



**An Examination of the Commitment, Attitudes, and
Experiences of Clerical Temporary Agency Workers:
Preliminary Findings**

Technical Report

Robyn Cochrane

Department of Management

Monash University

December 2007

Confidentiality Disclaimer:

Details relating to the identities of all participating organisations and their employees have not and will not be disclosed in any versions or revisions of this report.

Copyright © Robyn Cochrane 2007

An appropriate citation for this report is:

Cochrane, R. (2007). *An Examination of the Commitment, Attitudes, and Experiences of Clerical Temporary Agency Workers: Preliminary Findings*, Technical Report, Monash University, Australia.

Inquiries:

Ms Robyn Cochrane
Department of Management
Monash University
PO Box 197
Caulfield East Victoria Australia 3145

Telephone: 9903 1263
Email: robyn.cochrane@buseco.monash.edu.au
Web: www.monash.edu.au

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY 4

2. BACKGROUND TO THE STUDY 5

 2.1 Snapshot of temporary employment and agency workers in the global context 5

 2.2 Snapshot of the temporary agency work in the Australian context 6

3. RESEARCH DESIGN AND METHOD..... 7

 3.1 Research design..... 7

 3.2 Research method 8

4. DESCRIPTION OF PARTICIPANTS 9

 4.1 Characteristics of agencies, managers, and consultants..... 9

 4.2 Characteristics of the temp respondents 10

5. KEY FINDINGS FROM THE PRELIMINARY ANALYSIS 13

 5.1 What key work attitudes are related to temps' commitment to agency? 13

 5.2 To what or whom do temps feel a sense of commitment?..... 15

 5.3 What agency policies and practices affect temps' commitment to agency? 18

 5.4 What are the main disadvantages of agency work? 21

 5.5 What are the main advantages of agency work? 23

6. CONCLUSIONS, IMPLICATIONS, LIMITATIONS, AND FUTURE DIRECTIONS 25

 6.1 Conclusions about the commitment of temps..... 25

 6.2 Implications for policy and practice 26

 6.3 Limitations of this study 29

 6.4 Future directions 29

7. REFERENCES..... 30

8. FURTHER READING..... 33

APPENDIX 1: Listing of study definitions 34

1. EXECUTIVE SUMMARY

Organisations are increasingly relying on flexible and other arrangements that do not involve the commonly perceived norms associated with traditional, full-time wage and salary employment. Although precise national data are not readily available, the growth trend in temporary work has emerged as a significant labour market feature in many developed countries. Temporary agency workers (henceforth referred to as 'temps') have been the fastest growing segment of the workforce in many countries over the past decade, yet they remain under-examined. Temps are a diverse group, working in organisations of all sizes and across a wide range of sectors. In light of the often contradictory statements made about agency working and the economic importance of the recruitment sector, there is a need to examine and monitor this form of employment.

The Australian context provides a broadly similar environment to the United States, United Kingdom, Canada, and New Zealand, with respect to there being few or no national regulations or limitations applicable to agency work. Agency work has existed in Australia for over 50 years and while the recruitment industry is well-established and features a number of high profile, international operators, research on labour hire and agency work is limited. The Australian labour market is characterised by a skills shortage, ageing workforce, and 'war for talent'. The lack of candidates is a major area of concern for many agencies, as is retaining existing talent.

This study addressed the broad research problem: **What characteristics and attitudes are related to commitment in the temporary agency worker - agency employment relationship?** During the period September 2006 to July 2007, eight Melbourne-based agencies participated in this study. A mixed-method research design was used and data were gathered from 187 temps, eight agency managers, and 16 recruitment consultants. In summary, the study found clerical temps:

- are predominantly female, aged 19 to 64 years, earning around \$20 per hour, generally single with no dependants, with a Bachelor Degree or educated to secondary level, mostly non-union members, have several years of general work experience and two years of temp work experience, likely to be registered with and paid by one or two agencies, and their assignment duration may vary from one day through to several years. This sample of temps identified agency supportiveness, procedural fairness, interactional fairness, overall job satisfaction, psychological contract fulfillment, and distributive fairness as key work attitudes related to affective commitment to agency (see Appendix 1 for definitions);
- are committed to one or multiple targets including the client organisation (colleagues, supervisor, work assignment sub-groups), agency (consultant, other agency temps sub-groups), generating an income, doing a professional job, themselves, and their occupation;
- associate regular contact, courtesy calls, prompt responses, friendly work relationships, Christmas/Easter gifts, social gatherings, and the showing of genuine concern and honesty, with feeling a sense of belonging to the agency. Although a comparison of the data collected from multiple sources (temp/consultant/manager) emphasised differing policies and practices;
- experience disadvantages associated with the insecure and uncertain nature of agency work, some agency policies and consultant practices, and unfavourable experiences on assignment;
- view the ability to access work and an income, enhance employment prospects, and having freedom and control as advantages associated with agency work.

These findings are extended by additional observations which are offered to assist with the development of policies and practices to improve temps' work experiences, increase their commitment levels, and enhance agency performance and reputation. Limitations regarding the extent to which this study's findings may be generalised and directions for future research are noted.

2. BACKGROUND TO THE STUDY

2.1 Snapshot of temporary employment and agency workers in the global context

In response to social, economic, and global changes experienced during the past three decades, many organisations in industrialised societies have sought greater flexibility in their employment systems. It has been observed that organisations are increasingly relying on flexible and other arrangements that do not involve the commonly perceived norms associated with traditional, full-time wage and salary employment. Although precise national data are not readily available, growth trends on temporary employment have been documented by the Organisation for Economic Co-operation and Development (OECD, 2002). The international growth trends in contingent and temporary work arrangements highlight the importance to employers of the ability to blend core, standard employees with temporary workers (Barker & Christensen, 1998; Blanpain & Graham, 2003). Consequently, the growth in the temporary workforce has emerged as a significant labour market feature in many developed countries, although the patterns of temporary employment vary considerably between countries depending on the regulatory approach (Burgess & Connell, 2004).

Temporary workers remain under-examined in academic research (Connelly & Gallagher, 2004), even though temps (a distinct subset of the temporary workforce) have been the fastest growing segment of the workforce in most countries over the past decade (Druker & Stanworth, 2001; Gallagher, 2002). The character of the rapidly growing and internationalising recruitment industry has altered significantly (Storrie, 2002; Vosko, 2000), and agencies differ in their overall business strategy and scope of service provision (Houseman, Kalleberg, & Erickcek, 2003). The size of the international temp workforce continues to grow, albeit from a small base, with temps accounting for between one per cent and four per cent of total employment in most countries. Although small, these percentages translate to around 2.9 million people on an average day, 12 million in total in the USA (Lenz, 2006), and some 2.5 to 3.0 million (equivalent full-time) employees in European Union countries (Arrowsmith, 2006). The International Labour Organisation (ILO) adopted C181 Private Employment Agencies Convention in 1997, and recently released a guide to regulate and monitor private employment agencies (ILO, 2007). As C181 has not been ratified by Australia, amongst other member States, this guide may be of particular interest to agencies operating within these jurisdictions.

Temps represent a diverse segment of workforce. They are often placed in public and private organisations of all sizes, operating across a wide range of sectors (OECD, 2002). Differences are particularly visible in relation to occupation, skill, gender, and age characteristics. Although the industry has diversified across occupational groupings, clerical occupations have retained a strong presence. Regarding the age groupings applicable to agency work, there has tended to be an over-representation of younger persons (OECD, 2002). However, in many countries other age categories are represented suggesting that agency work may be an option for working mothers, the short-term unemployed, early retirees, and individuals of all ages who seek stop-gap work.

A number of often contradictory statements have been made about agency work. Reports from industry bodies have tended to portray agency work in a positive light; however, this view sharply contrasts the empirical evidence highlighting the involuntary nature of agency work. As noted by Pedersen, Hansen, and Mahler (2004), the rapid increase in the number of temps and the economic importance of this sector reinforces the need to examine and monitor this complex form of employment. Agencies perform an important role in the provision of temporary and permanent staffing solutions to businesses, therefore attracting and retaining quality candidates is critical to their survival. As a service sector organisation, the agency's reputation is built on the quality of service delivery. There is no buffer between a temp's attitude, satisfaction, and performance and the client organisation's perception of the agency (Anderson, 2006). It is therefore important to agencies and the recruitment industry that the attitudes and experiences of temps are regularly reassessed. These findings may then be used to develop future policies and practices that enhance overall operations and reputation.

2.2 Snapshot of the temporary agency work in the Australian context

While the growth and importance of contingent and temporary working arrangements has attracted international commentary, the research examining this phenomenon in Australia is limited (Campbell, Watson, & Buchanan, 2004; Connell & Burgess, 2002; Hall, 2006; Parliament of Victoria Economic Development Committee, 2005). Although the employment services industry has been established in Australia for over 50 years and features a number of high profile, international operators, research efforts on the industry and its workforce have been hampered by a lack of, or incomplete, data (Hall, 2006). Wooden (1999) reported that temps comprised 1.6 per cent of the total workforce in 1995 and worked in 20.6 per cent of all workplaces. More recently, Hall (2006) reported that temps accounted for between 2.5 per cent and 3.0 per cent of total employment. Recent evidence has suggested that demand-side factors such as employer motivations to achieve cost and flexibility related outcomes are significant reasons for the growth of labour hire in Victoria (Parliament of Victoria Economic Development Committee, 2005) and Australia (Laplagne, Glover, & Fry, 2005). The latest national data reported that the employment services industry comprises 2,445 for-profit and 259 not-for-profit organisations which specialise in employment placement or contract staff services (ABS, 2003). The current study focuses on the activities of for-profit or private employment agencies (refer to Appendix 1 for definition). Major areas of temporary employment placements are in health care/medical, trade/labour, and clerical occupations (ABS, 2003). The Recruitment and Consulting Services Association Limited (henceforth referred to as 'RCSA') reported that its members offer different categories of services to client organisations and that temporary placements generate a substantial portion of revenue (RCSA, 2007a). The Australian labour market is characterised by a skills shortage, the need to bring in skilled migrants, an ageing population, and a booming economy (RCSA, 2007b). In a recent survey, 95 per cent of RCSA respondents cited a lack of candidates as their biggest concern (RCSA, 2007b). Therefore, the ability of agencies to innovatively attract candidates and retain quality temps has implications for agencies, the industry, the broader economy, as well as workforce participation rates (Abhayaratna & Lattimore, 2006).

The Australian context is broadly similar to that of the United States, United Kingdom, Canada, and New Zealand in terms of agency work. In Australia, there are few or no national regulations or limitations applicable to agency work in relation to sectoral use, reasons for hire or the renewal and duration of hire (Burgess & Connell, 2004). There are very few pieces of state legislation, licensing or registration systems that refer specifically to labour hire arrangements (Parliament of Victoria Economic Development Committee, 2005). However, a Service Delivery Standard and Code for Professional Practice have been established and apply to RCSA members. The growth in the number of temp placements, concerns about working conditions, and the effect on direct employment has resulted in government inquiries and reports being initiated at the state and federal levels (see Australian Centre for Research in Employment and Work, 2007; Department of Employment and Industrial Relations, 2007; Department of Employment and Workplace Relations, 2005a; House of Representatives Standing Committee on Employment, Workplace Relations, and Workforce Participation, 2005; Industrial Relations Victoria, 2005; New South Wales Labour Hire Task Force, 2001; Parliament of Victoria Economic Development Committee, 2005; and WorkSafe Victoria, 2006). Many submissions to these inquiries presented divergent views about agency work and labour hire, and several areas were identified as being worthy of further attention.

Similar to other OECD economies, precise national data on Australian temps and agencies are not readily available. Fortunately, studies by a handful of Australian researchers and information made available by the RCSA and international operators, provide some insights into the characteristics and experiences of temps, as well as agency and industry operations. Similar to the findings reported by the OECD (2002), Australian temps work in a wide range of sectors and occupations, for both public and private employers of all sizes (Hall, 2006). Different labels are often used to describe this form of employment including labour hire, temps, and agency nurses (Campbell et al., 2004), temps (Burgess & Connell, 2004), on-hired workers (Brennan, Valos, & Hindle, 2003), professional contractors (McKeown, 2003), agency workers (Johnstone & Quinlan, 2006; Louie, Ostry, Quinlan, Keegel, Shoveller & LaMontagne, 2006), and labour hire employees (Underhill, 2006).

This study provides an independent assessment of the commitment, work attitudes, and experiences of clerical temps in Melbourne (Victoria, Australia), which is important for several reasons. Recent estimates have suggested that the recruitment industry generates \$22 billion revenue per annum and makes an important contribution to the Australian business community and economy (Mills, 2007). Within Australia, Victoria has the second highest proportion of for-profit agencies (33.6 per cent) and generates 27.3 per cent of industry income (ABS, 2003). Agency work (and labour hire) has been the subject of a recent Victorian government inquiry and individual submissions reflected differing and debatable perspectives. The majority of agency work arrangements involve casual employment which has been identified as an area that merits further attention. Finally, much is still unknown about the size of the temp workforce and its distribution among different forms of employment in Australia.

3. RESEARCH DESIGN AND METHOD

3.1 *Research design*

A mixed-method research design was used to address the research problem: **What characteristics and attitudes are related to commitment in the temporary agency worker - agency employment relationship?** and six related research questions, as shown in Table 1. A questionnaire was mailed to temps registered with eight agencies to gather data to examine their personal and work-related characteristics (Q1) and to test the concept of organisational commitment in the temp-agency employment relationship (Q2).

Table 1: Overview of the research questions and data gathered during this study

| Research question | Data source |
|---|--|
| Q1: What are the characteristics of clerical temps? | Temps' response to questionnaire |
| Q2: What key work attitudes are related to temps' commitment to agency? | Temps' response to questionnaire |
| Q3: To what or whom do temps feel a sense of commitment? | Temps' response to open-ended question in questionnaire |
| Q4: What agency policies and practices build a sense of commitment in the temporary agency worker – agency employment relationship? | Temps' response to open-ended question in questionnaire |
| | Agency managers' and consultants' interview responses |
| Q5: What are the main disadvantages of agency work? | Temps' response to open-ended questions in questionnaire |
| Q6: What are the main advantages of agency work? | Temps' response to open-ended questions in questionnaire |

The questionnaire included both scales (with numerical response options) and open-ended questions (which invited the temps to describe their personal experiences and thoughts using their own words). These questions explored the temps' foci of commitment (Q3), perceptions about agency policies and practices (Q4) as well as the disadvantages (Q5) and advantages (Q6) of agency work for them personally. As the main focus of this study was organisational commitment, it was appropriate to explore both the employee and employer perspectives. Interviews were conducted with managers and consultants to explore their views about the importance of temp commitment and to identify policies and practices used as strategies to build temp commitment (Q4).

The decision to focus on clerical temps was made for several reasons. A significant proportion of the Australian workforce is employed within the clerical, sales, and services occupational grouping (ABS, 2005a). Clerical work has been and continues to be a major area of temp placement in Australia (ABS, 2003), and internationally (Kalleberg, 2003). Further, intermediate and elementary clerical, sales, and services workers are forecast as occupational categories that will be most adversely affected by population ageing in Australia (Department of Employment and Workplace Relations, 2005a). The next section outlines the research method used to identify and access the clerical temps, managers, and consultants in order to collect the data.

3.2 Research method

A draft questionnaire was compiled incorporating pre-existing scales with established reliability and validity. Slight modifications were made to better reflect the work context of Australian temps. Interview schedules were also prepared prior to approval being granted by the Monash Standing Committee on Ethics in Research involving Humans. The questionnaire was pilot-tested with 15 individuals (industry informants, agency managers, administrative employees, individuals with current or previous agency work experience, and subject matter experts). A preliminary meeting was held with the RCSA who agreed to endorse the study. In order to identify potential agencies, a review was undertaken of the RCSA Online Member Index and 2006/07 RCSA Members Directory, and discussions were held with two agency managers. Following the scanning of agency websites and initial telephone contact being made, 11 agencies were invited to participate of which eight agreed.

Between September 2006 and July 2007, preliminary meetings were conducted with appropriate managers from eight agencies. Field notes were taken regarding the agencies' characteristics and operations and company documents were collected. A timeline was agreed for scheduling the interviews and distributing the questionnaire kits. In most instances, temps were provided with advance notification of their agency's participation in the study, the questionnaire kit was posted directly to their residential address by their agency, and a follow-up reminder postcard was sent within 14 days of the original mailout. Between March and August 2007, 744 questionnaire kits were posted with 187 (25 per cent) useable questionnaires returned directly to the researcher. The quantitative data were entered, screened, and then analysed using the Statistical Package for the Social Sciences (SPSS) software. In addition to the preliminary meetings with managers, semi-structured interviews were conducted with 16 consultants. In total, eight sets of field notes and 16 interview transcripts were generated, transcribed, and word-processed. All of the qualitative data were content analysed, themes and categories were identified, and frequency counts generated. The next section commences with a description of the characteristics of the participating agencies, managers, and consultants. This is followed by a description of the personal and work-related characteristics of the temp respondents, after which the key findings are presented.

4. DESCRIPTION OF PARTICIPANTS

4.1 Characteristics of agencies, managers, and consultants

As outlined in the previous section, eight agencies agreed to participate in this study. A summary of their overall characteristics is presented in Table 2. In order to preserve the anonymity of the participating agencies, a broad description has been provided.

Table 2. Characteristics of the participating agencies

| Characteristic | Number of agency managers mentioning item (N=8) |
|--|---|
| RCSA affiliation: | Yes: 8 |
| Years of operation in Australia: | Less than five years: 1 5 to less than 10 years: 1 10 to less than 15 years: 0 15+ years: 6 |
| Organisational size of business operations in Australia, number of persons directly employed not including temps: (based on ABS, 1999) | Micro (<5 employees): 2 Small (<20): 2 Medium (20-199): 3 Large (200+): 1 |
| *Main geographical areas serviced: | CBD/Local: 8 Regional: 6 Statewide: 4 National: 4 International: 2 |
| *Services provided to clients in the following sectors: | Private: 8 Public: 7 Not-for-profit: 7 |
| *Services provided to clients in the following industries: (based on ABS, 2005a) | Accommodation, cafes & restaurants: 2 Agriculture, forestry & fishing: 1 Communication services: 6 Construction: 5 Cultural & recreational services: 3 Education: 6 Electricity, gas & water supply: 5 Finance & insurance: 7 Government administration & defence: 5 Health & community services: 6 Mining: 3 Manufacturing: 5 Personal & other services: 5 Property & business services: 8 Retail trade: 3 Transport & storage: 4 Wholesale trade: 4 |
| *Organisational size of clients serviced: (based on ABS, 1999) | Micro (<5 employees): 7 Small (<20): 8 Medium (20-199): 8 Large (200+): 7 |

* Respondents could report multiple responses

As presented in Table 2, the agencies were affiliated with the RCSA and had very different characteristics. Most agencies had been established in excess of 15 years, and the number of employees varied from less than five to over 200. The majority of agencies provided services to clients located within the Melbourne central business district or their local region.

Half of the agencies provided services on a statewide or national basis. All agencies provided services to the private sector, and most had major clients in the public and not-for-profit sectors. Agencies provided services to organisations of varying sizes across many industries, particularly in the property and business services, and finance and insurance industries.

Seven of the eight agency managers interviewed were female and their titles varied from Victorian General Manager, Branch Manager, and Executive Manager to Director. The managers' tenure with their agency ranged from one year to in excess of 20 years. In relation to relevant or accredited qualifications, two managers held a degree-level qualification and three managers held a diploma in human resources, human resources consulting, or management. Of the 16 consultants interviewed, 15 were female and their titles included Recruitment Consultant-Temporary, Temporary Recruitment Executive, and Consultant. The consultants' tenure with their agency ranged from one month to in excess of seven years¹. Ten consultants held a relevant or accredited qualification. Three consultants held a degree-level qualification, a further three held a diploma or associate diploma in business or human resources, and four held a certificate-level qualification in business, small business or workplace training.

4.2 Characteristics of the temp respondents

In order to address Q1, temps were asked in the questionnaire to report their personal and work-related characteristics. Summaries of these characteristics are presented in Tables 3 and 4 respectively. Assessment of non-response bias (comparing respondents with non-respondents on the available demographic characteristics provided by agency managers) indicated no major differences.

Table 3: Personal characteristics of temp respondents

| Characteristic | Responses for sample (N=187) |
|--|---|
| Gender: | Female:80% Male: 20% |
| Age: | Mean = 36 (range 19 to 64 years), Median = 33 years, Mode = 26 years |
| Residency status: | Australian Citizen: 77% Australian resident (born overseas): 15% Working Holiday Maker/Working Visa: 6% Other: 2% |
| Marital status: | Single: 54% Married/With Partner: 46% |
| Number of dependent children or adults: | None: 81% One or more: 19% |
| Number of pre-school aged children: | None: 96% One: 4% |
| Number of school aged children: | None: 89% One or more: 11% |
| Highest level of education: (based on ABS, 2000) | Secondary Education: 22% Certificate: 18% Advanced Diploma/Diploma:12% Bachelor Degree: 36% Graduate Diploma/Certificate: 6% Postgraduate Degree: 6% |

¹ Evidence of high consultant turnover rates has been recently published (RCSA, 2007c)

Drawing together the temps' personal data in Table 3, these temps could be generally described as predominantly female Australian citizens who are aged in their mid 20s to mid 30s. Most temps reported being single, without dependents, and held a Bachelor Degree qualification or were educated to secondary school level. Interestingly, six per cent of respondents reported that they held working visas or student visas², suggesting some agencies may be required to closely monitor and manage the requirements associated with these visas³. Respondents were aged 19 to 64 years suggesting agency work arrangements apply to a broad spectrum of the workforce, who may have very different employment-related needs. For this sample of temps, agency work seems to be an option for new workforce entrants in particular, as almost 26 per cent of the sample were aged 22 to 26 years. The diversity of this sample of temps was also evident in relation to their work-related characteristics presented in Table 4.

Table 4: Work-related characteristics of temp respondents

| Characteristic | Responses for sample (N=187) |
|--|---|
| Union membership: | No: 95% Yes: 5% |
| Work experience as a temp: | Mean = 28 (range 0 to 180 months) |
| Length of registration with agency: | Mean = 16 (range 0.50 to 144 months) |
| Knows the name of Consultant: | Yes: 93% No: 7% |
| Tenure with Consultant: | Mean = 9 (range 0 to 85 months) Median = 6 months |
| Years of administrative/office support work experience: | Mean = 11 (range 0 to 45 years) Median = 7 years |
| Length of current assignment: | Mean = 170 (range 0 to 3740 days [over 10 years]) Median = 90 days |
| Previous assignment with current client: | No: 66% Yes: 34% |
| Rating of assignment level compared to own skills and abilities: | Basic: 37% Intermediate: 48% Advanced: 15% |
| Gross hourly rate (before tax): | Mean = 20 (range \$17 to \$33 per hour) |
| Household income earner status: | Main earner: 48% Supplementary earner: 52% |
| Hours worked per week in all paid jobs: | Mean = 32 (range 6 to 50 hours) Median = 37 hours |
| Preferred work schedule (hours per week): | Full-time (35+): 56% Part-time (<35): 44% |
| Number of agencies currently registered with: | One: 47%, Two: 23%, Three: 16%, Four or more: 12%, Not sure: 2% |
| Number of agencies paid by in the past 12 months: | One: 62%, Two: 25%, Three: 8%, Four or more: 5% |

² The Victorian government has recently released its Skilled Migration Strategy 2008-2011 which signals an intention to actively attract skilled overseas migrants (Department of Innovation, Industry and Regional Development, 2007)

³ Amendments have recently been announced regarding migration regulation which tighten the rules applicable to on-hire recruitment companies sponsoring 457 visas for temporary skilled migrants (Tully, 2007)

Drawing together the data in Table 4, these temps could be generally described as non-union members, having several years of work experience, and around two years of temp experience. They are likely to be currently registered with, and paid by, one or perhaps two agencies. The temps tended to know the name of their agency consultant and had generally worked with them for less than one year. In relation to their current assignment, the duration varied from zero days to several years, and they are likely to be on their first assignment with their current client organisation. Of the nine respondents indicating they were union members⁴, five were members of unions outside the clerical field suggesting some individuals may have past or future employment interests beyond temp work in an administrative capacity.

A closer look at the responses indicated that around 60 per cent of respondents have been working as a temp for up to two years and 10 per cent have between seven and 15 years of temp work experience. Almost 73 per cent have been working for one year or less with their current consultant, perhaps reiterating the dynamic nature of the industry. Over 20 per cent of respondents had two years or less of work experience, with over 12 per cent having in excess of 30 years' work experience. Variation in the duration of work assignments was evident. Almost 26 per cent of temps reported that they have been working at their current assignment for more than six months. 20 per cent of temps have been working at their current assignment for more than one year⁵. In relation to salary, 75 per cent of respondents reported that they were earning \$21 per hour or less, and the temps may or may not be the main income earner for their household.

In relation to exclusive and multiple agency registrations, it appears that the majority of temps are registered with and paid by a small number of agencies. Although agencies cannot guarantee work, some temps appear to be in a 'perma-temp', on-going, or long-term placement with the one client⁶. Further, 87 per cent of respondents have been paid by one or two agencies in the past 12 months. Therefore, the majority of temps are unlikely to be constantly moving from one agency to the next as they appear to have established an employment relationship with one or two agencies.

Overall, the personal and work-related characteristics of temps were diverse. The heterogeneity of this sample confirmed that agencies are dealing with a broad range of individuals that are likely to have varying and individualised preferences, motivations, and attitudes towards agency work. For example, some temps are younger, well-educated, and have little work experience while others are older, have decades of work experience, and are less formally educated. Although the majority of temps are actively registered with one or two agencies, effectively managing, supporting, and communicating with these individuals may still present a challenge to consultants, particularly inexperienced or newly appointed consultants.

⁴ Organising casual and temporary workers poses challenges for trade unions (Burgess & Connell, 2004), and declining union membership has weakened the infrastructure for worker involvement, especially where agency work is pervasive (Johnstone, Quinlan, & Walters, 2005)

⁵ Proposals have been made to allow workers to elect to become employees of the client organisation after six months' (Department of Employment and Workplace Relations, 2005b) or 12 months' of continuous service (Recommendation 17, Dissenting Report to House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation, 2005)

⁶ Protection against 'sham' arrangements (where hirers seek to disguise relationships to avoid entitlements due to employees) has been raised in relation to independent contractors and is becoming increasingly relevant to the labour hire industry (Department of Employment and Workplace Relations, 2005b)

5. KEY FINDINGS FROM THE PRELIMINARY ANALYSIS

5.1 *What key work attitudes are related to temps' commitment to agency?*

Organisational commitment theory is well established and has been extensively examined in academic research. Past studies have confirmed that a number of important work attitudes are related to organisational commitment (Meyer & Allen, 1997) and underpin employee engagement. In order to address Q2, questionnaire data were gathered from temps as to their perceptions of their experiences with the agency. (Refer to Appendix 1 for a listing of the definitions used in this study). The scores reported by the temps are presented in Table 5.

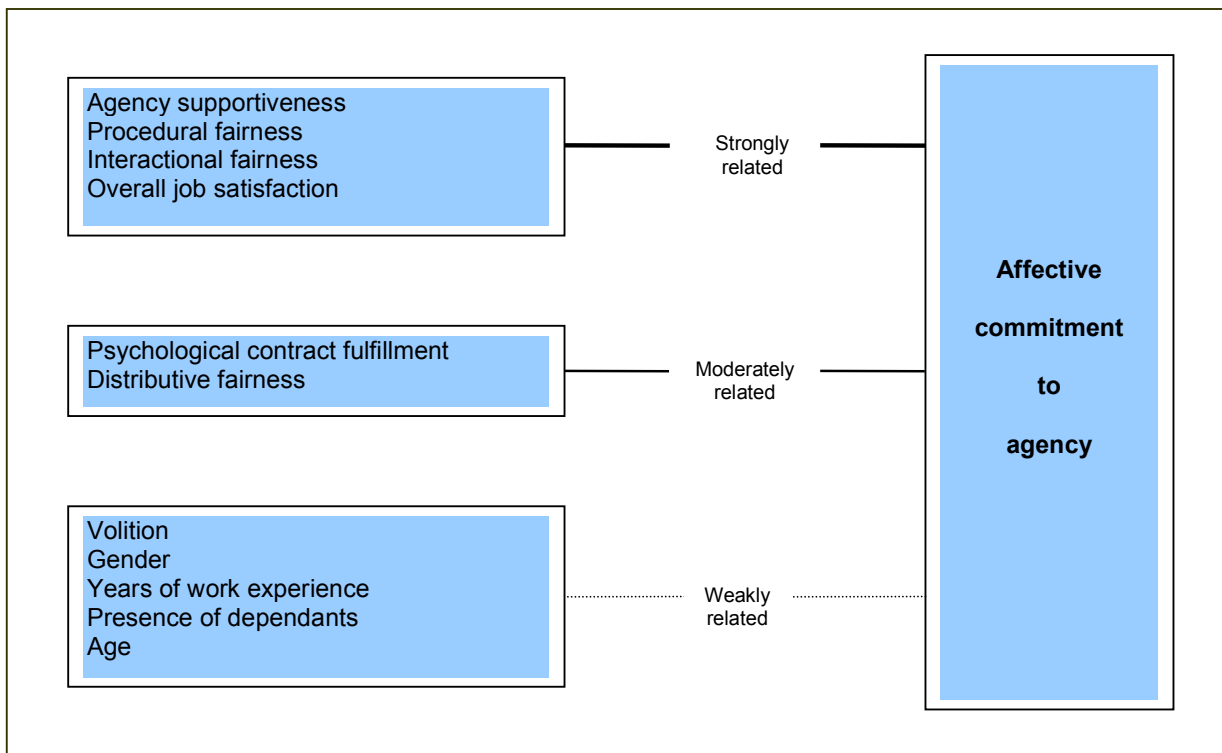
Table 5. Temps' key work attitude indicators

| Attitude indicator | Scores reported by temps (response range = 1 to 7) |
|--|---|
| Distributive fairness (Sample item: Overall, the rewards I receive here are quite fair) | Mean = 5.28, Std Dev = 1.13 |
| Interactional fairness (Sample item: When decisions are made about my work assignments, my agency treats me with respect and dignity) | Mean = 5.08, Std Dev = 1.11 |
| Psychological contract fulfillment (Sample item: I feel that my agency has come through in fulfilling the promises made to me when I was hired) | Mean = 4.83, Std Dev = 0.82 |
| Agency supportiveness (Sample item: The agency really cares about my well-being) | Mean = 4.69, Std Dev = 1.28 |
| Procedural fairness (Sample item: My agency makes sure all temp worker concerns are heard before work assignment decisions are made) | Mean = 4.62, Std Dev = 1.03 |
| Overall job satisfaction (Sample item: Generally speaking, I am very satisfied with agency temp work) | Mean = 4.50, Std Dev = 1.21 |
| Affective commitment (Sample item: I feel a strong sense of belonging to my agency) | Mean = 3.62, Std Dev = 1.17 |

Overall, the top three highest scores reported by the sample were in the areas of distributive fairness, interactional fairness, and psychological contract fulfillment. These findings suggest that the temps perceive a degree of fairness in the outcomes and allocations that they receive and in the quality of the interpersonal treatment during the handling of procedures. In general, the temps also perceive that the obligations in the exchange relationship are somewhat fulfilled and that the agency generally keeps its promises. The next highest scores were in the areas of agency supportiveness, procedural fairness, and overall job satisfaction. The findings suggest that these temps perceive that the agency values their contributions and cares about their well-being. The respondents also indicated that they perceive some fairness in the processes used in determining or deciding work-related outcomes, and they experience some sense of satisfaction with agency work.

Of particular relevance to this study is the level of **affective commitment** reported by respondents. Affective commitment is arguably the most important and desirable form of commitment from the employer's viewpoint. Reviews by Meyer and Allen (1997) and Mowday, Porter, and Steers (1982), and meta-analyses by Mathieu and Zajac (1990) confirmed that across a wide range of settings organisational commitment is a predictor of attendance, job performance, and organisational citizenship behaviours which, in turn, are associated with positive organisational outcomes. Affective commitment refers to the employee's emotional attachment to, identification with, and involvement in the organisation (Meyer & Allen, 1991). Therefore, temps with a strong affective commitment continue employment with the agency because they **want** to do so, not because they **need** to or feel they **ought** to. As noted by Gallagher and McLean-Parks (2001), agencies have been provided with little guidance regarding practices to increase temp commitment to the agency because many of the factors that have been examined are not entirely under the agency's control. As the main focus of this study was temps' commitment to agency, the findings in Figure 1 provide some guidance for agencies seeking to influence commitment levels.

Figure 1. Temp workers' attitudes and characteristics related to affective commitment to agency



As presented in Figure 1, a number of key work attitudes and personal characteristics were significantly and positively related to affective commitment to agency⁷. Agency supportiveness, procedural fairness, interactional fairness, and overall job satisfaction were strongly related to affective commitment. Both psychological contract fulfillment and distributive fairness were moderately related to affective commitment. Further, an examination of the relationship between affective commitment and temps' demographic characteristics indicated that five characteristics were also positively and significantly related. However, it should also be noted that these relationships were small in magnitude. Volition (choosing to temp for personal reasons not due to enforced circumstances), gender (females report higher levels), years of work experience, presence of dependants, and age (commitment levels increase with age) were weakly related to affective commitment.

Thus the most affectively committed temps are those who perceive they are supported, feel their contributions are valued, perceive they are treated fairly, and experience a sense of satisfaction with agency work. Perceptions about whether or not the agency fulfills its promises and distributes outcomes fairly (pay rates and types of assignments offered) also affect the temps' level of affective commitment. These findings converge with those reported in previous studies examining the commitment of traditional employees (with no intermediary or agency) and temps.

Overall, temps' perceptions about how they are treated and supported by the agency (and its representatives) are likely to have the most impact on affective commitment to agency. These factors are within the agency's control if they seek to strengthen the level of their temps' affective commitment. Of particular interest is the linkage between job satisfaction and affective commitment. To a certain degree the types of assignments available with clients are beyond the control of the agency. However, the agency and its representatives do have some control over which temps are offered which assignments, the temp-job-organisation matching process, and the way in which the assignment is described to the temp. Thus they may influence the temps' expectations through these actions. Where a temp is incorrectly matched with an assignment, pay rate or organisational context, or the assignment is misrepresented, this is likely to affect the temps' perceptions of fairness and supportiveness and thus have a negative effect on their impression of the agency. Where the temp perceives there is an appropriate match and the client organisation provides a reasonable working environment, temps are more likely to be satisfied with the agency in addition to feeling a sense of attachment to the client.

5.2 To what or whom do temps feel a sense of commitment?

Past research (mainly based on employees with traditional employment models) has found that commitment may assume multiple foci or entities and that this has implications for job performance (Becker, Billings, Eveleth, & Gilbert, 1996). Employees may direct varying degrees of commitment towards multiple sub-groups or constituencies within the organisation such as management, supervisors, workgroups, teams or leaders. In the temp's work arrangement they simultaneously hold and satisfy obligations to both the agency and client organisation by performing the same behaviour (McLean Parks, Kidder & Gallagher, 1998). Therefore, it is conceivable that temps may be committed to multiple work-related targets or have a sense of dual commitment to both the agency and client organisation (Liden, Wayne, Kraimer, & Sparrowe, 2003). In order to address Q3 and examine the concept of temp commitment more closely, the following question was included in the questionnaire: **In your work life, to what or whom do you feel a sense of commitment?** As presented in Table 6, 167 respondents reported a range of foci which have been categorised as related to the agency, client organisation, work, and other (which extend beyond the work domain).

⁷ Please note that the strength of the relationship is described according to recommended guidelines (see Cohen, 1988).

Table 6. Foci of commitment reported by temps

| Foci of commitment* | % of respondents mentioning item (N=167) |
|---|---|
| Agency (total includes sub-groups): Sub-group: consultant Sub-group: other agency temps | 60 32 13 |
| Client organisation (total includes sub-groups): Sub-group: colleagues/co-workers Sub-group: supervisor/boss/manager Sub-group: work assignment/project/customers | 73 26 15 12 |
| Work-related foci: Generating an income/being employed Doing a professional job Occupation/profession | 46 46 17 |
| Other foci: Myself (well-being, satisfaction, family, other) | 24 |

* Respondents could report multiple responses

As presented in Table 6, 60 per cent of respondents mentioned that they feel a sense of commitment towards the agency generally. As illustrated by the following sample quotes, some temps are very aware of the importance of their relationship with the agency:

... commitment to the agency because they are the source of my employment (full-time female, 59 years, with agency two years).

... commitment to the agency because the agency gave me a job, I'm employed by them and have an income (part-time female, 31 years, with agency one month).

In relation to agency sub-groups, 32 per cent specifically mentioned their consultant and 13 per cent mentioned other agency temps. The frequent mentioning of the consultant is particularly interesting when placed in the context of the high consultant turnover rates reported by RCSA members (RCSA, 2007c).

Given the varying length of assignments previously reported (zero days to in excess of 10 years), and strong relationship between overall job satisfaction and affective commitment (refer to Figure 1), it is not surprising that 73 per cent of temps mentioned that they feel a sense of commitment to the client organisation. The concept of temp commitment is complex and changeable, as demonstrated by the following examples:

Commitment to the client company – they are the ones paying. Commitment to agency also because I don't want them to get a bad reputation with clients (part-time female, 62 years, with agency seven years).

... really depends on the assignment and length of assignment, as the first obligation is to the agency and yourself but the longer you are employed at one position, your obligation and duty fall to the company you are working for, if you are doing your job properly (full-time female, 31 years, with agency two years).

In relation to the sub-groups within the client organisation, 26 per cent specifically mentioned their colleagues or co-workers, 15 per cent mentioned the workplace supervisor, boss, or manager, and 12 per cent mentioned the current work assignment, project, or the client's customers. As illustrated by the sample quote below, some temps mentioned feeling a sense of commitment to the client organisation rather than their agency, particularly where an organisation has directed the individual to register with and be payrolled by the agency:

No commitment at all to my agency – commitment to my employer. Agency has little knowledge of my job, and due to frequent turnover of agency staff I have not formed a strong relationship with them (part-time female, 27 years, with agency two years).

As reflected in the above quote, some respondents mentioned a sense of commitment to the employer. Respondents used the terminology 'employer', 'employer – client and agency', 'employer and agency' which suggests there may be some confusion regarding the roles and obligations associated with the employer status⁸. When it was unclear to whom the temp respondent was referring, the data were omitted from Table 6.

Beyond the agency and client organisation, temps indicated that they are committed to a range of work-related and other foci. 46 per cent of temps indicated a commitment to generating an income and being employed. 46 per cent mentioned that they were committed to doing a professional job, with 17 per cent being committed to their profession (clerical) or occupation (temp worker). Moving to the 'other foci' category, 24 per cent of temps indicated that they were committed to 'myself', as demonstrated by the following examples:

Myself. Work doesn't get in the way of my health and education (part-time male, 20 years, with agency two years).

To my own happiness and well-being (full-time female, 44 years, with agency eight years).

Other responses related to being committed to family, friends, own satisfaction, personal development, and other pursuits. This focus on outside commitments may have implications for the temps' willingness and availability to work, especially as almost 20 per cent of all respondents have caring responsibilities and 44 per cent prefer a part-time work schedule.

Overall, temps are committed to one or multiple foci. These findings confirmed the majority of temps feel a sense of commitment to the client organisation and their agency. The consultants' ability to match temps with appropriate jobs and organisational contexts is likely to be related to assignment acceptance and completion rates, temp on-the-job performance, client satisfaction, and temp retention rates. In instances where temps feel a stronger sense of attachment to the client organisation than the agency, the agency may be in a precarious position and have to identify and implement strategies to assert its employer status. This may be heightened when the tenure of the assignment is lengthy. Almost one quarter of the temps are committed to pursuits and interests outside of agency work. In order for consultants to increase assignment acceptance rates, it appears prudent to capture data on the individual temp's outside commitments at the time of registration and to monitor any changes throughout the enrolment period.

⁸ Evidence of confusion and disputes over who is the responsible employer (the client organisation or the agency) have been previously reported (see House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation, 2005; Parliament of Victoria Economic Development Committee, 2005)

5.3 What agency policies and practices affect temps' commitment to agency?

Management research on the impact of human resource management (HRM) practices on commitment is limited. Nevertheless, Meyer and Allen (1997) argued that employees' affective commitment to the organisation is related to their perceptions of HRM policies and practices. In particular, practices relating to recruitment and selection (i.e. realistic job previews, pre-entry expectations), socialisation and training (informative orientation program and positive support after entry), assessment and promotion (fair and adequate reviews and feedback), and compensation and benefits (performance-reward linkage, pay equity) have been associated with affective commitment.

In order to address Q4 and explore the impact of agency policies and practices on the temps' level of affective commitment, the following question was included in the questionnaire: **What does your agency/consultant/contact person do to encourage you to feel a sense of belonging to this agency?** As presented in Table 7, some of the 170 respondents mentioned multiple items which have been categorised as agency-wide policies and practices and consultant practices relating to communication and information or personalised attention and support. Where less than five per cent of the sample mentioned a specific item it was not included in Table 7, but rather is acknowledged in the following discussion.

Table 7. Agency policies and practices that encourage a sense of commitment to agency

| Agency policies and practices that encourage a sense of affective commitment ⁹ | % of respondents mentioning item (N=170) |
|---|--|
| Agency-wide policies/practices: | |
| Christmas/Easter gifts and social gatherings | 12 |
| Reward/loyalty program and promotional products | 5 |
| Consultant practices – communication/information: | |
| Phone calls, e-mails or regular contact | 37 |
| On-site or in-person visits (pizza/coffee/biscuits) | 22 |
| Proactively calling/responding promptly | 18 |
| Asking or valuing my opinion | 8 |
| Keeps me up-to-date about this and other assignments | 6 |
| Recognition or thanks for job well done | 6 |
| Feedback and meetings | 5 |
| Checking my availability and preferences | 5 |
| Consultant practices – personalised support/attention: | |
| Good rapport, friendships, and work relationships | 18 |
| Listens, warmth, genuine concern, and honesty | 11 |
| Problem solving, assisting with questions or issues | 6 |
| Personalised attention, knows me and my name | 5 |
| Other aspects: | |
| Agency does nothing specifically/not much, I do not yet feel or expect to feel a sense of belonging | 27 |

* Respondents could report multiple responses

⁹ These findings provide some evidence of agencies complying with Principle 2 (Honest Dealings) of the RCSA Code for Professional Practice, from the temps' perspective

Overall, the two most frequently mentioned consultant practices that encouraged this sample of temps to feel a sense of belonging were regular contact (generally through phone calls and e-mails) and on-site or in-person visits. Respondents also indicated that they valued proactive or courtesy phone calls and the prompt returning of their calls by consultants. They mentioned that the rapport, friendships, and relationships that they have developed with their consultants also encourage them to feel a sense of belonging. A sense of belonging is also encouraged by consultants asking for and valuing temps' opinions, keeping them up-to-date with information about their current and potential future assignments, acknowledging their efforts, and providing gestures and celebratory activities. Over 10 per cent of temps mentioned that they valued their consultant's warm, genuine, and honest approach.

Other items that were each mentioned by fewer than five per cent (or eight) respondents related to their consultant being professional and efficient, being paid on time, having no payroll problems, receiving agency news or circulars, receiving birthday cards, the consultant providing assistance with job search activities which includes acting as a referee, being provided with the correct forms, and being kept in work with preferred assignments or clients. Another indication of the changeable nature of the foci of commitment was reflected by the four respondents who mentioned that they now felt very little sense of belonging, however, this was not how they felt when they worked with a previous consultant at the same agency.

Forty-six respondents (27 per cent) mentioned their agency did nothing specifically or not much to encourage a sense of belonging or that they did not feel or expect to feel a sense of belonging. In order to more fully explore this finding and the importance of temp commitment, data was gathered from employer's perspective. Agency managers and consultants were asked to describe the policies and practices that their agency uses as strategies to encourage temps to be committed or to have a sense of belonging. As presented in Table 8, the agency respondents mentioned a variety of practices that were also categorised as agency-wide policies and practices, and other consultant practices related to communication and information or personalised support and attention. Items mentioned by at least five per cent of temps (i.e. listed in Table 7) and managers or consultants are indicated in *italics* in Table 8.

The data in Table 8 clearly indicate that agencies are using a range of strategies to build temp commitment and to encourage retention. The responses by managers and consultants overlapped with many of the policies and practices mentioned by temp respondents (see Table 7). The overlap was particularly evident in relation to regular contact via telephone calls, e-mails, and in-person visits, having a good rapport and work relationship, making proactive or courtesy calls and prompt responses, and really listening to and acting upon the temps' individual preferences, needs, and concerns. All three groups of respondents generally agreed that these strategies are the most important, and indeed most effective, in encouraging a sense of commitment to the agency. Although temps, managers, and consultants articulated their items differently, similarities were also evident under the general umbrella of 'candidate care'. For example, references were made to effectively matching temp preferences with assignments by being familiar with clients' work environments, discussing and managing expectations, checking temps' availability and preferences, providing feedback on employability and performance, assisting with job preparation and searches, and the importance of being understanding when the temps' availability changes. This evidence suggests some agencies and consultants see their temps as a whole person, with a work and non-work life and emotions, in addition to their skills set. Therefore, it is conceivable that the relationship between a temp and their consultant/agency may be located at any point between being a purely **transactional** exchange and a personalised **relational** exchange, characterised by trust, good faith, and fairness (Rousseau, 1995).

The different emphasis on strategies reported by managers and consultants was an interesting but not surprising outcome. One explanation for the different emphasis could be that managers were more focused on agency-wide policies and compliance-related practices. Managers may view many of the communication and support practices mentioned by consultants as being standard operating procedures. Another explanation could relate to the more structured format of the interviews with consultants.

Table 8. Agency strategies adopted to encourage temps' commitment to agency

| Agency strategy* ¹⁰ | No. of managers mentioning item (n=8) | No. of consultants mentioning item (n=16) | Total managers and consultants mentioning item (N=24) |
|---|---------------------------------------|---|---|
| Agency-wide policies/practices: | | | |
| Familiar with client policies/workplace/culture to match | 8 | 15 | 23 |
| Formal orientation and induction pack | 8 | 13 | 21 |
| <i>Christmas/Easter/Birthday tokens and social gatherings</i> | 7 | 12 | 19 |
| Offering quality assignments/clients and safe workplaces | 4 | 14 | 18 |
| <i>Reward/loyalty program and promotional products</i> | 5 | 12 | 17 |
| Possibility of temp-to-perm conversion | 1 | 13 | 14 |
| On-site/on-line training/e-learning resources | 4 | 9 | 13 |
| Temp of the month/quarter type awards | 3 | 8 | 11 |
| Candidate care program | 2 | 8 | 10 |
| Refer a friend incentive | 1 | 6 | 7 |
| Formalised feedback forms and surveys | 3 | 2 | 5 |
| Newsletter | 2 | 2 | 4 |
| Agency image and marketing messages (we want you) | 0 | 4 | 4 |
| Ability to move within agency network | 2 | 1 | 3 |
| Identifying top temps | 1 | 1 | 2 |
| Consultant practices – communication/information: | | | |
| <i>Phone calls, e-mails or regular contact</i> | 8 | 16 | 24 |
| <i>On-site or in-person visits</i> | 8 | 13 | 21 |
| <i>Checking availability and preferences</i> | 4 | 16 | 20 |
| Matching temp preferences/skills with assignments | 5 | 15 | 20 |
| Discussing and managing expectations | 3 | 16 | 19 |
| Keeping temps in work | 3 | 15 | 18 |
| <i>Proactively calling/responding promptly</i> | 3 | 15 | 18 |
| <i>Feedback and meetings (performance/employability)</i> | 3 | 12 | 15 |
| Offering repeat, extended or back-to-back assignments | 2 | 11 | 13 |
| Offering good, appropriate, or negotiable pay rates | 2 | 9 | 11 |
| <i>Keeps temp up-to-date about this and other assignments</i> | 0 | 9 | 9 |
| <i>Recognition or thanks for job well done</i> | 0 | 8 | 8 |
| Treating candidates as king or as important as clients | 0 | 5 | 5 |
| Consultant practices – personalised support/attention: | | | |
| <i>Good rapport, friendships, and work relationships</i> | 6 | 16 | 22 |
| <i>Listens, warmth, genuine concern, and honesty</i> | 3 | 16 | 19 |
| <i>Problem solving, assisting with questions, advocacy</i> | 4 | 15 | 19 |
| <i>Personalised attention, knows temps by name</i> | 3 | 12 | 15 |
| Introducing temps to other team members/consultants | 1 | 10 | 11 |
| Assisting job preparation, job searches, acts as referee | 0 | 10 | 10 |
| Being understanding of temps' changing circumstances | 0 | 10 | 10 |
| Making them aware of other temps at the same worksite | 0 | 2 | 2 |

* Agency managers and consultants could report multiple responses

* Strategies listed in *italics* were mentioned by managers or consultants and at least 5% of temps

In order of frequency, managers mentioned having a formal orientation and induction pack, regular contact and visits, familiarity with clients' work environments to ensure a good temp-job-organisation match, celebratory tokens and social gatherings, and good working relationships with the consultant.

¹⁰ These findings provide some agency evidence of compliance with Principle 5 (Respect for Safety) and Principle 6 (Respect for Certainty of Engagement) of the RCSA Code for Professional Practice

While also mentioning those strategies, consultants also frequently mentioned checking temps' availability and preferences, matching temp preferences with assignments, discussing and managing expectations, listening with concern and responding honestly, keeping the temps in work, providing assistance and advocacy when issues or problems arise, the possibility of temp-to-perm conversion, and offering quality assignments with reasonable clients who provide safe working environments. Other items mentioned by consultants that were not stated by managers include the marketing messages used when the agency is seeking temps, keeping temps up-to-date about the current and other assignments, recognising temps' efforts and thanking them for a job well done, treating candidates and clients as being of equal importance, assisting temps with job preparation and job search activities, being understanding of temps' changing circumstances, and making them aware of the presence of other agency temps at the same worksite.

Returning to the temps' perspectives, the qualitative findings in Table 7 reiterate the relationships identified between key work attitudes and affective commitment to agency presented in Figure 1. Temps are more likely to report a sense of belonging when their agencies adopt a combination of agency-wide policies and consultant practices that satisfy their individual needs. Generally, temps indicated they are more likely to be affectively committed to their agency when they feel supported and cared for, are kept informed about their status and processes relating to work assignments, perceive that they are treated fairly and respectfully in interactions, and experience a sense of satisfaction with temp work assignments.

Overall, the responses from temps, managers, and consultants overlapped to some degree regarding agency-wide policies and consultant practices that build a sense of belonging. 27 per cent of temp respondents mentioned that they do not feel a sense of belonging or that this is not encouraged by their agency. However, the commitment building strategies identified by consultants and managers suggest otherwise. This finding suggests that there may be a number of strategies, particularly relating to agency-wide policies/practices (presented in Table 8 that are not in *italics*) that temps are unaware of or do not associate with developing a sense of belonging. The convergence between the temps' open-ended comments (see in Table 7) and the relationships identified between key work attitudes and affective commitment to the agency (see Figure 1) is encouraging. In particular, consultant practices that are perceived by temps as being supportive, consultative, fair, and involve timely information-sharing will result in an increased level of affective commitment to agency for the majority of temps.

5.4 What are the main disadvantages of agency work?

There is a common criticism that many contingent workers, including temps, fall within the peripheral or secondary (bad) labour market segment (McGovern, Smeaton, & Hill, 2004). The fundamental disadvantages often linked to agency work are employment insecurity and wage penalties, limited or no access to employment-related benefits and conditions, and having less favourable work experiences. For example, in many other countries, temps have virtually no or limited medical coverage, health insurance, pensions or other benefits often associated with standard employment arrangements. Research studies have identified disadvantages associated with feeling like an outsider, disposable worker, or 'just a temp' (Rogers, 2000). However, other research has found that temps experience employment insecurity and unfavourable working conditions to varying degrees (Marler, Woodard Barringer, & Milkovich, 2002).

Given the emphasis on the negative aspects associated with contingent and agency work, the disadvantages or problems related to agency work are firstly examined. In order to address Q5, the following question was included in the questionnaire: **Overall, what are the main disadvantages or problems of agency temp work for you personally?** As presented in Table 9, of the 176 respondents answering this question, 156 mentioned at least one form of disadvantage that they are personally experiencing.

Table 9. Disadvantages of agency work reported by temps

| Details of disadvantages* | % of respondents mentioning item (N=176) |
|--|--|
| Insecure/uncertain nature of temp work: | |
| Lack of stability and security (job, income, and long term) | 36 |
| No paid leave entitlements (sick, annual, and public holidays) | 28 |
| 'No work, no pay' policy, insufficient work or unemployment | 14 |
| No continuity, no work team, disposable, 'just a temp' | 14 |
| Uncertainty surrounding future/next assignment | 7 |
| Prefer a permanent job | 6 |
| Agency policies and consultant practices: | |
| Underpaid, low and varying pay rates | 13 |
| Lack of support (no return calls or advocacy, client focus) | 10 |
| Assignment is inconvenient (duration, location, hours) | 10 |
| No pay increments, bonuses, salary sacrificing, overtime | 9 |
| Having to communicate through agency, commission | 6 |
| Irregular work opportunities | 6 |
| Short notice (accept misrepresented or non-preferred work) | 6 |
| No advancement (career/promotion, training, development) | 5 |
| Unfavourable experiences on assignment: | |
| Boring or basic level assignments, skills under-utilised | 7 |
| Uncertain duration/end date/cessation at client's will | 6 |
| Client employees' negative attitudes or disinterest | 5 |
| No job control, insufficient orientation or equipment access | 3 |
| None or none so far | 11 |

* Respondents could report multiple responses

Temps mentioned items which have been categorised as being associated with the insecure and uncertain nature of temp work, agency policies and consultant practices, or unfavourable experiences on assignment. 20 respondents (11 per cent) indicated that they have experienced no disadvantages, or none so far, associated with agency work.

Although the themes in Table 9, are generally consistent with those reported in previous studies of temporary and casual workers, the strong emphasis on the insecure and uncertain nature of agency work is noteworthy. For approximately one third of respondents the main areas of disadvantage related to the lack of job, income, and long term stability and security as well as the lack of paid entitlements such as sick leave, annual leave, long service leave, and public holidays¹¹. This finding is not surprisingly when placed in the context of the reasons why these individuals decided to work as agency temps (ie. volition). **Job loss, job cessation or being made redundant** played a major role in the decision to work as an agency temp for around 25 per cent of respondents. Further, **difficulties finding permanent work** played some role or a major role in the decision to work as an agency temp for 62 per cent of respondents.

Other problem areas frequently mentioned related to the 'no work-no pay' policy which applies in times of insufficient work and unemployment; the lack of workplace continuity, work team, and subsequent feelings of being an outsider or 'just a temp'; the low and varying pay rates; the general lack of agency support; and having to accept assignments on short notice.

¹¹ Evidence submitted to the Parliament of Victoria Economic Development Committee (2005) suggests employment insecurity and financial insecurity are serious issues for casual employees

Regarding pay and work-related conditions, 13 per cent of respondents mentioned being underpaid, paid lower or varying pay rates and a further nine per cent commented on the lack of pay increments, bonuses, salary sacrificing, and overtime. A small number of temps mentioned assignments were misrepresented.¹² Others mentioned having unfavourable experiences on assignment due to boring tasks, negative attitudes of work colleagues, and insufficient job orientation, control or resources to undertake the assignment¹³.

Overall, the major area of disadvantage as reported by temps relates to the uncertainty associated with agency work, particularly the lack of stability, security, and paid leave entitlements. To a lesser degree, temps also mentioned a number of problems related to agency policies and consultant practices and unfavourable experiences on assignment. Agencies have the opportunity to address many of these issues through internal process improvements and improved communication with temps and client organisations. Process and communication improvements may be easier and less expensive to resolve than the pay-related problems reported.

5.5 What are the main advantages of agency work?

Previous studies have identified a range of work-related and personal reasons to explain why individuals seek and undertake agency work. For some individuals, agency work provides a pathway to employment, potential employers, and possibly permanent work (Henson, 1996; Marler et al., 2002). For others, agency work provides an income (Hardy & Walker, 2003) and possibly a higher hourly rate (Marler et al., 2002). Agency work may be advantageous when it allows individuals to experience a variety of work tasks, office systems, and organisational contexts (Casey & Alach, 2004), and enhances an individual's adaptability through exposure to a range of experiences and the associated skills development (Marler et al., 2002).

For some individuals, agency work provides increased autonomy and well-being. For example, individuals have reported that agency work provides greater freedom, flexibility, and control which facilitates the achievement of other life priorities (Casey & Alach, 2004), including the managing of child and elder care responsibilities (Marler et al., 2002). Some temps have sought agency work to avoid corporate politics and inequities (Rogers, 2000) or due to their dissatisfaction with conventional permanent positions (Casey & Alach, 2004). In order to address Q6, the following question was included in the questionnaire: **Overall, what are the main advantages or benefits of agency temp work for you personally?**

As presented in Table 10, of the 174 respondents answering this question, 160 mentioned at least one advantage or benefit that they are personally experiencing. Temps mentioned items which have been categorised as being associated with the ability to access work to generate an income, enhanced employment prospects, or freedom and control. 14 respondents (eight per cent) mentioned that they have experienced no or hardly any advantages associated with agency working. Many of the themes in Table 10 have been identified in past studies examining temporary and contingent workers. There were three main areas of advantage that were mentioned by a sizable number of temps. These related to the flexibility, good or preferred working hours; the variety of experiences, people, and work environments; and having control over working hours and assignment duration to balance work with other important life priorities.

¹² This finding provides evidence of possible agency non-compliance with Principle 6 (Respect for Certainty of Engagement) of the RCSA Code for Professional Practice

¹³ Although workplace health and safety concerns were not specifically mentioned, agencies are advised to consult with client organisations to ensure all appropriate generic and site-specific induction and training is provided (Department of Employment and Industrial Relations, 2007; WorkSafe Victoria, 2006)

Table 10. Advantages of agency work reported by temps

| Details of advantages* | % of respondents mentioning item (N=174) |
|--|--|
| Access to work to generate an income: Access to employment, jobs, employers, and industry Encouragement, help, and support to obtain work Regular work, weekly pay, and paid on time Income between jobs, short-term basis, better than no job Happy with hourly pay rate/higher hourly rate | 19 14 11 9 9 |
| Enhance employment prospects: Variety of experiences, people, and work environments Increase skills, experience, and employability Try out potential employers, pathway to permanence | 34 13 6 |
| Freedom and control: Flexibility, good or preferred working hours Control over hours, duration, work-life balance Like assignments on offer (location and convenience) Separate self from work, politics, less expectations | 35 30 7 6 |
| Nothing, hardly any, or no advantages: | 8 |

* Respondents could report multiple responses

This finding is also not surprisingly when placed in the context of the reasons why these individuals decided to work as agency temps (ie. volition). **Sense of freedom** played a major role in the decision to work as an agency temp for 31 per cent of respondents. Further, **variety** played some or a major role in the decision to work as an agency temp for 66 per cent of respondents.

More than 10 per cent of temps also mentioned advantages associated with the support and encouragement they receive to obtain work with a range of employers and the opportunity to increase skills and employability. For others, the benefits related to accessing work on a regular or short-term basis, having a weekly pay, and being paid on time which was better than being unemployed. Regarding pay rates, unlike the 13 per cent of respondents who mentioned being underpaid or viewed low pay rates as a disadvantage (see Table 9), nine per cent indicated that they were happy with the pay rate or benefited from being paid at a higher rate.

Overall, the main area of advantage as reported by temps relates to the freedom and control associated with agency work. In particular, the flexibility relating to working hours and control over working hours, assignment duration, and balancing work with other important life priorities. Temps also mentioned advantages related to variety. Agency work enables access to a variety of assignments, work colleagues, employers, and industries which may enhance skills and employability. Other temps mentioned that agency work supports and enables them to access work and an income while enhancing their employment prospects.

6. CONCLUSIONS, IMPLICATIONS, LIMITATIONS, AND FUTURE DIRECTIONS

6.1 Conclusions about the commitment of temps

The Australian labour market is characterised by a skills shortage, the need to bring in skilled migrants, an ageing population, and a booming economy, and agencies report a lack of candidates as one of the industry's biggest concerns (RCSA, 2007b). Therefore, identifying strategies that enhance agencies' ability to attract and retain quality candidates is important to the Australian business community and economy.

This study specifically addresses the research problem: **What characteristics and attitudes are related to commitment in the temporary agency worker - agency employment relationship?** and six related research questions. The study confirms the relevance of commitment and dual commitment to the temp-agency context. A number of key work attitudes and personal characteristics are significantly and positively related to temps' affective commitment to agency. The work attitudes in order of relevance to affective commitment are agency supportiveness, procedural fairness, interactional fairness, overall job satisfaction, psychological contract fulfillment, and distributive fairness. Personal characteristics related to affective commitment in order of relevance are volition (choosing to temp for personal reasons not due to enforced circumstances), gender (females report higher levels), years of work experience, presence of dependants, and age (commitment levels increase with age), although the relationships were small in magnitude. Overall, temps' perceptions of supportiveness, fairness, satisfaction, and met expectations are associated with their level of affective commitment to agency.

Agencies seeking to enhance temps' commitment and retention levels may do so by reviewing and adapting their policies and consultant practices to ensure temps experience a sense of support, fairness, satisfaction, and met expectations. In addition, a number of specific agency-wide policies and consultant practices that encourage temps to feel a sense of belonging (see Table 7) are presented. Temps indicate that they experience a range of disadvantages associated with the insecure and uncertain nature of temp work, some agency policies and consultant practices, and unfavourable experiences on assignment. These findings identify further opportunities for improving agency policies and consultant practices to enhance temps' overall satisfaction with assignments and the agency. In contrast, temps also report a number of advantages related to agency work such as the ability to access work and an income, enhance employment prospects, and having freedom and control, which should be acknowledged.

This study confirms that many temps feel a sense of commitment to one or multiple targets (see Table 6), which may have implications for their performance and perceptions about the role of their 'employer'. Temps mention that they are committed to their client organisation (including colleagues, supervisors, and work assignments), agency (including consultants and other agency temps), generating an income, doing a professional job, themselves, and/or their occupation/profession. Consequently, consultants that identify and monitor their temps' differing needs, preferences, and commitments will increase the likelihood of appropriate assignments being offered, improved assignment acceptance and completion rates, as well as their temps being provided with satisfying work experiences.

Overall, this study provides an independent assessment of the commitment, attitudes, and experiences of clerical temps. These findings confirm the anecdotal evidence that temps are committed to varying degrees and different foci. Agencies are informed of policies and practices that are entirely within their control that may be used to build their temps' commitment. In relation to the RCSA Service Delivery Standard and Code for Professional Practice, this Report provides useful evidence about agencies' service promise, service delivery, and compliance. It presents a snapshot of temps' experiences with agencies and identifies some inconsistencies through a comparison of data collected from multiple sources (temp/consultant/manager). The Report provides benchmark data and employee feedback from which agencies can monitor their own level of compliance and trends. It also presents an insight into some of the strategies being implemented by RCSA members.

6.2 Implications for policy and practice

Based on the study findings, the following observations are offered to inform government and industry policies:

- **Agency work and the casualisation of the workforce:** this study provides an important insight into the voluntariness and consequences of agency work and casual employment from the worker's perspective. The findings suggest that for many temps, employment and financial insecurities associated with casual employment are serious issues. The significant variation in the length of the temps' current assignment (0 to 3740 days [over 10 years]), suggests that temps experience employment insecurity to varying degrees. However, it is likely that temps face uncertainty associated with an unspecified assignment end date and the client organisation's ability to immediately cease the assignment. These uncertainties may be compounded for the 62 per cent of respondents who indicated that 'difficulties finding permanent work' played some role or a major role in the decision to work as an agency temp.
- **Limiting assignment duration and minimising possible sham arrangements:** in the absence of a comprehensive regulatory approach, the industry Service Delivery Standard and Code for Professional Practice provide an important benchmark for quality service and operational efficiency. However, no such benchmark exists to guide and monitor organisational use of temporary staffing solutions. Consequently, 20 per cent of temps report they have been working at their current assignment for more than one year. In light of recent proposals to allow temps to elect to become employees of the client organisation after a certain period of continuous service, further discussion of acceptable business practices that discourage 'sham' or 'sham-like' arrangements for temps is needed. The broader community and business sector could benefit from the implementation of good business practices that reduce unnecessary employment insecurities for workers who seek permanent or direct employment while also supporting sustainable organisational workforce planning strategies. The adoption of responsible business practices surrounding the use of temps is particularly prudent in light of the ILO recently releasing a guide to regulate and monitor private employment agencies and the recent change of Federal Government in Australia.
- **Confusion over employer (client organisation and agency) responsibilities:** the findings suggest that some temps are confused regarding the role of 'employer'. Respondents used the terminology 'employer' to refer to the agency and/or client organisation. Some temps may be experiencing confusion regarding the roles and obligations associated with the two parties and there may be scope for future disputes over who is the responsible employer. In instances where temps feel a sense of attachment to the client and their workplace colleagues, the agency may be in a precarious position and have to identify and implement strategies to assert its employer status. Once again, this problem may be heightened when the tenure of the assignment is lengthy and where the client organisation does not have clear short-term and long-term objectives for outsourcing in relation to its overall business strategy.
- **Importance of induction to temps' workplace health, safety, and performance:** although workplace health and safety concerns were not specifically mentioned by respondents, government reports and inquiries have highlighted safety concerns associated with labour hire arrangements. Client organisations must ensure appropriate generic and site-specific induction and training is provided for all workers. Providing newcomers with a well-planned induction to the organisation and assignment is not only a good practice from a workplace health and safety perspective. Formal socialisation programs have been found to be related to lower levels of role ambiguity, role conflict, and turnover intentions and positively related to job satisfaction and organisational attachment (Liden, Bauer, & Erdogan, 2004).

Based on the study findings, the following observations are offered to assist agencies with developing policies and practices:

- **Applying a consistent recruitment approach that accommodates diversity:** agencies may benefit from adopting a consistent and rigorous approach to recruitment that accommodates and values candidates' differing qualities. Temps reported substantial variation in the extent of their experience with recruitment agencies, temp work, and work generally. Some candidates may benefit from receiving additional support and communication, particularly if they are working visa holders; new to temp work, the agency, or the consultant; on short-term placements or with a new client; the main income earner for their household; or if they seek work continuity and back-to-back assignments. An agency's ability to respond innovatively and respectfully to candidate diversity will be critical to recouping recruitment expenses and engaging an increasingly diverse candidate pool. For example, Abhayaratna and Lattimore (2006) identified females of child-bearing age and people nearing retirement as having the greatest scope for improved rates of labour market participation. Therefore, agencies that employ consultants who are empathetic to, or have similar characteristics to these types of potential candidates might effectively minimise difficult interactions and consultant-candidate incompatibility (Handy & Davy, 2007).
- **Acknowledging and managing temps' differing preferences and priorities:** when managing temps, consultants must be mindful that temps may be committed to the agency, client organisation, work, their professionalism, and/or themselves. The foci of commitment may have implications for temps' attitude towards temp work. When consultants understand the temp's individual hierarchy of needs they are more equipped to align the worker and consultant's outcomes. Agencies could increase assignment acceptance and completion rates, on-the-job performance, and retention rates by having a systematic approach to storing and retrieving real-time data on temps' individual characteristics, motivations, availability, and preferences which is used to inform assignment allocation decisions. By understanding the reasons why the individual is pursuing agency work, the consultant is more likely to offer suitable assignments resulting in the temp feeling supported, listened to and satisfied which may translate into client satisfaction. However, if the temp perceives that the assignment is inappropriate, has been misrepresented or is worthy of a higher hourly rate, this may result in negative attitudes or behaviours being directed towards the consultant, agency, and/or the client.
- **Aligning communication strategies to assignment duration:** a multi-level communication strategy may be effective in supporting and managing temps who are currently inactive, on placements of varying durations (ranging from short-term to indefinite with rolling extensions), as well as temps who are payrolled employees. A consistent and agreed communication policy and practice is important and underpins timely feedback and the clarification of expectations between the three parties (temp-agency-client) (Gossett, 2006). For example, periodic emails to temps can be used to communicate agency news and include a statement about employer status and roles to ensure no party is left uninformed of their legislative rights and responsibilities. Regular communication with the client organisation contact person and temp is particularly important where the temp is on a long-term assignment, seeking permanence or direct employment. In these instances, temps may actually possess high quality or new information about the client organisation, but need to be encouraged to share this with the agency (Sias, Kramer & Jenkins, 1997). This strategy could also include the requirement to review and communicate the agency's position regarding its advocacy role in negotiating and renegotiating terms and conditions of employment for temps, particularly where temps have in excess of 12 months continuous service with the one client.
- **Reassessing and streamlining commitment-building strategies:** a comparison of the data from temps, managers, and consultants identified the potential for different perceptions about agency commitment-building strategies. Agencies could review the communication modes used to inform temps about their employee entitlements and other options available to them.

The overall effectiveness of the range of strategies in achieving the desired business and retention outcomes could also be reassessed. Further, consultants are implementing a number of practices which may fall under the general umbrella of 'candidate care', but were not specifically mentioned by managers. This finding suggests an opportunity for managers to possibly enhance temps' commitment by reconsidering the emphasis on these strategies in consultant induction, training, and key performance areas. This is likely to result in a more streamlined and consistent approach by a team of consultants that is best suited to handling the volume of temps required to satisfy business operations.

- **Minimising agency knowledge loss associated with consultant turnover:** the topic of consultant turnover emerged in several sections of this study. For example, a small number of temps indicated that they felt very little sense of belonging, however, this was not how they felt when they worked with a previous consultant at the same agency; and seven per cent of temps did not know the name of their current consultant. In contrast, 32 per cent identified their consultant as a foci of commitment. Employee turnover and absenteeism can have a negative effect on organisational performance (Koys, 2001) and agency performance (Glebbeck & Bax, 2004). Where consultants memorise knowledge about their temps rather than embedding the information in shared organisational systems and standard operating procedures, the departure of a consultant is likely to have a negative effect on organisational knowledge (Rao & Argote, 2006). A systematic approach to storing and retrieving real-time data on temps could assist with assignment allocation decisions and minimise agency knowledge loss.
- **Formalising procedures to manage consultant transitional periods:** formalised and controlled recruitment procedures and supporting documents are essential for businesses seeking certification to the RCSA Service Delivery Standard (Gibert, 2007). Effective data management technology could also be particularly helpful in times of replacing or appointing a consultant. Organised procedures and systems may assist the transition process to ensure replacement and fill-in consultants are quickly familiarised with temps and key clients. Descriptive terms such as 'top temp', 'perfect temp', 'career temp', 'payrollees', 'transferees', 'temps seeking perm', and 'not quality temps' were mentioned by consultants. Therefore, it may be useful for agencies to have a process for identifying quality temps, particularly the top temps, to ensure sufficient attention and appropriate opportunities are offered to retain these talented individuals during transitional periods. Once again, a systematic approach to storing and retrieving real-time data on temps could assist the incoming consultant and ensure a consistent approach is maintained. A timely update to all temps who are in regular or occasional contact with the departing consultant is likely to be appreciated.
- **Overcoming some of the temps' assignment-related issues by educating clients:** client organisations play a far greater role in the motivation and productivity of outsourced and contracted workers than they tend to realise (Manpower, 2006). In order to ensure an appropriate temp-job-organisation fit, the consultant must be familiar with the work environment and organisational culture into which they are placing a temp. Further, the ability of the client to clearly articulate their job/person requirements has a direct impact on the ability of the consultant to select and place an appropriate temp. Ideally, client organisations have clear short-term and long-term objectives for outsourcing in relation to their organisation's overall business strategy (Kosnik, Wong-Mingji, & Hoover, 2006), however, this is not always the case. Many agencies play a role in educating client organisations about relevant labour market conditions, the need to document job/person requirements, using temps in a value-adding and strategic rather than reactive manner, and ensuring that the temp is safe, appropriately inducted and resourced, and treated reasonably while on assignment. As 66 per cent of temp respondents were on their first assignment with their current client organisation, the importance of effective induction practices is heightened. The physical workplace setting has been found to influence the motivation and productivity of individual employees (Ulrich & Brockbank, 2005), which may have a flow-on effect for temps' perceptions of the agency. Agencies could explore the extent of temps' unfavourable experiences on assignment and address this through review meetings or contractual negotiations with client organisations to ensure a value-adding service is delivered and all temps are equipped to optimise their performance.

6.3 Limitations of this study

As outlined in the research design and method section, this study relied heavily on cross-sectional data gathered from a sample of 187 clerical temps and the ability to generalise these findings is limited. Firstly, it was not possible to draw a random sample or precisely compare respondents with non-respondents as a database or listing of the target population was not available. RSCA listings of members were used to identify participating agencies, thus findings may not generalise to RSCA non-members or not-for-profit agencies. Secondly, the study focused on workers in one specific occupational grouping (clerical). Caution should be exercised when interpreting these findings as they may not generalise to other occupational groupings. Thirdly, the study focused on the inner to outer Melbourne metropolitan area location. However, the sampling approach ensured participating agencies had different characteristics and most provided services on a regional, statewide, national, or international level. While these limitations are acknowledged, they do not detract from the importance of the findings.

6.4 Future directions

This report presents the preliminary findings evident in the analysis of some of the data gathered as part of a larger research project (see Cochrane, 2006; 2007). It is anticipated that analysis of the two other components of commitment (continuance and normative) to agency will provide further insights as they have been under-examined in the academic literature to date. It is also intended to integrate the quantitative data with the qualitative open-ended responses to provide a more in-depth understanding about how the foci of commitment, advantages, and disadvantages are associated with key work attitudes. The relationships between personal characteristics (ie. age, gender, and education level) and key work attitudes warrant further attention. Additional research is necessary to understand the agency HRM practices used to manage the varying motivations, experiences, and attitudes of temps. There is a paucity of research examining the job performance and organisational outcomes associated with the use of temps. It is unclear how the personal characteristics and work attitudes of temps affects their performance, extra-role and deviant behaviours. An examination of these variables would assist agencies to understand the positive and negative influences that temps may have in client organisation workplaces, in terms of enhancing or tarnishing the agency's reputation. There is also scope to replicate this study with other occupational categories and in other Australian states to confirm whether these findings may be generalised, and to explore the extent of state similarities given the differing approaches to industry regulation. A larger or broader sampling frame would also enable comparisons to be made across state and national borders with increased confidence.

As mentioned previously, in Australia there are few national regulations or limitations applicable to agency work in relation to sectoral use, reasons for hire or the renewal, and duration of hire (Burgess & Connell, 2004). Further, there are very few pieces of state legislation, licensing or registration systems that refer specifically to labour hire arrangements (Parliament of Victoria Economic Development Committee, 2005). Therefore it is important to acknowledge and extend the findings and recommendations of recent government inquiries and reports initiated at the state and federal levels (see Department of Employment and Workplace Relations, 2005b; House of Representatives Standing Committee on Employment, Workplace Relations, and Workforce Participation, 2005; New South Wales Labour Hire Task Force, 2001; and Parliament of Victoria Economic Development Committee, 2005). The inquiries have identified several areas that merit further attention, yet few government reports have been published since 2005 to extend the evidence on these matters. Further research is needed to examine the roles of agencies and to monitor the use and experiences of temps to ensure the industry continues to make an important contribution to individuals seeking work as well as the Australian business community and economy.

7. REFERENCES

- Abhayaratna, J. & Lattimore, R. (2006). *Workforce Participation Rates – How Does Australia compare?* Productivity Commission Staff Working Paper, Canberra: Commonwealth of Australia.
- ABS. (1999). *Catalogue No. 8141.0, Small and Medium Enterprises*. Canberra: Commonwealth of Australia.
- ABS. (2000). *Catalogue No. 1271.0, Australian Standard Classification of Education (ASCED) Information Paper*. Canberra: Commonwealth of Australia.
- ABS. (2003). *Catalogue No. 8558.0, Employment Services, Australia*. Canberra: Commonwealth of Australia.
- ABS. (2005a). *Catalogue No. 6105.0, Australian Labour Market Statistics*. Canberra: Commonwealth of Australia.
- ABS. (2005b). *Catalogue No. 1221.0, Australian and New Zealand Standard Classification of Occupations (ANZSCO)*. Canberra: Commonwealth of Australia.
- Anderson, J.R. (2006). Managing employees in the service sector: a literature review and conceptual development. *Journal of Business and Psychology*, 20(4), 501-523.
- Arrowsmith, J. (2006). *Temporary agency work in an enlarged European Union*. UK: IRRU, University of Warwick.
- Australian Centre for Research in Employment and Work. (2007). *Labour Hire Research Report: Best Practice Models for Managing Joint Responsibilities in the Labour Hire Sector*. Report prepared for WorkSafe/Victorian Workcover Authority. Monash University.
- Barker, K., & Christensen, K. (Eds.). (1998). *Contingent Work American Employment Relations in Transition*. Ithaca: Cornell University Press.
- Becker, T.E., Billings, R.S., Eveleth, D.M., and Gilbert, N.L. (1996). Foci and bases of employee commitment: implications for job performance. *Academy of Management Journal*, 36, 464-482.
- Bies, R. J., & Moag, J. S. (1986). Interactional justice: communication criteria for fairness. In B. Sheppard (Ed.), *Research on negotiation in organizations* (Vol. 1, pp. 43-55). Greenwich, CT: JAI Press.
- Blanpain, R., & Graham, J. W. (Eds.). (2003). *Temporary Agency Work and the Information Society International Conference*. Brussels: Kluwer Law International.
- Brennan, L., Valos, M., & Hindle, K. (2003). *On-hired Workers in Australia: Motivations and Outcomes, RMIT Occasional Research Report*. School of Applied Communication, RMIT University, Design and Social Context Portfolio, Melbourne.
- Bronstein, A. S. (1991). Temporary work in Western Europe: Threat or complement to permanent employment? *International Labour Review*, 130(3), 291-310.
- Burgess, J., & Connell, J. (Eds.). (2004). *International Perspectives on Temporary Agency Work*. London: Routledge.
- Campbell, I., Watson, I., & Buchanan, J. (2004). Temporary agency work in Australia (Part I). In J. Burgess & J. Connell (Eds.), *International Perspectives on Temporary Agency Work* (pp. 129-144). London: Routledge.
- Casey, C., & Alach, P. (2004). 'Just a temp?' Women, temporary employment and lifestyle. *Work, Employment and Society*, 18(3), 459-480.
- Cochrane, R. (2006). Influencing the commitment of temporary staff. *Recruitment Journal*, 9(3), 36-37.
- Cochrane, R. (2007). Towards an understanding of organisational commitment in the temp worker-agency context: A conceptual model. *Refereed paper presented at the 21st Australian and New Zealand Academy of Management 2007 Conference, 4-7 December, Sydney*.
- Cohen, J.W. (1988). *Statistical power analysis for the behavioral sciences* (2nd edition). Hillsdale, NJ: Lawrence Erlbaum Associates.
- Connell, J., & Burgess, J. (2002). In Search of Flexibility: Implications for Temporary Agency Workers and Human Resource Management. *Australian Bulletin of Labour*, 28(4), 272-283.
- Connelly, C. E., & Gallagher, D. G. (2004). Emerging Trends in Contingent Work Research. *Journal of Management*, 30(6), 959-983.
- Department of Employment and Industrial Relations. (2007). *Labour Hire Agencies: Managing the safety of on-hired workers*. The State of Queensland.

- Department of Employment and Workplace Relations. (2005a). *Workforce Tomorrow: Adapting to a more diverse Australian labour market*. Canberra: Commonwealth of Australia.
- Department of Employment and Workplace Relations. (2005b). *Discussion Paper: Proposals for Legislative Reforms in Independent Contracting and Labour Hire Arrangements*. Canberra: Commonwealth of Australia.
- Department of Innovation, Industry and Regional Development. (2007). *Global Skills for Victoria: Victoria's Skilled Migration Strategy 2008-2011*. Melbourne: State of Victoria.
- Druker, J., & Stanworth, C. (2001). Partnerships and the private recruitment industry. *Human Resource Management Journal*, 11(2), 73-89.
- Eisenberger, R., Huntington, R., Hutchinson, S., & Sowa, D. (1986). Perceived organizational support. *Journal of Applied Psychology*, 75(1), 51-59.
- Ellingson, J. E., Gruys, M. L., & Sackett, P. R. (1998). Factors Related to the Satisfaction and Performance of Temporary Employees. *Journal of Applied Psychology*, 83(6), 913-921.
- Folger, R., & Cropanzano, R. (1998). *Organizational justice and human resource management*. Thousand Oaks, CA: Sage.
- Gallagher, D. G. (2002). Contingent Work Contracts: Practice and Theory. In C. L. Cooper & R. J. Burke (Eds.), *The New World of Work, Challenges and Opportunities* (pp. 115-136). Oxford: Blackwell Publishers.
- Gallagher, D. G., & McLean-Parks, J. (2001). I Pledge Thee My Troth ... Contingently: Commitment and the Contingent Work Relationship. *Human Resource Management Review*, 11, 181-208.
- Gibert, D. (2007). How to establish effective document control, *Recruitment Journal*, 10(4), 40-41.
- Glebbeek, A.C., & Bax, E.H. (2004). Is high employee turnover really harmful? An empirical test using company records. *Academy of Management Journal*, 47(2), 277-286.
- Gossett, L.M. (2006). Falling Between the Crack – Control and Communication Challenges of a Temporary Workforce, *Management Communication Quarterly*, 19(3), 376-415.
- Hall, R. (2006). Temporary agency work and HRM in Australia “Cooperation, specialisation and satisfaction for the good of all?” *Personnel Review*, 35(2), 158-174.
- Handy, J. & Davy, D. (2007). Gendered ageism: Older women’s experiences of employment agency practices. *Asia Pacific Journal of Human Resources*, 45(1), 85-99.
- Hardy, D.J. & Walker, R.J. (2003). Temporary but seeking permanence: a study of New Zealand temps. *Leadership & Organization Development Journal*, 24(3), 141-152.
- Henson, K. D. (1996). *Just a temp*. Philadelphia: Temple University Press.
- House of Representatives Standing Committee on Employment, Workplace Relations and Workplace Participation (2005). *Making it work: Inquiry into independent contracting and labour hire arrangements*. Canberra: Commonwealth of Australia.
- Houseman, S. N., Kalleberg, A. L., & Erickcek, G. A. (2003). The role of temporary agency employment in tight labor markets. *Industrial and Labor Relations Review*, 57(1).
- Industrial Relations Victoria. (2005). *Non-Standard Employment: Casuals, labour hire and contractors*, The State of Working Victoria Project Information Paper No. 5. Melbourne: State of Victoria.
- ILO. (1997). *Private Employment Agencies Convention, C181*. Geneva: International Labour Office.
- ILO. (2007). *Guide to Private Employment Agencies - Regulation, Monitoring and Enforcement*. Geneva: International Labour Office.
- Johnstone, R., & Quinlan, M. (2006). The OHS regulatory challenges posed by agency workers. *Employee Relations*, 28(3), 273-289.
- Johnstone, R., Quinlan, M., & Walters, D. (2005). Statutory occupational health and safety workplace arrangements for the modern labour market. *The Journal of Industrial Relations*, 47(1), 93-116.
- Kalleberg, A.L. (2003). Flexible Firms and Labor Market Segmentation. *Work and Occupations*, 30(2), 154-175.
- Koys, D.J. (2001). The effects of employee satisfaction, organizational citizenship behavior, and turnover on organizational effectiveness: A unit-level, longitudinal study. *Personnel Psychology*, 54, 101-114.

- Kosnik, T., Wong-Mingji, D.J., & Hoover, K (2006). Outsourcing versus insourcing in the human resource supply chain: a comparison of five generic models. *Personnel Review*, 35(6), 671-683.
- Laplagne, P., Glover, M., & Fry, T. (2005). *The Growth of Labour Hire Employment in Australia*. Productivity Commission Staff Working Paper, Melbourne: Commonwealth of Australia.
- Lenz, E. A. (2006). *Staffing Industry's Positive Role in U.S. Economy*. Alexandria: American Staffing Association.
- Liden, R. C., Bauer, T.N., & Erdogan, B. (2004). The Role of Leader-Member Exchange in the Dynamic Relationship Between Employer and Employee: Implications for Employee Socialization, Leaders, and Organizations. In J.A-M Coyle-Shapiro, L.M. Shore, M.S. Taylor, & L.E. Tetrick (Eds.), *The Employment Relationship* (pp. 226-250). Oxford: Oxford University Press.
- Liden, R. C., Wayne, S. J., Kraimer, M. L., & Sparrowe, R. T. (2003). The dual commitments of contingent workers: an examination of contingents' commitment to the agency and the organization. *Journal of Organizational Behavior*, 24, 609-625.
- Louie, A.M., Ostry, A.S., Quinlan, M., Keegel, T., Shoveller, J., & LaMontagne, A.D. (2006). Empirical Study of Employment Arrangements and Precariousness in Australia. *Industrial Relations*, 61(3), 465-489.
- Manpower. (2006). *Engaging The Total Workforce: A Manpower White Paper*. Milwaukee: Manpower Inc.
- Marler, J.H., Woodard Barringer, M., & Milkovich, G.T. (2002). Boundaryless and traditional contingent employees: worlds apart. *Journal of Organizational Behavior*, 23, 425-453.
- Mathieu, J. W., & Zajac, D. M. (1990). Review and Meta-Analysis of the Antecedents, Correlates, and Consequences of Organizational Commitment. *Psychological Bulletin*, 108(2), 171-194.
- McGovern, P., Smeaton, D., & Hill, S. (2004). Bad Jobs in Britain. *Work and Occupations*, 31(2), 225-249.
- McKeown, T. (2003). Commitment from a contractor workforce? *International Journal of Manpower*, 24(2), 169-186.
- McLean Parks, J., Kidder, D.L., & Gallagher, D.G., (1998). Fitting square pegs into round holes: mapping the domain of contingent work arrangements onto the psychological contract. *Journal of Organizational Behavior*, 19, 697-730.
- Meyer, J. P., & Allen, N. J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1, 61-89.
- Meyer, J. P., & Allen, N. J. (1997). *Commitment in the Workplace. Theory, Research and Application*. Thousand Oaks, California: Sage Publications.
- Mills, J. (2007). Spreading the word and building our profile. *Recruitment Journal*, 10(4), 14-15.
- Mowday, R. T., Porter, L. W., & Steers, R. M. (1982). *Employee-Organization Linkages. The Psychology of Commitment, Absenteeism, and Turnover*. New York: Academic Press.
- New South Wales Labour Hire Task Force (2001). *Final Report: New South Wales Labour Hire Task Force*. Sydney.
- OECD. (2002). *Employment Outlook*. Paris: OECD.
- Parliament of Victoria Economic Development Committee. (2005). *Final Report: Labour Hire Employment in Victoria*. Melbourne: State of Victoria.
- Pedersen, H. S., Hansen, C. B., & Mahler, S. (2004). *Temporary agency work in the European Union*. Dublin: European Foundation for the Improvement of Living and Working Conditions.
- Rao, R.D., & Argote, L. (2006). Organizational learning and forgetting: The effects of turnover and structure. *European Management Review*, 3, 77-85.
- RCSA. (2007a). *2007/08 RCSA Members Annual Directory*. Melbourne: RCSA.
- RCSA. (2007b). Recruiters confident despite labour market squeeze, *Recruitment Journal*, 10(4), 34.
- RCSA. (2007c). Salaries are up, but staff turnover hampers recruitment industry, *Recruitment Journal*, 10(3), 45.
- Rogers, J. K. (2000). *Temps: the many faces of the changing workplace*. New York: Cornell University Press.
- Rousseau, D. M. (1995). *Psychological Contracts in Organizations: Understanding Written and Unwritten Agreements*. Thousand Oaks: Sage Publications.

- Sias, P.M., Kramer, M.W., & Jenkins, E. (1997). A Comparison of the Communication Behaviors of Temporary Employees and New Hires, *Communication Research*, 24(6), 731-754.
- Spector, P. (1997). *Job Satisfaction: Application, Assessment, Causes, and Consequences*. Thousand Oaks, CA: Sage Publications.
- Storrie, D. (2002). *Temporary agency work in the European Union*. Dublin: European Foundation for the Improvement of Living and Working Conditions.
- Tully, V. (2007). 457 update – where are we now?, *Recruitment Journal*, 10(4), 10.
- Vosko, L. F. (2000). *Temporary work : the gendered rise of a precarious employment relationship*. Toronto: University of Toronto Press.
- Ulrich, D., & Brockbank, W. (2005). *The HR Value Proposition*. Massachusetts: Harvard Business School Press.
- Underhill, E. (2006). Labour Hire Employment and Independent Contracting in Australia: Two inquiries, how much change? *Australian Journal of Labour Law*, 19(3), 306-314.
- Wooden, M. (1999). Outsourcing and the use of contractors: Evidence from the AWIRS. *The Economic and Labour Relations Review*, 10(1), 22-35.
- WorkSafe Victoria, (2006). *Labour Hire Agencies: Managing the safety of on-hired workers*. Melbourne.

8. FURTHER READING

- Biggs, D. (2005). *Satisfaction levels amongst temporary agency workers*. Gloucestershire: University of Gloucestershire.
- Blanpain, R., & Graham, R. (Eds.). (2003). *Temporary Agency Work and the Information Society*. The Netherlands: Kluwer Law International.
- Burgess, J., & Connell, J. (Eds.). (2004). *International Perspectives on Temporary Agency Work*. London: Routledge.
- Burke, R. J., & Cooper, C. L. (Eds.). (2005). *Reinventing Human Resource Management: Challenges and New Directions*. Oxon: Routledge.
- Felstead, A., & Jewson, N. (Eds.). (1999). *Flexible Labour and Non-Standard Employment: An Agenda of Issues*. London: Macmillan Press Ltd.
- Gallager, N., & O'Leary, D. (2007). *Recruitment 2020 How recruitment is changing and why it matters*. London: Demos.
- Henson, K. D. (1996). *Just a temp*. Philadelphia: Temple University Press.
- International Labour Office. (2007). *Guide to Private Employment Agencies - Regulation, Monitoring and Enforcement*. Geneva: International Labour Office.
- Meyer, J. P., & Allen, N. J. (1997). *Commitment in the Workplace. Theory, Research and Application*. Thousand Oaks, California: Sage Publications.
- Rogers, J. K. (2000). *Temps: the many faces of the changing workplace*. New York: Cornell University Press.
- Ulrich, D., & Brockbank, W. (2005). *The HR Value Proposition*. Massachusetts: Harvard Business School Press.

APPENDIX 1: Listing of study definitions

| Word/Phrase | Definition Applied in this Study |
|------------------------------------|---|
| Affective commitment | Affective commitment refers to the employee's emotional attachment to, identification with, and involvement in the organisation. Employees with a strong affective commitment continue employment with the organisation because they <i>want</i> to do so (Meyer & Allen, 1991, p. 67). |
| Agency | The term private employment agency means any natural or legal person, independent of the public authorities, which provides one or more of the following labour market services: (a) services for matching offers of and applications for employment, without the private employment agency becoming a party of the employment relationships which may rise therefrom; (b) services consisting of employing workers with a view to making them available to a third party, who may be a natural or legal person which assigns their tasks and supervises the execution of these tasks; (c) other services related to jobseeking, determined by the competent authority after consulting the most representative employers' and workers' organisations, such as the provision of information that do not set out to match specific offers of and applications for employment (ILO, 1997). |
| Agency supportiveness | Perceptions concerning the extent to which the organisation values an individual's contributions and cares about their well-being (Perceived organisational support - Eisenberger, Huntington, Hutchinson, & Sowa, 1986). |
| Clerical | Encompasses the range of occupations falling under the major grouping of clerical and administrative workers (i.e. office managers, personal assistants, secretaries, general clerical workers, receptionists, and office support workers) (ABS, 2005b). |
| Continuance commitment | Continuance commitment refers to an awareness of the costs associated with leaving the organisation. Employees whose primary link to the organisation is based on a continuance commitment remain because they <i>need</i> to do so (Meyer & Allen, 1991, p. 67). |
| Distributive fairness | The perceived fairness of the outcomes or allocations that an individual receives (Folger & Cropanzo, 1998). |
| Interactional fairness | The perceived fairness of the quality of the interpersonal treatment an individual receives during the enactment of organisational procedures (Bies & Moag, 1986). |
| Normative commitment | Normative commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they <i>ought</i> to remain with the organisation (Meyer & Allen, 1991, p. 67). |
| Overall job satisfaction | An attitudinal state reflecting all the affective feelings that a person has about working in his or her job (Spector, 1997). |
| Private employment agency | See 'Agency' above. |
| Procedural fairness | The perceived fairness of the methods, mechanisms, and processes used in determining the outcomes (Folger & Cropanzo, 1998). |
| Psychological contract fulfillment | The degree to which an individual perceives the reciprocal obligations in the exchange relationship are fulfilled (Rousseau, 1995). |
| Temp (on-hired or agency worker) | A triangular arrangement in which a temporary work agency hires a worker for the purpose of placing him or her at the disposal of a third party, the user enterprise, for a temporary assignment (Bronstein, 1991, p.292). |
| Volition | The degree to which an individual is voluntarily or involuntarily pursuing temporary employment (Ellingson, Gruys, & Sackett, 1988). |