after working in so many duties in the bottom-line it has been easier to work in this management position.”

However, feedback is something she would have hoped to get more. “In my current job I get both constructive and good feedback depending on the situation. It definitely motivates me. While working as a temp I of course got many times thanked in the end of the shift, but I was lacking in overall feedback.”

Being open about your experiences helps everybody to improve the conditions, agrees Mary. She gave feedback to the agency almost every time she had had a bad experience. Many times, she heard that she is not the only one feeling like that. “I understand that sometimes it is busy, but I can feel when it is about that and when it is just about careless attitude. My current superior once said that her job is to lead the team so that she makes
herself useless – in that situation workers are feeling secure and things are running with good spirit around.”

4.2 The position of a leasing firm

Agency is the party combining workers and those in need of workers, but also the actor there between constantly doing their part in improving these relationships to make a smooth future for all included. The representative from Opteam:

“We do get feedback all the time. Feedback where our workers tell us that something made them decide they never want to work in that place again, for example. Maybe there was nobody introducing the place, maybe there was no time for breaks… In extreme cases rental workers, as new ones, have even experienced clear testing, questioning of his/her professionality, and ignorance by the permanent employees. Most of the negative feedback arises from personal chemistries. As we are working with people and different personalities, those chemistries easily control the atmosphere. Personalities, management, and the nature of the worker all affect, and that makes the challenge.”

“We notice very fast if there is a client nobody wants to go to work with, sometimes even the management of a client contacts with us asking help before we have time to react. Together we start to disassemble the problem: We ask our workers, sometimes we need to take even the hotel manager into the conversation and try to figure out what or even who is the problem and what can we do about it. If it is in the end about someone of us, we deal with that, if it is about someone or something in the company, it is the duty of their management to deal with the problem. The starting point, however, is that nobody needs to feel bad at work. These problems are nasty for the companies since agency workers go around and the reputation spreads fast. Like that it is hard to get potential workers to work with you anymore. Not to mention the harm that is caused to the employees, in worst cases they get psychic problems and lose they will to work.”

“Sometimes problems arise from communication problems. A client has ordered “anyone to help” and after the shift we hear that this person did not fit there at all. How come? It is important to order exactly what you need, what skills are needed, how much experience… it is not the workers fault if the client did not know what they are ordering.”
However, no matter how well the management is doing it, working as a temporary worker might be demanding and hectic. What does it mean for this employee? “First of all, I hate to say rental employee. These people are employees where any other. When you step into a workplace, you should be one of the team, not anyone from Opteam, not anyone who is there just because the core employees are not enough.”

No matter how easy all the parties can make this kind of working life, agency work demands some character. “We trust in our role as skilled interviewers. Who is ready to do this? We recognize your motivation. Not that you need to be very self-confident from the beginning, but I start to encourage our potential workers already there: It is ok to say, and you need to say, that you are a bit shy and nervous. Especially because your ability to handle pressure and stress are the first characteristics that are tested when you start to go around new places. Facing these situations gives experience and makes you stronger. Later, when people do their first shifts, we ask the management and the worker how did it go. But communication – from all the parties – that is important that we can improve. From our part we can notice fast if there are problems, but we also try to create the atmosphere that it easy to come to talk to us. And, it is always ok to say no. If you do not want to do a shift somewhere, you do not have to take it.”

“What comes to our clients, we try to clear the problems already before we start co-work with them. We go through the basic procedures of how to make it easy for a rental worker to step into your team. This especially because we know that extra help is needed in busy times and there might not be time for any deep introductions. However, to make this work this demands active attitude from both, the management and the employee. While working, it is not only the management’s duty to make your work smooth, also the worker needs to be self-conducted and active learner.”

“But there are ways to make it work, and it is mostly working well. We are working on a challenging field, but definitely, rental working is carrying unsecure reputation for no reason. In Finland, at least, attitudes still favor a 40 years career in the same company, and rental working is seen as an optional choice when you cannot get anything else. Media is for its part forwarding bad stories where rental working is just using those in need and not serving the best of those workers. I think this happens because there are still many agencies on the field that are not so experienced, and are for example lacking in securing the workers position. In the reality, rental work has a significant role as employer in our
society. It is indispensable saving for companies, and a great asset for the workers. The experience you get is so wide that it would be hard to get working just in one place. Not to mention how much it is developing your mindset and character. And it cannot be said that this is something optional anymore – there are so many of those who want to keep the flexibility in their life. It really depends a lot on the worker. The more you want to work the more you will get. We have many of those who later move on to more permanent contracts.”

To end, “management is the mirror of the work community. When management is doing it right, co-working is working, and you recognize this kind of place when the shifts are taken before you notice. Secondly, it just demands mental investment from all the parties involved. Communication, that is the key that furthers the well-being at work for everyone.”

4.3 Humanity as management approach

Annie (name changed), having before been working in the restaurant field about 20 years, and currently working third year as a personnel manager in a hotel restaurant, has ended up in a great situation: There are more temporary workers willing to work there than she has shifts to offer.

“I am creating commitment. I prefer that workers want to come back here. Little by little they get to know to the house, and in the end, I have a big group of great workers to call when needed.” And how is this kind of commitment created? “First of all, there are no stupid questions. Nobody needs to feel guilty of being there the first time. We do a little briefing, and I make sure this new person is accompanied by more experienced workers. I encourage them to ask anything they have in mind. This extra pair of hands is valuable for us, and the more we concentrate on their training and well-being from the first time, the less I have extra work in the future. The secret is to make the entrance barrier very low to these people. When a worker feels welcomed, she/he gets more relaxed and while relaxed, it is easier to learn and remember.”

And not to make them just to feel like welcomed, it is important to make the worker to feel like one of the team. “When you put our apron on, you are one of us, not one of the
agency, not someone visiting, you are one of us. To continue, rather than seeing these people as extra work to me, I see them as a possibility, since these workers have new eyes; especially now that these temps might have been working in tens of different places and situations, they often have new ideas. They are enriching our work community.”

No matter how well we take these people in, a new situation is always exciting. “In addition, that I make them feel that it is totally ok to ask and be lost, I also try to open the conversation myself. Like this I give them the chance to speak and I make sure they say everything they have in mind. If I see that it is not quite working out for someone, we have a word with the person in question and see what we can do. After all, no matter how good are the conditions here, a hectic restaurant work does not fit for everyone. We give a chance to everybody, and usually those who have problems also agree on that it might be better for them to look on other kind of duties in the future.”

“I try to give general feedback to everyone already at the workplace, but sometimes I also contact the agency afterwards for them to forward a special thanks to someone for outstanding performance, for example. Overall, we do have very good communication with our agency. Who is a potential worker to use in the future, and who is going to continue their journey to something else. As we know with who we are dealing with, everything goes on smoother. And as we are all communicating and interested in our workers, it is easier to plan the future, and catch the problems immediately. We are able to improve us in action.”

Together with the agency they have formed a pool – a group of potential workers – that can be used in busier times and in bigger events. There will always be new people coming in, and also some workers will naturally move on in their lives. As everybody are made feel good with us, they want to come again, and our pool never gets empty. The bigger it is, the easier it is to fulfill all the shifts needed. “And as the people come to us again and again, they are the first ones we consider when there is a permanent position available. We know this worker, and the worker knows us and the house – an optimal situation to start with. The only thing we need to do is to deepen some things when she/he starts in this new position. Nowadays it is very hard to get straight into a position, and I see that this form of employment has created possibilities for everyone.”
“There has not been any special training for the case of using temporary agency workers, we have learned by doing. I have started by being humane – social. I have noticed that the more I am interested on my workers as persons, the more home they feel with us. If I am open to them, they will open to me too. If you do not trust the worker and cannot be patient about their learning, you might lose a great worker. I have seen so many shy and nervous people coming in, and as I have let them to do mistakes and learn, later on those people have ended up being even outstanding. As a mentor I have shared my attitude, and I am glad that my workers have also adapted this mentality: Everybody are welcomed as friends, and everyone who knows more is a teacher to those who know less. We are there to create assets - future coworkers to us. And as we teach each other, we might notice that there is a better way to do things, who knows.”

4.4 The author’s comment

As mentioned before, this thesis got its idea from my own experiences as a rental employee. To start with, I have been in a good position what comes to pros and cons discussed in this thesis: In Finland, I can be sure that I will be paid according to the collective labor agreement, and the payment includes the necessary benefits and costs, such as pension. I happen to work in the hotel, catering and restaurant field, where temporary workers are always needed, and as I am skilled and qualified, and easily adapt myself to the surroundings of each workplace, there is always as much as work available that I want to do. In addition, agency work has indeed been a great way to fit my work schedule with studies and free time. After experiencing tens of different work places, I have got valuable and wide experience in my work and as a person. Thus, I would say that in my case the only thing that have made me precautious and unsecure has been the fact that one can never know what to expect when stepping to a new workplace. Just like Mary, I have both good and bad experiences of a similar kind. There are places that I have not returned, and there are places – most of them, luckily – that I return gladly. To rephrase, there are places that have lost a great worker, and places that got me committed.

Now, like Mary said, it is easy to recognize when the tight atmosphere is caused by the lack of time and when it is about people’s attitude towards each other. And this overall atmosphere is easily sensed from the first moments. Already the very first moments matter: It is normal that especially young and quite new agency workers feel nervous stepping
in a new team, but little things, such as strong handshake, short introduction round and creating an atmosphere where it is ok to ask and learn new procedures, makes a person to relax and open to receive information effectively. I have clearly noticed, that there where the atmosphere has made me anxious, I usually do more mistakes, and there where I have felt relaxed, I learn faster and remember more things in the end. And as discussed, “committed workers are loyal to the company and dedicated to the work they perform.” As I have felt respected, I have had the respect for the company and for the outcome for our customers. On the contrary, when feeling that it is insignificant whether I am there or not, and I feel like I am more on a way than for help, I can feel the motivation lowering significantly, and my mind shifts easily to more careless “I will never be back anyway” - attitude.

The questions is, what are these places doing differently, if my duties remain in general the same in each company? After tens of new places and introductions I would say that the main challenge is not the flexibility and ever-changing form of the work group: As the introduction and work procedures are the same – and through times can be improved – the main challenge is to create a core team that efficiently works aside with these workers that come and go. As mentioned earlier, management is the mirror of the work community, and it is managements duty to create atmosphere where everybody has a positive attitude towards supporting each and everyone’s work inside the group. Of course, in some cases problems arise from other factors, such as attitude problems from the worker’s half, but as long as the person the company is receiving is hard-working, self-oriented and skilled enough, it is about the managements understanding of the situation whether they are able to harness the best out of him/her.
5 DISCUSSION

Employee leasing has offered a great solution for the breaking point of the modern work world. Available work is as its fastest turned into job by agencies, and there where workers can build their career around their timetables instead of having a tied routine, companies gain efficiency by hiring work forces only for the needed time. Thus, it is not a surprise that the industry boom has not shown any signs of recession ever since the beginning of the 21st century. However, where one challenge is overcome, another challenge arises: Due to the high level of the usage of temporary workers, traditional, stable teams have shifted to fluctuating work teams. This means that traditional HR processes are no more compatible, and there is a new kind of need to seek management solutions that enable efficient work for teams where core staff works side by side with flexible workforces. In the same time, despite the fluctuations, management should be able to create commitment among this group as a whole to secure job-satisfaction and higher levels of productivity. Committed and satisfied workers are willing to come back, and so on management is able to shift a fluctuating team back to a stable group of workers that they already know, and who can call in when needed. Thus, this thesis set a question, what is needed from management to create commitment among rental workers – how to make temporary employment satisfying for both the employer and employee?

After familiarizing oneself with the interviews and reflecting it to the author’s own experiences as a rental worker, one main idea seems to repeat itself: As soon as the importance of humanity in human resource processes is understood, the management has keys to effective collaborating among their teams. To go back to the theory, “there is a new need to seek clarity instead of control and to create new ways of making possible both effective collaboration and building team spirit, this especially now that agency workers are more and more responsible of the core processes in many companies. The aim should to create loyalty and commitment instead of ambiguities and stress.” The stress is avoided by understanding that every temp is a new one once, and the more the management invests in the well-being and easy adapting of those workers from the beginning, the more those workers will be investing in their work, and the more probably they are willing to do also in the future.
REFERENCES


