

Bachelor's Thesis

Degree programme Bachelor of Business Administration

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Tero Tuovinen

TEMPORARY LABOUR, PROS AND CONS

– the value of it.



Opinnäytetyö

Turun ammattikorkeakoulu

Tradenomi, yrityshallinto

Opinnäytetyön valmistumisajankohta 2023 | 33 sivua

Tero Tuovinen

Vuokratyö, hyvät ja huonot puolet

- sen arvo

Tämä aihe on ollut minulle henkilökohtaisesti kiinnostava työelämän muutosten vuoksi omien työvuosieni aikana. Olen henkilökohtaisessa elämässäni seurannut vuokratyön lisääntymistä työmarkkinoilla ja sen aiheuttamaa muutosta. Tämä herätti ajatuksen siitä, että ulkoisen työvoiman käytössä on oltava jokin etu, kuten selkeä taloudellinen etu, verrattuna yrityksen omaan työvoimaan. Olen työskennellyt yrityksissä, jotka käyttävät vuokratyövoimaa, ja olen myös itse ollut vuokratyövoimana töissä. Kasautuvatko hyödyt työnantajan puolelle tekemällä siitä kiinnostavan ja houkuttelevan vaihtoehdon, kun taas työntekijälle jäävät vain haitat, joiden vaikutusta vähätellään? Miltä tämä näyttää nykyisessä työelämässä, onko tässä ajattelutavassa totuutta, että hyödyt nähdään vain työnantajan näkökulmasta? Kaiken kaikkiaan tämä on kysymys, joka ei näytä heikentyvän, vaan pikemminkin näyttää lisääntyvän vuosien mittaan. Vuokratyön kokonaisvaikutus ei rajoitu pelkästään työelämään, vaan se lähettää väreitä läpi koko yhteiskunnan, muun kuin lyhyen aikavälin suunnittelu on käytännössä mahdoton työntekijöille, sillä pitkäaikainen taloudellinen sitoutuminen esimerkiksi asuntolainan maksamiseen on käytännössä mahdotonta vuokratyössä työskenteleville. Opinnäytetyön teoriaosuus keskittyy vuokratyöhön liittyvien käsitteiden avaamiseen. Tutkimusmenetelmänä opinnäytetyössä käytetään laadullista tutkimusta ja tietoa kerätään suppilo kyselyn kautta.

Asiasanat:

Vuokratyö, palkattu työvoima, henkilöstövuokraus, työtyytyväisyys, epätyypillinen työ, mielikuva, maine

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Temporary labour, pros and cons

- the value of it.

This topic has been personally interesting to me due to the changes in the working life during my own years of work. In my personal life, I have observed the increase in temporary agency work in the labor market and the resulting changes. This sparked the thought that there must be some advantage for the employer in using external workforce, such as a clear economic benefit, compared to employing the company's own workforce. I have worked in companies that use temporary agency workers, and I have also worked as a temporary agency worker myself.

This thesis is going to look into the idea of benefits temporary work, what are they and what is significance of them. Overall, this is a question that does not seem to weaken but rather appears to increase over the years. The overall impact of temporary agency work extends beyond the working life; it sends ripples throughout society, making long-term planning practically impossible for workers, as long-term financial commitments such as mortgage payments are virtually impossible for those working as temporary agency workers. The theoretical part of the thesis focuses on exploring the concepts related to temporary agency work. The research methodology used in the thesis is quantitative research, and data is collected through a funnel survey.

Keywords:

Temporary work, hired workforce, personnel leasing, job satisfaction, atypical work, perception, reputation

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1 Introduction

In this thesis I want to find out what are the three main positive and negative points to make the decision to choose temporary work. Is there a balance between these two. Narrowing it down to simple three answers is going to be a challenge on its own.

1.1 Research questions

Question one:

- what are the benefits, drawbacks and motivations behind choosing temporary work?

What are the incentives in the decision making for the people who work as the temporary work force?

Question two

- how does temporary work impact job satisfaction and work-life balance?

What changes does temporary work bring to the dynamics of a work community, if any?

Question three:

- What are the long-term effects of the increase in temporary work for employees?

Over the years, temporary work has become increasingly prevalent, and now there are numerous companies in the industry. Opinions on personnel leasing vary widely, with both strong support and opposition. Given this context, the survey aimed to approach the topic as broadly and neutrally as possible, with an emphasis on inclusivity by seeking a wide age range of the group of employees being studied.

2 Background and current status of temporary work in Finland

2.1 About temporary work in general

Temporary workers are individuals who are employed by client companies through temporary staffing agencies or job placement agencies. While temporary work may be similar to regular work, the wages and responsibilities of temporary workers may differ significantly. The client company hires one or more workers from the staffing agency and pays a fee only to the agency. The staffing agency is responsible for paying the temporary workers' wages and ensuring necessary insurance and taxes are taken care of. However, the client company assumes full administrative rights over the temporary workers (Elomaa 2011, 15).

So, the staffing company, not the client company, has the employment relationship with the temporary employee. The employee works at the client company's agreed-upon workplace, and the client company has management responsibility for the employee. The service agreement is between the staffing company and the client company, with the staffing company handling administrative tasks such as employment contracts, salary payments, and professional benefits. All other employment-related matters are also the responsibility of the staffing company. The staffing company pays the employees' wages, and the client company only reimburses the staffing company for the use of the temporary workforce, not for the individual employee.

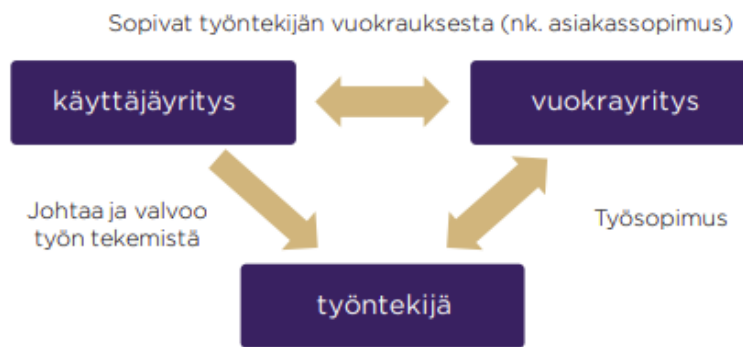


Figure 1: Ministry of Labor and the Economy, temporary employment guide. 11/2017

2.2 History of temporary work

In the 1960s and 1970s, temporary staffing was first introduced in Finland, primarily in the metal industry and shipyards. Over time, it has expanded to other sectors, including white-collar jobs in temporary staffing agencies' services. (Tanskanen 2012).

In the late 1960s, a significant shift occurred with regards to the use of external workforce, following an agreement signed between the Trade Union Federation and the Federation of Employers. This agreement aimed to prevent the exploitation of temporary workers and mandated that temp agencies comply with industry-specific collective agreements, labor laws, and social legislation. (Tanskanen 2012).

A significant change occurred with the implementation of the Employment Services Act in 1994. Since then, it has been enough to notify the occupational safety and health authorities when hiring temporary workers, and obtaining a separate permit for renting employees is no longer necessary. (Tanskanen 2012).

One explanation for the rise of temporary staffing is attributed to the process of deregulation. In recent years, the staffing industry has experienced substantial growth (Elomaa 2011, 24.), with new personnel service providers

continually entering the market. However, according to the Staffing Services Association, there are approximately 500-600 established personnel service companies currently operating in the market.

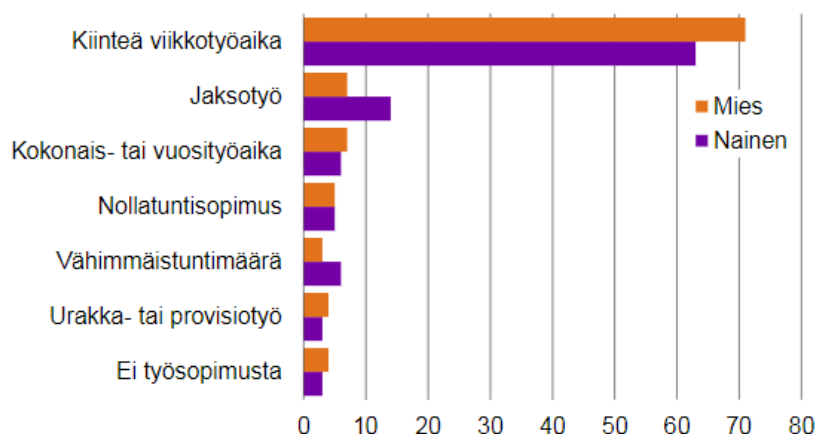
2.3 The situation of temporary work now

Due to its flexibility, temporary staffing has become increasingly prevalent in Finland, appealing to those who need to balance work with other commitments such as studying or coordinating their free time. Temporary work can offer a path to a permanent position or allow individuals to perform various tasks regardless of their education level. This is particularly useful for students who need to manage their time effectively. However, temporary work can also cause uncertainty due to fluctuations in workload, creating a contradiction where independent time management is possible but can also be challenging.

The proportion of temporary agency work in the overall workforce in Finland was approximately 2% in 2019. During that year, the average number of temporary agency workers was 46,000, with 53% being male and 47% being female. It is widely recognized that non-standard employment relationships, including fixed-term, part-time, and temporary agency work, are more prevalent among female employees than male employees. The same appears to be true, to some degree, for the type of working hours specified in the employment agreement (Statistic Finland 2022).

Men were slightly more likely than women to have total or annual working hours, as well as piece-rate or commission-based work. The latter category includes employees whose employment contracts do not specify the length of their working hours.

KUVIO 1. TYÖSOPIMUKSEN TYÖAIKATYYPPI SUKUPUOLEN MUKAAN 2021,
%



Lähde: Työvoimatutkimus, Tilastokeskus

Figure 2: Työvoimatutkimus, Tilastokeskus 2021

The prevalence of atypical employment is highest among the youngest and oldest employees. This is especially evident in the type of working hours specified in employment contracts. In 2021, in the case of newly established employment contracts for men, 45 percent were of a fixed-term nature, while the corresponding figure for women was 54 percent. The estimated average count of individuals engaged in temporary agency work in 2021 amounted to 50,000. Temporary agency work was predominantly observed within the accommodation and food service sectors, as well as in transportation and storage, where six percent of employees in both sectors were identified as temporary agency workers. These findings were derived from an analysis of the Labor Force Survey spanning the years 2009 to 2021 (Tilastokeskus Työvoimatutkimus 2021).

2.4. The influence of perceptions on decisions

The Perceptions can play a significant role in an individual's decision to work in a temporary agency. Temporary agency work often offers flexibility in terms of working hours and assignments. Individuals who prioritize flexibility may perceive temporary agency work as a suitable option that allows them to balance work with personal commitments or pursue other interests. It can

also provide opportunities for skill development and gaining diverse work experiences. Individuals who value continuous learning and skill enhancement may perceive temporary work as a means to acquire new competencies or explore different industries. Depending on personal circumstances, individuals may prioritize work-life balance when considering temporary agency work. The ability to choose assignments and have control over their schedule may be appealing to those seeking a better balance between work and personal life (Puusa et al. 2014, 214).

2.5. The influence of perception on workforce composition

Biases and preconceptions can influence individuals' willingness to seek employment through staffing services. Perceptions of job security can impact the decision to work in a temporary agency. Some individuals may view temporary work as less secure due to the absence of long-term contracts, while others may see it as an opportunity to gain experience and establish connections that could lead to more stable employment in the future. Individual perceptions of the temporary staffing industry itself can influence decision-making. Positive experiences or recommendations from others may enhance the perception of temporary agency work, while negative perceptions, such as concerns about job stability or unfair treatment, can deter individuals from choosing this type of employment. It's important to note that perceptions vary among individuals based on their personal circumstances, preferences, and previous experiences.

Perceptions can vary depending on different groups of people and individuals. Generally, there is a collective impression of a company that is commonly shared. Perceptions exist on multiple levels, with larger organizations like staffing agencies having an overall image that encompasses the entire company. Local companies also have their own distinct perceptions. However, these perceptions at different levels are interconnected, as the overall image of the organization impacts the perception of individual branches, and vice versa. Several factors contribute to the formation of perceptions, including needs, values, information, biases,

observations, and personal experiences. Attitudes, prejudices, and experiences significantly shape one's perception. While information and experiences are rooted in facts, perceptions often distort experiences, and attitudes can influence how information is perceived (Pitkänen 2019).

In an article, Pitkänen explores the concept of employer perception, which holds great importance for a staffing company. The perception of an employer refers to the viewpoint that others develop regarding the organization. Pitkänen suggests that this perception can be influenced by various factors, such as social media, external opinions, and news coverage related to the company. Moreover, Pitkänen emphasizes the significance of establishing an authentic employer image in the article (Pitkänen 2019).

3 The advantages and disadvantages of temporary work for employees and employers

Advantages of temporary work for employers:

Cost savings: Employers can save money on recruitment and training costs, as well as on employee benefits and entitlements, by using temporary workers instead of permanent staff.

Reduced risk: Staffing companies are responsible for managing their workers' pay, entitlements, and other employment-related matters, which can reduce the legal and financial risk for the employer.

Access to specialist skills: Staffing companies often have a pool of highly skilled workers with specialist expertise, which can be difficult for employers to find through their own recruitment efforts.

The primary advantages for employers when utilizing temporary agency workers include the advantageous aspects of risk mitigation and convenience. During periods of temporary workload fluctuations or shorter-term substitution needs, direct recruitment may not be the most suitable approach, even if it is an option. Instead, employing rented personnel is suggested for meeting these specific requirements. Consequently, the staffing agency assumes associated risks, such as the responsibility of compensating workers during sick leave. Moreover, employers gain the opportunity to assess worker performance without undertaking a long-term commitment. Labour hiring is, in its core, aimed at business operations and connecting companies with top-notch personnel. A trustworthy labour hiring agency possesses an extensive network and can offer you the most skilled candidates. Companies have access to workforce which they can shift through, choosing the best. Successful temporary placements can potentially lead to direct employment within the client company, even for extended durations (Vaahtio 2005, 126 – 127).

Advantages of temporary work for employees:

Flexibility: Temporary workers have the flexibility to choose when and where they work, which can be especially useful for those with other commitments or who prefer a varied work schedule.

Exposure to different industries: Temporary workers can gain exposure to different industries and work environments, which can help to broaden their skills and experience. Temporary agency work offers employees the benefit of being able to get to know the company and their job before making a longer-term commitment, allowing them to evaluate the job's suitability for their needs. (Vaahtio, 2005, 127.)

Potential for permanent employment: Temporary jobs can sometimes lead to permanent employment opportunities with the host employer, which can provide greater job security and stability.

There is no specified legal restriction on the length of a fixed-term employment agreement. However, such a contract can only be established for a specific duration if there is a valid rationale. The same valid rationale must also serve as the basis for renewing or extending the contract for another fixed term. Contracts initiated by the employer without a valid reason or consecutive fixed-term contracts without a valid reason are considered open-ended and valid until further notice.

Disadvantages of temporary work for employers:

Lack of control: Employers may have limited control over the quality and performance of temporary workers, as they are employed by a third-party company.

Higher costs in the long run: One downside of temporary work is the potential for increased costs, particularly when hiring multiple workers in succession for shorter fixed-term contracts. Each new employee requires additional time and effort for onboarding. Another disadvantage for employers is the potential lack of long-term commitment from temporary

workers. Additionally, their contribution to long-term development, especially over an extended period, may be limited.

Potential reputational risk: Employers may face reputational risk if they are seen as relying too heavily on temporary workers rather than investing in their own workforce.

Disadvantages of temporary work for employees:

Lack of job security: Temporary workers are often employed on a temporary or casual basis, which can provide little job security or stability.

Lack of entitlements: Temporary workers may not receive the same entitlements as permanent staff, such as sick leave, holiday pay, or job security.

Lack of career progression: Temporary workers may not have the same opportunities for career progression as permanent staff, which can limit their long-term career prospects.

Overall, a disadvantage of temporary work from an employee's perspective is the potential limitation of personal development plans, skills assessments, and performance discussions due to the absence of mutual commitment (Vaahtio 2005, 127).

Another drawback is the uncertainty surrounding job continuity. Temporary work commonly entails fixed-term contracts, leaving employees unsure about future opportunities. The prevalence of fixed-term contracts makes it difficult for individuals to plan their personal lives, given the lack of financial security.

The possible ongoing rotation of tasks may necessitate ongoing skill development. Temporary workers often find themselves assigned to the most challenging and undesirable jobs. In temporary employment, there is also a lingering apprehension of failure, as a single setback could result in a lack of further job opportunities (Hjelt, Jan. 2017).

4. Research method and Implementation of the research

The survey of this thesis was conducted during May-June 2022. Despite the wide range of possible respondents, around 11 600, who had the opportunity to answer, only 64 responses were received. The link to the study was distributed internally at the Turku Tax Office and Turku University of Applied Sciences. I chose these two subjects for their potential responder pool. Turku Tax Office has about 500 people working there. Turku University of Applied Sciences has up to 11 000 students. So the possibility for a wide range response rate was there, from all ages, both in work and school life.

The survey was conducted using a questionnaire that included multiple-choice questions as well as a few open-ended questions. Therefore, the response rate was ultimately low, but valuable information about the opinions of employees who have done or are doing temporary work was obtained through the survey and open-ended questions (Appendix 1).

Due to lack of response, the survey period was prolonged by one week, however, no further replies were obtained. In light of the overall results, the survey's potential value is insignificant in comparison to the number of possible responses, and therefore, unreliable, and cannot be considered as a trustworthy source of information. The employees who participated in the survey mainly held positions in office and financial management, health and social services, government administration, library and information services, marketing (advertising, communication, media), call and contact centers, and other service work. The survey form used in the research can be found in the Pictures section.

After going through the data from this limited study, preliminary deductions have been formulated regarding employees' attitudes towards temporary work. Additionally, deductions have been made about the factors influencing employees' perceptions of temporary employment. The cumulative effect of

these factors contributes to a shift among employees towards seeking temporary staffing positions. While interpreting the outcomes, I have taken into account relevant studies on temporary labor and their findings. However, I have chosen to exclude some of them for the purpose of my own research, as they do not directly address the specific inquiries that I am focusing on. This thesis represents a quantitative research study. Quantitative research, sometimes referred to as numerical research, involves examining variations between variables and answering questions related to frequency or quantity (Vilkka 2007, 13 – 15).

The research was conducted with online Webropol questionnaires with a link distributed internally at the Turku Tax Office and Turku University of Applied Sciences, to gather information about responders understanding of labor hire and their overall impressions of it. There were both open and structured questions in the questionnaires.

They were also asked about their experiences with securing employment through temporary work and the factors they deemed significant when searching for such opportunities. Through the questions there was an attempt to figure out whether employees had a preference for part-time or permanent employment contracts. The aim of these inquiries was to gain valuable insights into the participants' perspectives on labour hiring and the underlying reasons shaping their attitudes. The questions contain both open-ended and structured questions. Structured questions include both multiple-choice and scale questions. The purpose of open-ended questions is to gather information that cannot be obtained through structured questions because it does not exclude any response options. However, processing the answers from open-ended questions will be hard to extrapolate. In opinion questions, a scale is used with endpoints ranging from "completely agree" to "completely disagree".

Questions are directed at employees at Turku Tax Office and students at Turku UAS, for the huge potential for responder size ranging from young adults at school to people close to their retirement from the work life.

From their responses to assess their general attitude towards temporary work, whether they had personal experience with it, and what perceptions they had about temporary work. Employees were asked, if temporary work was used in their workplace, what their perception of temporary work was, and what prejudices were associated with temporary work and its use. The questionnaire was posted at the platform of Turku Tax Office and at the platform of Turku UAS, for viewers to respond. Despite the possibility there were only 63 responses. The main limitation to choose this approach was that it was not sent to internal emails of the aforementioned locations, but placed into the intranet main page, thus requiring the viewer to actively take part in the questionnaire.

5 Analysis

In the study, opinions of those who have experienced temporary employment were examined in terms of recruitment and job satisfaction. A total of 63 individuals from Turku Tax Office and Turku UAS who had participated in temporary employment were surveyed. The questionnaire was categorized into different themes, and the responses were analyzed accordingly. These themes comprised of background information, recruitment, and employment objectives. The purpose of collecting background information was to obtain basic details such as age and gender that can be used to compare the results with the general population. The section on temporary employment was classified into subcategories such as practical advantages, financial benefits, and perceptions before and after the employment. Since the sample size was small, the percentage values presented in the study are rounded, and the margin of error is significant (Heikkilä 2014).

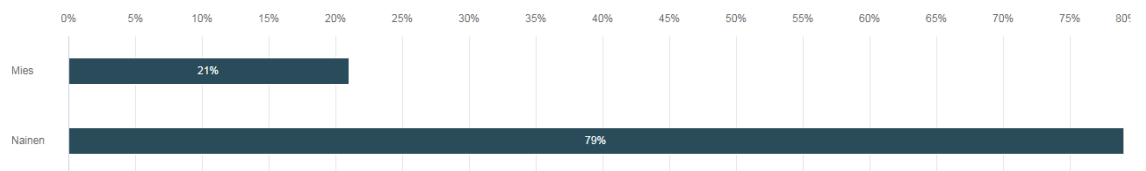


Figure 3: sex of the responder, Tuovinen, 2023

About 80% of the responders were women.

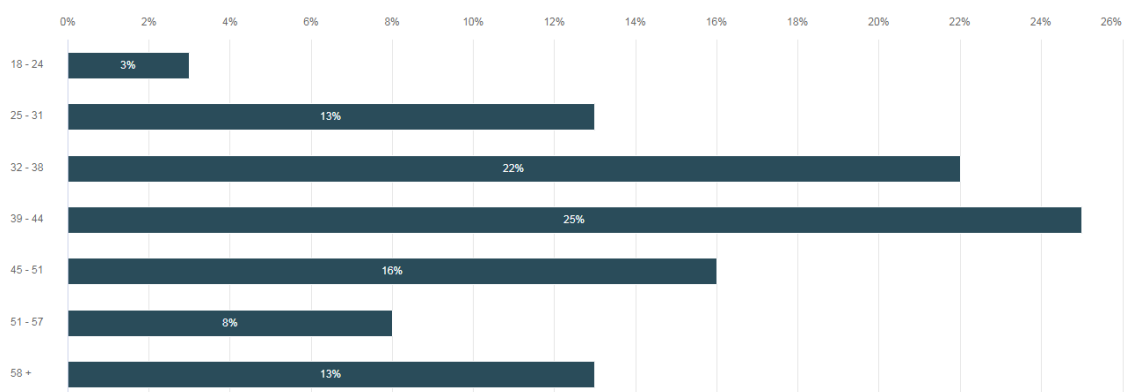


Figure 4: age, Tuovinen, 2023

Of the respondents, 40 or 63% were aged between 32 and 51. The remaining 37% of respondents were divided into those under 31 years old, which were 10 or 16%, and those over 51, which were 13 or 21%. The respondents were thus divided in terms of age, with the largest group being the so called “middle-aged (Figure 4)”.

It is an interesting notion that out of the responders, 51% of men were under 38 years. Whereas 66% of the women were over 39 years of old.

A similar result was also reached in the study "Perceptions of Temporary Employment in Finland" by Tiia-Maria Hietala in 2018. In the survey, there were 168 respondents aged 25, of which 52% were female and 48% were male. For respondents aged 26-45, there were 470 participants, with 49% being female and 52% being male. Therefore, the age distribution is roughly the same as in this survey.

In Antti Tanskanen's article "Temporary Work in Finland: The Form of Work for the Disadvantaged?" the percentages were more skewed towards those under 30 years old, with 55.6% falling in the 15-29-year-old category. These both highlight that there is an overlapping trend of age and sex among surveys, giving some validity to the observation of this query.

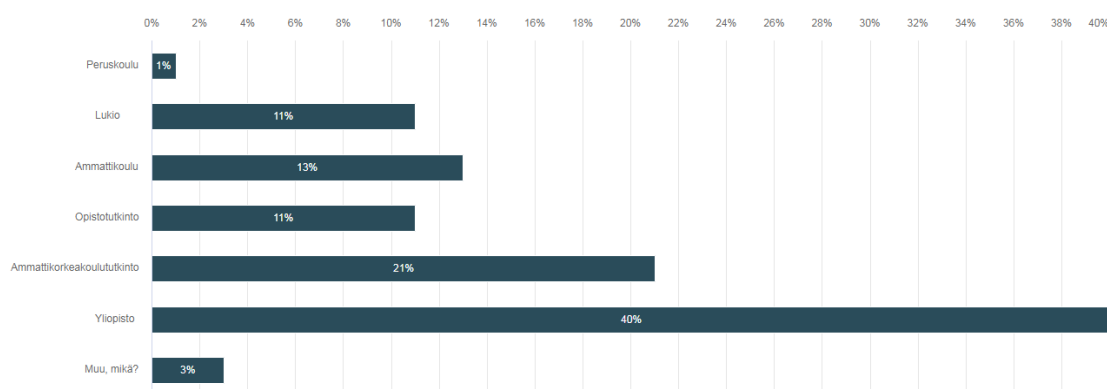


Figure 5: education level, Tuovinen, 2023

In this thesis the university degree is clearly overrepresented in the level of education, at 40%, and polytechnic degree at 21%, among the responders. This may have been influenced by the participation of Turku tax office employees in the survey (Figure 5).

	n	Prosentti
IT-alan työ	2	3,2%
Toimisto- ja taloushallinnon työ	27	42,8%
Call ja contact-center (asiakaspalvelutyö)	3	4,8%
Markkinointi (mainonta, viestintä, media)	5	7,9%
Puhelinmyynti ja -markkinointityö	0	0,0%
Hotelli-, ravintola- ja cateringalan työ	0	0,0%
Kauppan alan työ / kaupallinen työ	1	1,6%
Terveystenhoito- ja sosiaalialan työ	7	11,1%
Muu palvelutyö	3	4,8%
Kiinteistönhuolto- ja siivousalan työ	0	0,0%
Kuljetus- ja liikennetyö	1	1,6%
Varastotyö	1	1,6%
Rakennustyö	0	0,0%
Metallialan työ	0	0,0%
Kemian alan työ	0	0,0%
Muu teollinen työ	1	1,6%
Jokin muu, mikä?	12	19,0%

Lisätekstikenttään annetut vastaukset
Näytä kaikki

Vastausvaihtoehdot	Teksti
Jokin muu, mikä?	valtionhallinto
Jokin muu, mikä?	Kirjasto- ja tietopalveluala

Figure 6: working industry, Tuovinen, 2023

From the responders a high percentage, 42,8%, are working in office and finance management.

	n	Prosentti
Tuotantotyöntekijä	2	3,2%
Myyjä	1	1,6%
Tarjoilija	0	0,0%
Hoitaja	6	9,5%
toimistotyöntekijä	11	17,5%
Toimihenkilö	13	20,6%
Asiantuntija	23	36,5%
Esimies	0	0,0%
Ylempi johto	0	0,0%
Jotain muuta, mitä?	7	11,1%

Lisätekstikenttään annetut vastaukset
Näytä kaikki

Vastausvaihtoehdot	Teksti
Jotain muuta, mitä?	Kirjastovirkailija

Figure 7: current job roles, Tuovinen, 2023

36.5% of the responders, largest segment, are working as specialists.

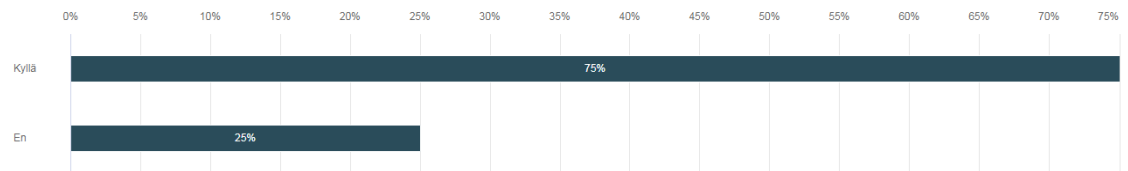


Figure 8: Are you working in a job that corresponds to your education?
Tuovinen, 2023

The high percentage, 75% of the responders, inform that they are (when answering to the poll) working in a position which corresponds to their education (Figure 8).

In the respondents' companies (Figure 9), approximately 40% of them used staffing agencies to acquire work force. The high rate of the temporary workers could indicate that in the companies, where these respondents work, are in an industry where staffing agencies are widely used. According to Statistics Finland's Labour Force Survey 2021, the wholesale and retail trade sector had the highest number of temporary agency workers (Tilastokeskuksen Työvoimatutkimus 2021).

	n	Prosentti
Kyllä	25	39,7%
Ei	38	60,3%

Figure 9: Does your company use temporary work, Tuovinen, 2023

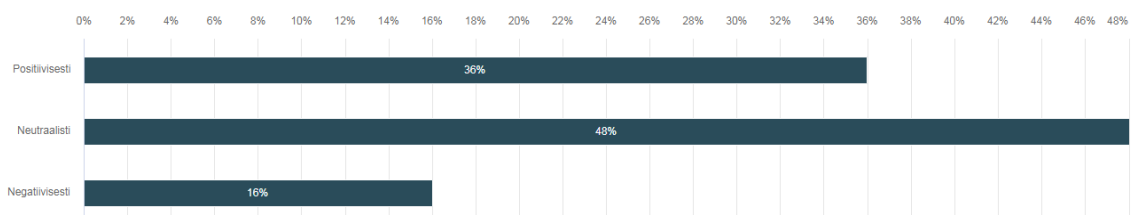


Figure 10: attitude towards temporary work. Webropol query

The majority of the responders had a neutral attitude, 48%, or positive attitude, 36%, towards temporary work. Thus enforcing the idea that among these responders negativity towards temporary work did not prevail (figure 10).

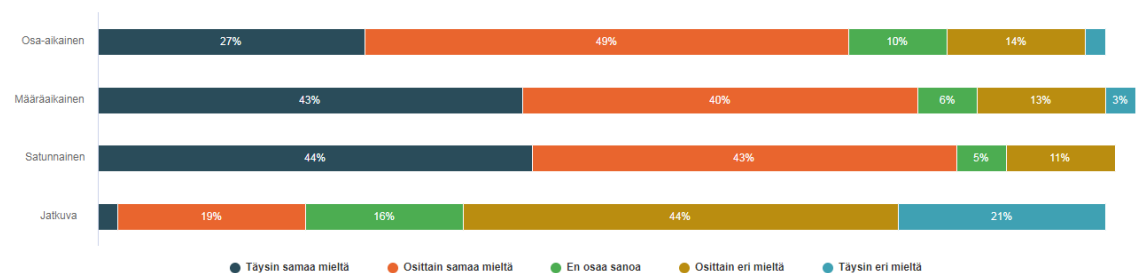


Figure 11: typical form of temporary work, Tuovinen, 2023

Biggest percentage, 40% to 49%, of the responders think that typical form of temporary work is part time, fixed time and random (Figure 11).

	n	Prosentti
Toimisto- ja taloushallinnon työ	10	32,3%
IT-alan työ	1	3,2%
Puhelinmyynti ja -markkinointityö	1	3,2%
Call ja contact-center (asiakaspalvelutyö)	4	12,9%
Kaupan alan työ / kaupallinen työ	5	16,1%
Markkinointi (mainonta, viestintä, media)	3	9,7%
Kiinteistönhuolto- ja siivousalan työ	4	12,9%
Hotelli-, ravintola- ja cateringalan työ	5	16,1%
Terveystenhoito- ja sosiaalityö	3	9,7%
Muu palvelutyö	1	3,2%
Kuljetus- ja liikennetyö	2	6,5%
Varastotyö	3	9,7%
Metallialan työ	1	3,2%
Rakennustyö	1	3,2%
Kemian alan työ	0	0,0%
Muu teollinen työ	2	6,5%
Muu työ, mikä?	0	0,0%

Figure 12: the typical type of temporary work, Tuovinen, 2023

Types of work that are typically done in temporary work were obvious in this group of responders. The breakdown of different sectors was relatively even, albeit the office sector did stick out from other fields, The largest field being the office sector, with 32% of those surveyed working in it. meaning there was not much variation of the field responders were working in while working as a temporary worker, or as a companys own personnel (Figure 12).

Commerce, accommodation, and restaurant sectors were the next biggest industries. Respondents had the option to choose multiple sectors, Statistics from the query show that 61% of respondents thought that their job as temporary worker did not match their professional skills, at the time when they were assigned to the postition. For some, like students, temporary work from an agency may be a stop-gap solution before graduation when the job duties may not align with their professional skills. Therefore, even if the job is not a good match, the worker may still choose to take it due to their current circumstances. Similarly, if there is no demand for the worker's professional skills, they may have to take "lesser" jobs to stay employed (Figure 13).

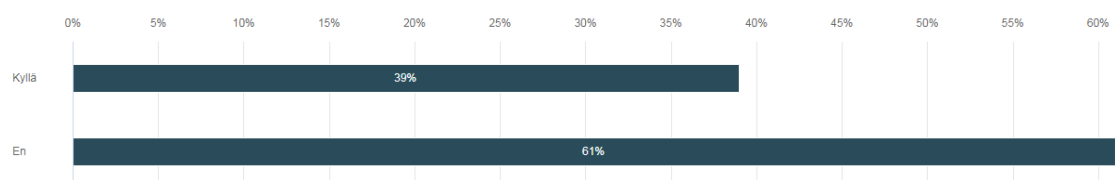


Figure 13: Did you work in your line of work while in temporary work?
Tuovinen, 2023

61% of the responders were not working in a job that matched education/training in temporary agency work (Figure 13). This result can lean either to the “not a option” or “trying other fields” category. This is clear indicator that money and being employed were the main reason for the responders to choose temporary work option (Figure 14). It is all possible

that "not a option" was the reason while choosing temporary work according to the query, but can't verified.

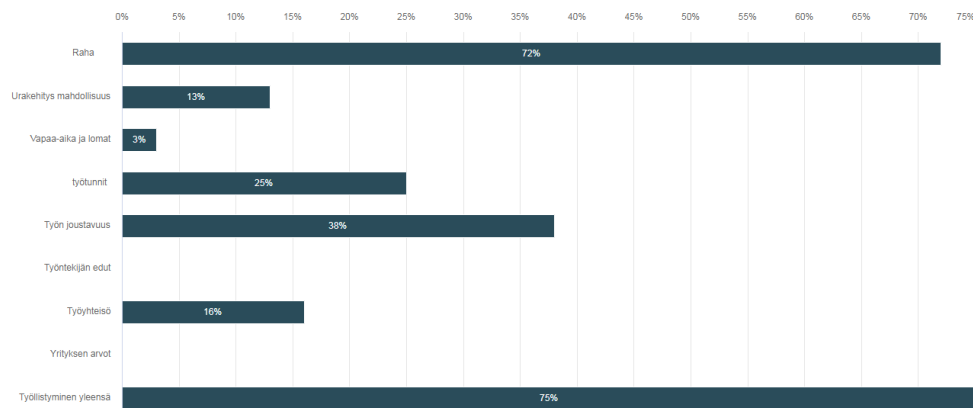


Figure 14: three reasons to choose temporary work? Tuovinen, 2023

Three main reason to choose temporary work can be clearly seen. 75% of the responders chose "being employed" as a reason. 72% chose "money" as a reason and 38% chose the "flexibility of the work". Making these three option the important reasons (Figure 14).

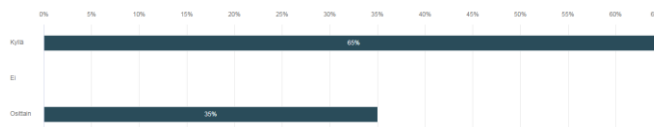


Figure 15: Were those goals achieved? Tuovinen, 2023

The responses in figure 15 indicate that such goals, as asked in the figure 14, were achieved by 65% of the responders, which is a significant amount of the responders. Salary has frequently been acknowledged as the foremost individual subject of work-life quality. In practical terms, monetary compensation holds substantial importance for several reasons. For numerous individuals, work-derived income has become their principal means of subsistence, and those earning meager wages may encounter difficulties in attaining a satisfactory living standard and actively engaging in societal endeavors (Kangas & Ritakallio 2008).

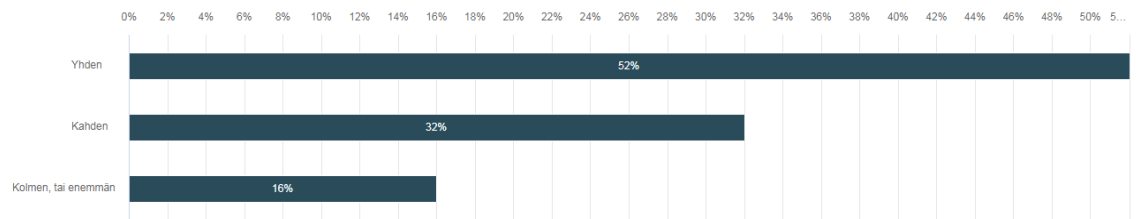


Figure 16: how many staffing companies you were employed by? Tuovinen, 2023

Since 52% of responders have been employed through only one staff agency while working as temporary worker. The temporary work gave the responders what they were after, but majority of the responders did not need to remain in temporary work (Figure 16).

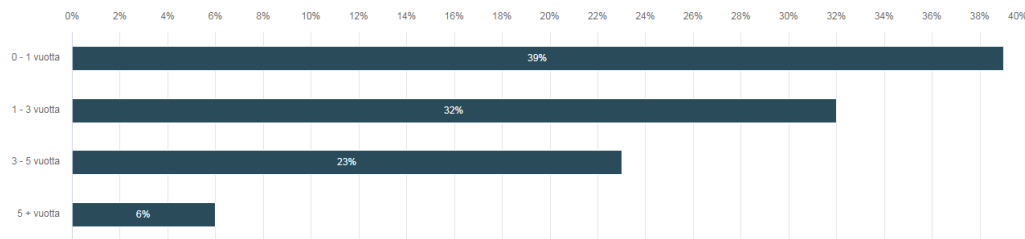


Figure 17: how long you were employed by staffing companies? Tuovinen, 2023

This phenomena can be seen through majority of the responders, since 39%, have been employed for maximum one years in temporary work. The percentage remains relatively high up to three years in temporary work, 32%. Over all 45 persons, 71%, had been working in temporary work from one to three years all together. After which the percentages diminish rapidly, indicating that longer than three years contracts are rare and people were either able to get a permanent job or did something else. (Figure 17).

	n	Prosentti
Kyllä	5	15,6%
En	27	84,4%

Figure 18: will you be working through staffing company after five years?
Tuovinen, 2023

To increase that notion in figure18, only 27 of the respondents, 84,4%, did not believe they would still be doing temporary work after 5 years. As it is seen in the following figure that for 27 responders, 84%, permanent employment is a goal (Figure 18).

	n	Prosentti
Kyllä	5	15,6%
En	27	84,4%

Figure 19: would you prefer permanent position? Tuovinen, 2023

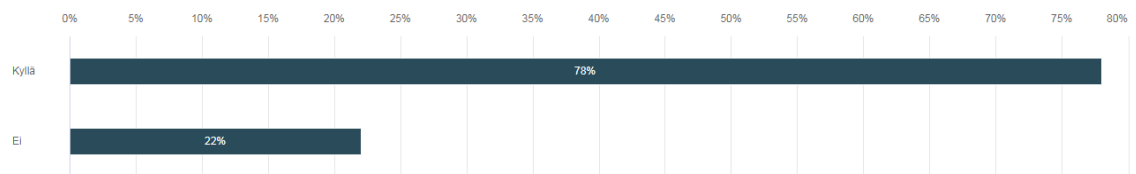


Figure 20: was temporary work the right choice for you? Tuovinen, 2023

Despite its shortcomings, 49 of the responders, 78%, said that temporary work was the right choice for them. This is a clear indicator that the value previously mentioned and gained working as temporary worker outnumbers the negative aspects of it. At least for the respondents of this questionnaire (Figure 20).

	Täysin samaa mieltä	Osittain samaa mieltä	En osaa sanoa	Osittain eri mieltä	Täysin eri mieltä	Keskiarvo
Pätkätyö on vuokratyön tyypillinen muoto	36,5%	44,5%	11,1%	7,9%	0,0%	1,9
Vuokratyö on taloudellisesti kannattavaa	4,8%	47,6%	23,8%	19,0%	4,8%	2,7
Vuokratyö on varma tulonlähde	1,6%	23,8%	9,5%	54,0%	11,1%	3,5
Vuokratyö sopii kaikenikäisille	27,0%	41,3%	7,9%	19,0%	4,8%	2,3
Vuokratyöntekijän työhön perehdytys on riittävää	1,6%	27,0%	34,9%	27,0%	9,5%	3,2
Vuokratyö on luotettava työsuhteen muoto	1,6%	17,4%	15,9%	41,3%	23,8%	3,7
Vuokratyö yritysten palkanmaksu on luotettavaa	14,3%	41,2%	25,4%	15,9%	3,2%	2,5
Vuokratyöstä saatu palkka on vertailukelpoinen	6,3%	38,1%	25,4%	27,0%	3,2%	2,8
Vuokratyötä arvostetaan	0,0%	19,1%	23,8%	38,1%	19,0%	3,6
Useilla vuokratyösuhteilla työhistoriassa voi olla negatiivinen vaikutus työllistymiseen	3,2%	31,8%	31,7%	23,8%	9,5%	3,0
Vuokratyöntekijöitä arvostetaan	1,6%	28,6%	20,6%	38,1%	11,1%	3,3
Vuokratyössä työsuhte voi päättyä yllättäen huolimatta vuokratyöntekijän omasta panoksesta	36,5%	38,1%	17,4%	4,8%	3,2%	2,0
Vuokratyö on ponnahduslauta parempiin töihin	7,9%	57,2%	20,6%	11,1%	3,2%	2,4
Vuokratyö mahdollistaa joustavat työtunnit	12,7%	54,0%	17,4%	11,1%	4,8%	2,4
Vuokratyöntekijä voi vaikuttaa työnsuhteensa	1,6%	17,4%	27,0%	38,1%	15,9%	3,5

Figure 21:statements 1-5, Tuovinen, 2023

36.5% of the respondents, believe that employment can end unexpectedly, regardless of the employee's contribution (completely agree). 23.8% believe that temporary work is not a reliable form of employment (completely agree). Additionally, 41.3% believe that temporary work is not a reliable form of employment (somewhat agree). Overall, based on these responses, it can be concluded that although respondents have been satisfied with temporary work, there is mistrust against it (Figure 21).

	Täysin samaa mieltä	Osittain samaa mieltä	En osaa sanoa	Osittain eri mieltä	Täysin eri mieltä	Keskiarvo
Rekrytoinnissa henkilöstövuokrausyritykset ovat kilpailukykyisiä muihin yrityksiin verrattuna	6,3%	28,6%	39,7%	17,5%	7,9%	2,9
Henkilöstöyritykset huolehtivat henkilöstöstään yhtä hyvin kuin muut yritykset	1,6%	20,6%	25,4%	38,1%	14,3%	3,4
Vuokratyöillä on hyvä maine	1,6%	25,4%	15,9%	44,4%	12,7%	3,4
Henkilöstövuokratyöillä on hyvä maine	3,2%	17,4%	27,0%	39,7%	12,7%	3,4
Yrityksillä, jotka käyttävät paljon vuokratyövoimaa, on hyvä maine	0,0%	17,4%	28,6%	36,5%	17,5%	3,5
Opiskelijalle vuokratyö on hyvä vaihtoehto	39,7%	55,5%	3,2%	1,6%	0,0%	1,7
Vuokratyöntekijällä on mahdollisuus vaikuttaa työaikaansa ja paikkaansa	11,1%	39,7%	19,1%	20,6%	9,5%	2,8
Vuokratyöstä on mahdollista saada monipuolista työkokemusta	25,4%	63,5%	7,9%	3,2%	0,0%	1,9
Vuokratyöntekijällä on mahdollisuus päästä vakituiseen työsuhteeseen	9,5%	60,3%	20,6%	8,0%	1,6%	2,3
Vuokratyöntekijät ovat osa työyhteisöä	12,7%	44,5%	9,5%	23,8%	9,5%	2,7
Harkitsisin myös vuokratyöntekijänä työskentelemistä, jos hakisin töitä	14,3%	27,0%	12,7%	15,9%	30,1%	3,2
Vuokratyön saaminen on helpompaa kuin vakituisen työn saaminen	22,2%	52,4%	17,5%	6,3%	1,6%	2,1
Työllistyn mieluummin vakituiseen työpaikkaan kuin vuokratyöpaikkaan	68,3%	22,2%	6,3%	3,2%	0,0%	1,4
Vakituinen työsuhte on varmempi kuin vuokratyösuhte	69,8%	25,4%	3,2%	1,6%	0,0%	1,4
Vuokratyö ei tarjoa yhtä haastavaa työtä kuin vakituinen työ	6,4%	19,0%	17,5%	47,6%	9,5%	3,3
Väliaikaisuus kuuluu vuokratyön luonteeseen	39,7%	42,8%	12,7%	3,2%	1,6%	1,8
Omien taitojen kehittäminen vuokratyöntekijänä on vaikeaa	11,1%	27,0%	22,2%	36,5%	3,2%	2,9
Matalapalkkaiset tai vähän koulutetut ihmiset tekevät yleensä vuokratyötä	12,7%	30,1%	28,6%	25,4%	3,2%	2,8
Yrityksen omilla työntekijöillä on paremmat työsuhte-edut kuin vuokratyöntekijöillä	39,7%	30,2%	20,6%	9,5%	0,0%	2,0
Yrityksen omat työntekijät ja vuokratyöntekijät saavat samaa palkkaa samasta työstä	3,2%	17,5%	34,9%	34,9%	9,5%	3,3
Vuokratyövoiman käyttö lisääntyy tulevaisuudessa	22,2%	47,6%	28,6%	1,6%	0,0%	2,1
Suosittelisin vuokratyötä töitä etsivälle	9,5%	44,5%	15,9%	22,2%	7,9%	2,7

Figure 22:statements 1-5, Tuovinen, 2023

The utilization of a widely used Likert scaling method allowed for a comprehensive analysis of the participants' viewpoints in this particular survey. The outcomes were displayed as proportions and can be reassessed by consolidating agreement preferences into two distinct categories: beneficial and non-beneficial. This specific scale serves as a categorization tool for assessing disparities in the characteristics of the evaluated elements. Notably, it operates on an ordered interval basis, indicating the progression of values. By contrasting the feedback in relation to the provided statements, one can effectively discern variations in opinions, particularly concerning the statements that evoked the most

pronounced positive or negative stances among respondents.

Consequently, the gathered responses enable the determination of the distribution of opinions among the participants.

SWOT analysis:



Figure 23: SWOT - analysis

The SWOT-analysis was a easy tool to make a distinction between the beneficial and non-beneficial issues regarding temporary work. Despite the somewhat even distribution of the possibilities between SWOT-sections there is a clear indication where the emphasis lies with the responses to the query (Figure 23).

Strengths:

- **Flexibility:** Temporary work can, when choosing their possible job opportunities, offer workers the flexibility to choose their working hours and assignments, allowing them to manage their personal commitments effectively.
- **Being employed:** In its core one of the main benefits of temporary work is being able to employ oneself.

- Income generation: Temporary work provides an opportunity for individuals to earn income.

Weaknesses:

- Limited benefits: Temporary workers may have limited access to employee benefits such as healthcare, paid leave, and retirement plans.
- Lack of career advancement: Temporary work may provide limited opportunities for career advancement and professional growth compared to permanent employment.

Opportunities:

- Transition to permanent roles: Temporary work can serve as a pathway to permanent employment if individuals demonstrate their capabilities and fit within the organization.
- Networking opportunities: Temporary work exposes individuals to various professionals, companies, and industries, enabling them to build valuable connections for future career prospects.
- Flexibility for personal growth: Temporary work offers individuals the flexibility to pursue personal goals, education, or other interests alongside their work commitments

Threats:

- Unequal treatment: Temporary workers may experience unequal treatment or be subjected to less favorable working conditions compared to permanent employees.
- Job market competition: The high competition for temporary positions can result in lower wages, limited negotiating power, and fewer available job opportunities
- Lack of job stability: Temporary workers may experience gaps between assignments, leading to periods of unemployment, potential income fluctuations and financial uncertainty.

Open ended questions:

The responders had a notion that the frequent rotation of temporary workers considerably heightened the demand for orientation and the accompanying level of responsibility. When temporary workers were replaced approximately through short time periods, the process of orientation and training had to be initiated anew on each occasion. This led to a increased workload for the respondents, impeding productivity as they had to offer guidance to the temporary workforce alongside fulfilling their own responsibilities and monitoring temporary workers performance. The unconventional characteristics of temporary work can be seen in a negative light and can be viewed as restrictive to individuals. For instance, it may pose challenges to financial stability.

Based on the feedback from workers in temporary positions, it becomes apparent that there has been, at times, inconsistent treatment of all temporary employees compared to permanent staff, despite the expectation of equal treatment. Respondents were motivated by more than just monetary compensation, as they valued intangible job benefits. Factors like employee recognition played a significant role in their motivation. However, commitment to temporary work was found to be low. Challenges associated with temporary employment encompass a lack of motivation, uncertainty regarding the impact of their work, and apprehension about future job prospects.

That said, the responses did somewhat vary depending on the person answering these questions. Again the one common nominator was the idea, that despite temporary work being somewhat unreliable and a “second hand employer” position, the work itself is a possibility when one knows what pros and cons it has. That does not change the situation that there is an overall attitude among the responses that preconceived notions, negatives usually, have been there and mostly remained too. Despite the achievable possibilities offered by the temporary work.

6 Conclusion

This thesis seeks to find an answer to the thesis objective.

In summary, it can be concluded that individuals do possess a comprehensive understanding of the nature of personnel leasing and the range of services offered by staffing agencies, drawing from personal encounters and shared experiences.

The findings indicated that some employees, to extend, hold a less favorable view of personnel leasing. This negative perception stems from personal experiences, opinions encountered online and on social media, as well as a general perception of uncertainty regarding staffing agency as an employee. In some cases, limited knowledge about temporary work contributes to this negative perception. Employees strongly associate temporary work with short-term assignments, gig-like jobs, and irregular shifts.

Temporary work can be a useful tool for employers looking for flexibility and cost savings, and for workers seeking varied work opportunities. Temporary employment is commonly regarded as a favorable means to experiment with diverse occupations since it is feasible to find temporary jobs in practically any field. It's an ideal option for someone who has not yet decided what career path to pursue. Additionally, temporary work can be performed under different work agreements, such as fixed-term, part-time, or full-time.

Working in several locations can also offer valuable experience and opportunities for building professional networks.

In the context of temporary work, the dynamics between employers and temporary workers lack reciprocity. This holds true for both the connection between the temporary worker and the staffing agency, as well as the association between the temporary worker and the client company.

Specifically, the relationship between the staffing agency and the temporary worker is non-reciprocal, as the worker feels like he or she is required to accept all work assignments to maintain future prospects, while the staffing

agency does not bear reciprocal responsibility to guarantee the continuity of the temporary worker's employment and livelihood. For a unemployed person job offers are binding if your job search has lasted for six months from the initial interview, which means the staffing agency can inform the the employment office, which in turn can put workers unemployment benefit on hold for a period of time.

In the client company, the temporary worker is expected to showcase their utmost dedication and performance to ensure continued employment opportunities. However, the client company is not obligated to provide any reciprocal support or benefits to the temporary worker in return for their efforts. Based on the findings of my survey, the lack of reciprocity in the employer-temporary worker relationship emerges as a significant factor influencing temporary workers' perception of temporary employment as an unjust form of work.

In temporary staffing, employees have the flexibility to choose their work schedule and location. However, declining job offers may result in future complications. Temporary work provides access to the labor market for those who may not have the inclination or ability to pursue permanent employment. It is also an excellent opportunity for individuals at the start of their careers to acquire job experience and advance professionally. Most temporary workers are young individuals who desire diverse work experience and exposure to various work environments.

When investigating the reasons why job seekers and employees choose temporary work, a common motive is support oneself economically, to have money and the possibility to be employed. Thus any work is good. For older temporary workers, it serves as an additional source of income alongside their primary employment or during their retirement.

This thesis examined workers aged 18-50+ as the research subjects. The suitability of the target group was taken into account when evaluating the reliability of the study. The selection of the target group was intentionally

broad in order to encompass a wide range of individuals. The research method employed enabled the collection of valuable data through surveys and received specific feedback from the participants. The findings shed light on the employees' perceptions and their priorities in employment relationships.

The utilization of temporary work in Finland is primarily driven by the dynamic and versatile workforce requirements of businesses, along with regulatory frameworks enabling the operation of temporary staffing agencies within the country. Moreover, economic factors, including fluctuations in the demand for specific products or services, can also impact the adoption of temporary or rental labor practices.

The utilization of temporary work is a widespread phenomenon observed globally, including in Finland. This trend can be attributed to various factors, such as the influence of globalization, the growing presence of multinational corporations, and the necessity for businesses to maintain agility and adaptability in response to changing market dynamics. Multinational corporations, in particular, have played a significant role in driving the demand for temporary or rental labor, aiming to streamline costs and enhance operational efficiency by outsourcing specific functions or embracing flexible staffing arrangements. Furthermore, advancements in technology and communication have facilitated cross-border business operations, intensifying competition and underscoring the need for increased workforce flexibility.

Temporary work is here to stay. It has its positives and negative aspects, and with this thesis I have made a notion that the positives might outweigh the negatives. At least among the responders. However, the sample size of these responders makes it impossible to make any concrete conclusions.

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Appendix

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Questions for the questionnaire.