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Italian agency workers. Some Evidence from a National
Study on the Temporary Work Agency Industry*

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Well-being, dual commitment and job insecurity of Italian agency workers. Some Evidence from a National Study on the Temporary Work Agency Industry

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Abstract

Although the use of agency contracts has become the norm in all public and private organizations, existing studies are mostly cross-sectional in nature, generally comparing behavioral differences between permanent full time workers with the plethora of all contingent workers, making difficult to generalize results. Few empirical investigations have so far studied attitudes and behaviors of agency workers and how the peculiar type of contract influences their work-related attitudes. In particular, there is no consensus about how agency contract affects individual behavioral and psychological variables as affective dual commitment, job insecurity, satisfaction, turnover intention. In order to fill this gap, the main goal of the study we present in this paper is to analyze well-being of Italian temporary and permanent agency workers, according to a perspective that emphasize positive aspects. We aim to understand how workers experience to be agencies, enhancing also critical implications against well-being.

Keywords: agency workers, TWAs, well-being, dual commitment, job insecurity, Job Acts.

1. Introduction and purpose

Nowadays the number of agency workers are ever increasing and it is a persisting and significant type of contemporary employment in the Italian labour market. Although the use of agency contracts has become the norm in all public and private organizations, existing studies are mostly cross-sectional in nature, generally comparing behavioral differences between permanent full time workers with the plethora of all contingent workers (part-time, contracted, outsourced, temporary, agency, etc.), making difficult to generalize results. Several issues related to how to manage temporary and agency workers have been discussed in practical and literature (Guest et al., 2010; Koene et al., 2014), but still few empirical investigations have studied some aspects of workers and how their attitudes and behavior influence their work and other work-related attitudes (e.g. Liden et al., 2003; Galais and Moser, 2009; Giunchi et al., 2015; Borgogni et al., 2016). In particular, there is no consensus about how agency contract affects the satisfaction and the well-being of workers (in terms of workers outcomes), raising questions concerning the applicability of existing individual behavioral and psychological variables as commitment, job insecurity, satisfaction, burnout, turnover intention.

In order to fill this gap, we aim to offer a contribution by studying well-being and organizational behaviors of agency workers. As well known, agency workers differ from other type of “contingent” staff in that they are employed by a Temporary Work Agency (TWA), but principally managed by a client organization. Due to their nature, workers face a rather unique employment situation in which they build a double relation with two organizations: the TWA, that is the nominal employer and the client organization assigned. McLean Parks et al. (1998) and Lapalme et al., (2011) talking about multiple agency relationship.

The Italian temporary agency employment industry during the last years has been evolved and changed. In particular, according to the Italian legislation, TWA can assume workers on a temporary basis, or on a permanent basis.

An important premise we assume is that all the organizational, psychological negative assumptions of the literature around 90's, still held by some policy-makers in Europe on agency contracts - used only as stop gap and for low profiles and believed as disadvantaged minority, stepping stones or dead end, not satisfied, stressed, inequality-based treated, not integrated in the workplace and conflicting with client organization's staff - are empirically and theoretically overcome (e.g. Guest et al., 2010).

The main goal of the study we present in this paper is to analyse well-being of Italian temporary and permanent agency workers, according to a perspective that emphasize positive aspects. We aim to understand how workers experience to be agencies, enhancing those critical implications against well-being, but also personal resources available to cope.

In particular, consistent with the main aim above mentioned, the study had the following specific goals:

- 1) investigating socio-demographic and organizational characteristics of agency workers;
- 2) defining the average profile of an ample sample of agency workers with reference to:
 - a) work-related characteristics such as: autonomy, conflicts, relational requests, time pressure;
 - b) interpersonal strain, burnout;

- c) job insecurity, turnover intentions, continuance commitment;
 - d) dual commitment: affective commitment to the agency and to the client organization;
 - e) satisfaction (according to different dimensions)
 - f) perception of discrimination referred to: employment contract; age, race, gender, religion;
- 3) analyzing the impact of the type of agency contract (temporary *vs* permanent) on the above mentioned well-being variables and behavioral outcomes;
 - 4) exploring the connection between the TWAs' size and the above mentioned variables;
 - 5) identifying and analyzing clusters of workers according to the different jobs performed;
 - 6) comparing different profiles of the most satisfied workers with that of the less satisfied ones.

This paper presents first results of an ongoing longitudinal analysis on agency workers, conducted as part of the V National Study on the Italian Temporary Work Agency Industry, in cooperation with Ebitemp (the National Bilateral Organization for Temporary Work) (see Consiglio and Moschera, 2016). Here we present only some of the main results with significance representativeness on more than 10,000 temporary and permanent agency workers of the main Italian TWAs.

With this work, we want to give a contribution comparing specific categories of workers within the temporary agency employment context and not generically temporaries *vs* permanents as research has done hitherto. In particular we take into account the workers' perspective.

2. Working conditions and well-being of agency workers

Warr (1990) identified three bipolar key indicators: 1. satisfaction/dissatisfaction; 2. enthusiasm/depression; 3. contentment/anxiety, which should be taken into account for a wide-ranging measurement of well-being at work. The positive dimension of the first indicator is related to job satisfaction and organizational commitment, while the negative dimensions of the latter two are associated with stress, interpersonal strain and burnout. Several variables influence job and life satisfaction and, in general, the well-being of workers. We can mention: work-related characteristics, job (in)security, employment, salary, work environment.

With reference to contingent workers, as already explained, the great part of research on health and well-being compare temps with standard workers. Previous studies on well-being in agency workers reported negative results. In particular some studies have analyzed if and how agency work is associated to negative outcomes (e.g. Kalleberg and Rognes, 2000; Coyle-Shapiro and Kessler, 2002). Other studies found evidence that agencies experience a considerably high amount of strain, emphasizing that the specific typology of contract leads to marginalization and discrimination (Rogers, 1995). In addition agency workers experience a high degree of job insecurity and discrimination and a higher job stress than their permanent direct-hired counterparts (e.g. Purcell et al., 2004; Boyce et al., 2007). A very recent study by Viitala and Kantola (2016) states that short duration of contracts and different conditions of employment also shake climate and relations. As far as concern the double employment relationship agency workers build, Liden et al. (2003) point out, that working for two organizations simultaneously makes the understanding of agency workers more complex than the study of permanent ones. This "doubling" has been studying in terms of impact on well-being and work-related characteristics (e.g. Liden et al., 2003).

On the converse, next to the studies, others about the impact of agency employment on workers' attitudes and well-being, found that there is no consistent evidence that they feel disadvantage and with well-being problems (e.g. Druker and Stanworth, 2004; Connelly and Gallagher, 2004; De Cuyper et al., 2008; Galais and Moser, 2009;). Some evidence suggests that agency workers contrary to expectations are more content with their jobs than permanent employees and similar results were reported also for other groups of contingent workers (e.g. Guest et al., 2010).

Helliwell (2003) in a forty-country comparative study on job and life satisfaction found that factors enabling malaise and reducing levels of happiness are being unemployed, the job insecurity, and the national level of unemployment. In this sense temporary workers seem likely to be the more vulnerable due to the precariousness of their type of contract. This driver moves several countries to pay specific attention to the well-being of "non-standard" workers, in order to provide them greater protection, according to the *flexisecurity* European program.

3. Method: procedures and data collection

Data were collected on Italian TWAs and we adopted the self-reported questionnaire. We contacted all the Italian TWAs. Then, the questionnaire placed on an online platform was sent through a link to 17 TWAs (joined the survey) to send to workers via e-mail. The questionnaire was sent to 67,517 workers. Respondents answered the questionnaire online and were assured of the anonymity of their responses and of the opportunity to receive feedback providing their e-mail. There was no incentive (cash or otherwise) for participating in this survey.

The questionnaire consists of two parts. The first one concerns socio-demographic and working conditions questions (23). The second one asks workers to express an opinion on 68 items referring to feelings and attitudes towards several working issues, using a graduated response scale. We administered the questionnaire into two runs: the first one between the last week of March 2016 and the first one of April, and the recall between the third week of April and the first one of May. Finally the questionnaire allowed us to collect responses from 10,019 agency workers, which included 7,547 workers with a temporary contract and 2,472 workers with a permanent contract.

Recent changes in the normative framework of the Italian labour market brought us to specify the context of analysis. The so-called labour reform "Jobs Act" (started with the Legal Decree 23/2015 on permanent contract with "increasing protections" and the Legal Decree 22/2015 on social security cushions, and then the so-called "leggi di stabilità", art. 1. co. 18, L. no.190/2014, the INPS circular no. 17/2015; and L. no. 208/2015) deeply changed motivations of TWAs to hire agency workers on permanent basis. Therefore, the total sample was divided into three groups:

1. agency workers with a temporary contract (labeled as "temps");

2. agency workers with a permanent contract hired before the “Jobs Act” (until March 2015, labeled as “perms-pre”);
3. agency workers with a permanent contract hired after the “Jobs Act” (from March 2015 onwards, labeled as “perms-post”).

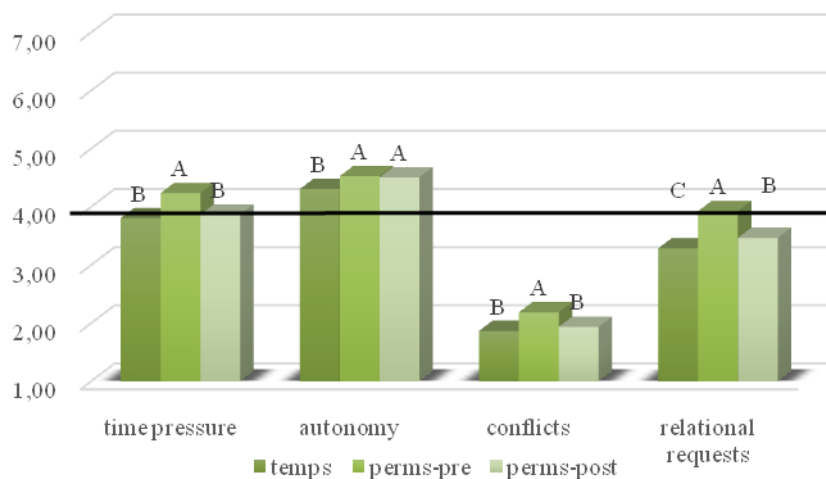
4. Main findings

Due to space and brevity requirement, following we present some graphs of the main results referred to the dimensions we analysed, according to the three groups of agency workers. Graphs show the averages for the comparison of each dimension, highlighting statistically significant differences. Differences are identified by letters according to the following meaning:

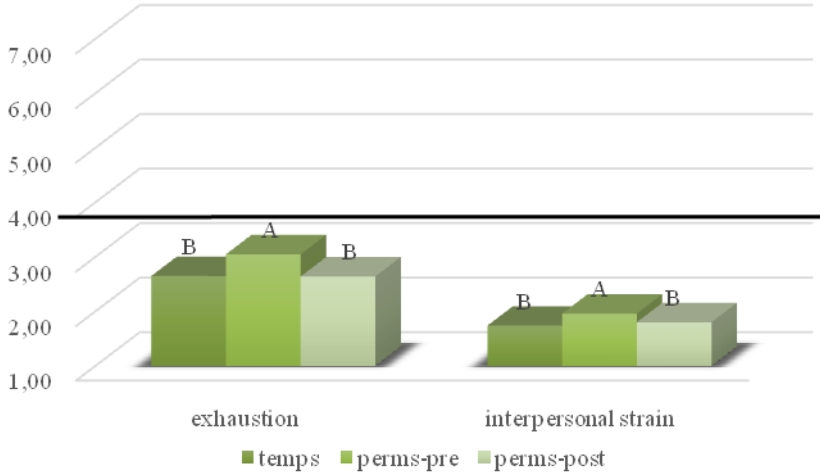
- diverse letters (A, B, C) identify groups of work which have statistically significant differences (in average scores), same letters identify no statistically significant differences;
- missing letters corresponding to a column states that average of a group of works is not statistically diverse from averages of the other two groups.
- missing letters in all the columns identifies that average scores of the three groups of works do not differ from each other.

The line shows the theoretical average of the response scale (score min 1 - max 7).

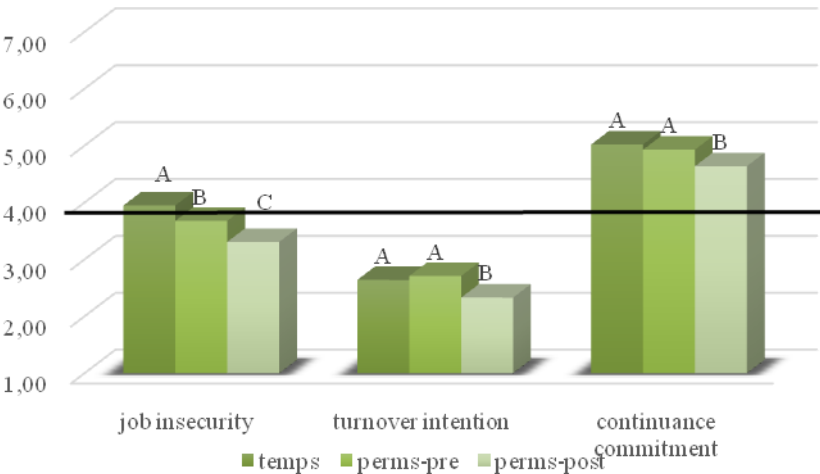
Graph 4.1 – Working conditions



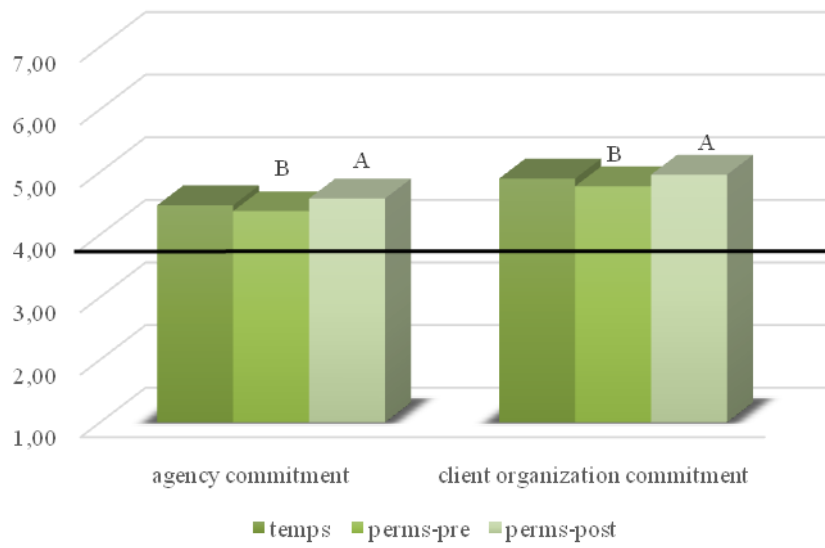
Graph 4.2 – Stress and burnout



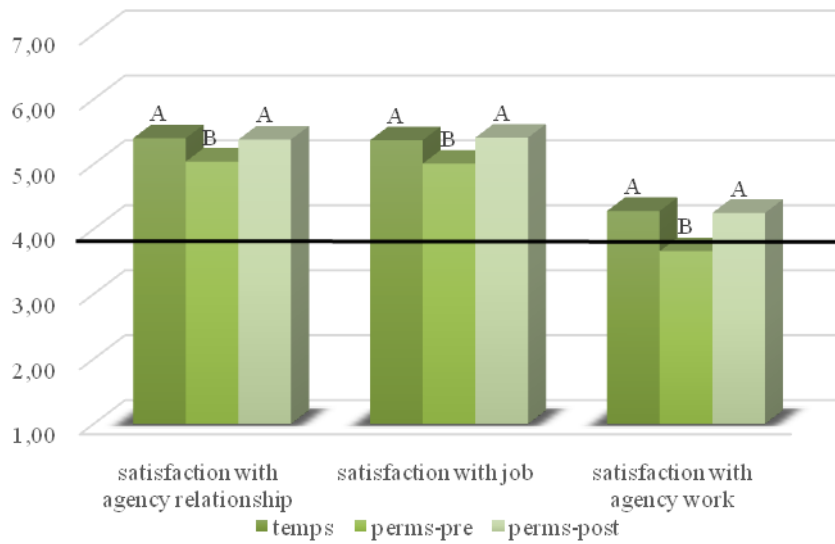
Graph 4.3 – job insecurity and turnover intentions



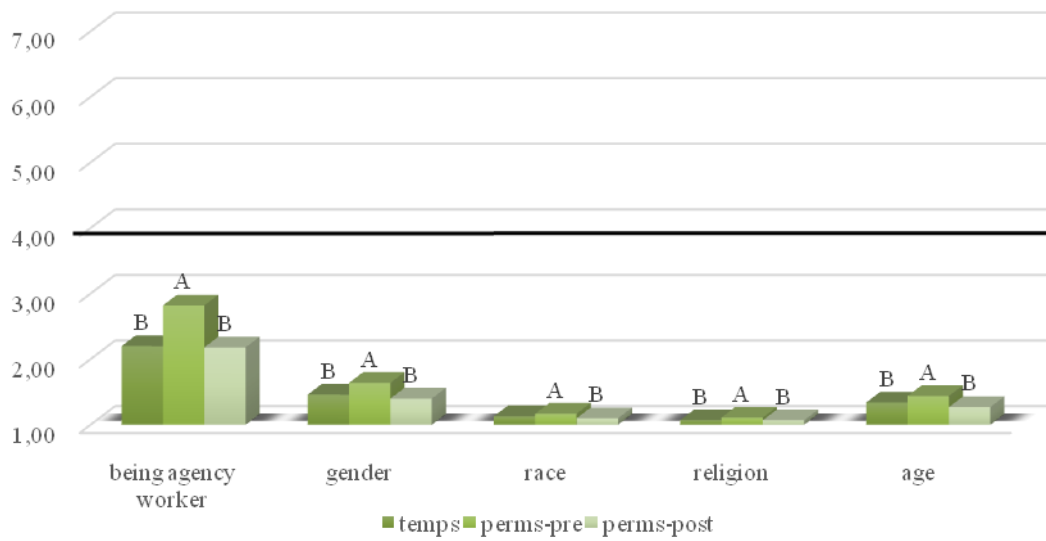
Graph 4.4 – Dual Commitment



Graph 4.5 – Well-being dimensions

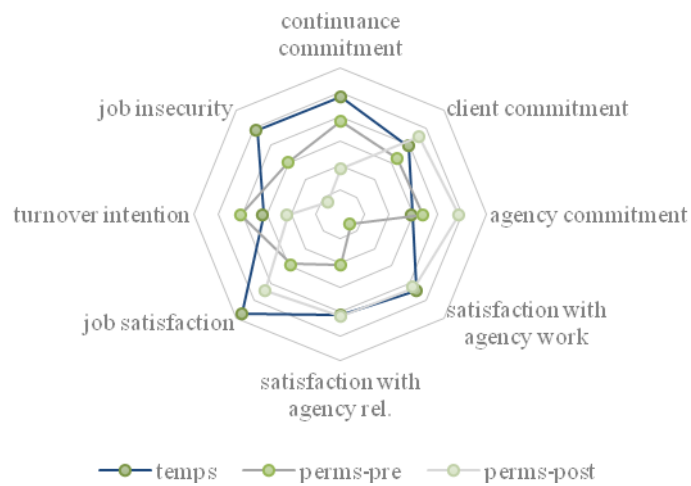


Graph 4.6 – Discriminations



Following we present a grid web that summarizes main differences in the 8 key variables analyzed, according to the three groups of agency workers. This grid shows the standardized average score resulted in the three groups.

Graph 4.7 – Main differences summary



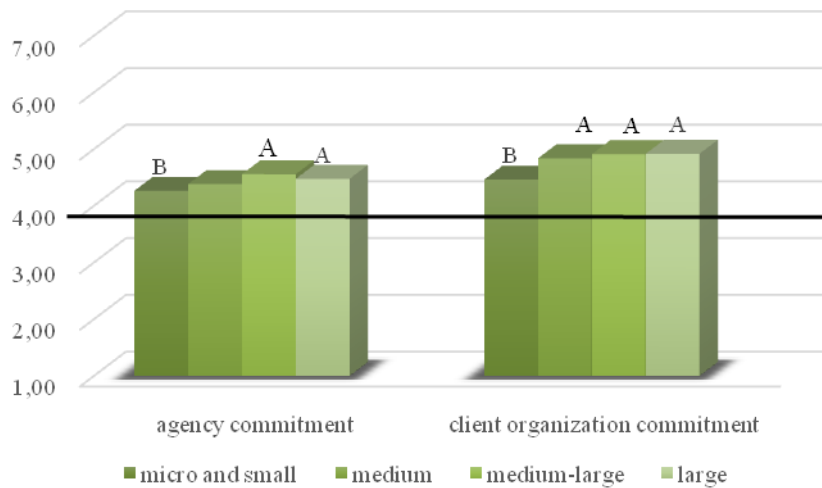
Following we also provide the profiles of the most satisfied and less satisfied agency workers.

Table 4.1 – Most and less satisfied workers summary

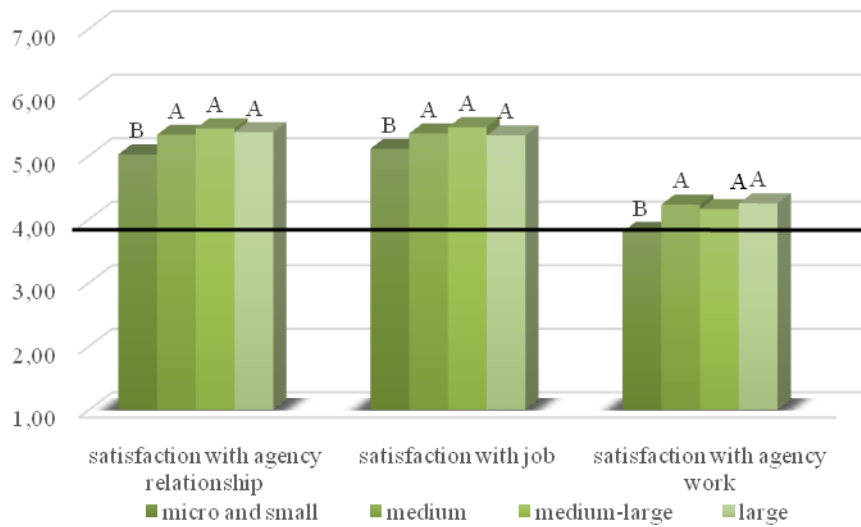
Profile of the most satisfied workers	Profile of the less satisfied workers
- men and women equally	- men and women equally
- younger than 24 years	- 30-39 aged
- low level of education and professional diploma qualified	- high level of education
- south Italy and islands located	- distributed across all the Italian Regions

At the end of this section other two main findings we emphasize concerns differences in dual commitment and well-being dimensions distinguished according to the TWA's size (micro-small, medium, medium-large, large).

Graph 4.8 – Dual commitment and TWA size



Graph 4.9 – Well-being and TWA size



5. Final considerations and some practical implications

In this paper we present main results from a more ample research on Italian agency workers, with a basically illustrative approach.

Results from the survey reveal a good average profile of the Italian agency worker, without any critical issues worth of mention. In particular, a positive level of satisfaction arises, mostly that one with the current job and with the agency work experience; and low scores indicate low levels of burnout and turnover intentions.

With reference to working conditions, we note that agency workers have low level of conflicts and a moderately high level of autonomy. We underlie time pressure and overload as critical variables that indicate scores fairly close to the theoretical average.

As far as concerns the commitment outcome, the highest score concerns the continuance commitment. This finding suggests, as might be expected, that opting for an agency employment contract is primarily based on a cost-benefit ratio and lack of viable alternatives. However, significant levels of both agency and client affective commitment are indicated. Both affective agency and client commitment indicate similar scores. We can assume that these workers may not consider themselves to be part of either the agency or the client organization, and they are therefore more likely to be committed equally to both organizations.

Another aspect to highlight refers to the perception of discrimination that indicate low scores in all the dimensions analysed, except for the perception to be discriminated as agency worker that display a higher level mostly for “perms-pre”.

As far as concerns the analysis on the sample divided into the three groups, several statistically differences arises. In particular, “perms-post” appear to be less time pressured, less conflicting and with less relational requests than “perms-pre” and “temps”. Moreover, “perms-post” show a lower level of burnout than “perms-pre” and a higher level of dual commitment than “temps” and “perms-pre”. “Perms-post” and “temps” experience a very lower level of job insecurity than “perms-pre”.

With reference to the satisfaction according to the dimensions analysed, “perms-post” and “temps” are more satisfied with the agency work experience and the relationship with the agency than “perms-pre”. “Temps”, in general, is the group most satisfied with the current job.

In this sense, as told before and as a result, the profile of the less satisfied agency worker (with scores around the 20° percentile) has a permanent “pre” contract, is 30-39 aged and high educated.

A last remark concerns the connection between TWA’s size and dual commitment and satisfaction. Medium, medium-large and large TWAs’ workers are more agency and client committed than micro-small TWAs’ workers. In terms of well-being dimensions, medium, medium-large and large TWAs’ workers also show higher scores of satisfaction with agency work, with agency relationship and with current job than micro-small TWAs’ workers. We believe that these high levels in affective dual commitment and satisfaction of medium-large and large TWAs are due to a “specific care” and “ad hoc” HR policies these TWAs provide to their workers.

In conclusion, three main considerations we highlight, in terms of implications and future studies.

First, the sample divided into three groups, as we clarify in the methodology section allowed us to analyse important differences among types of agency workers, contributing to fill the existing gap in the mainstream literature, as above mentioned, that considered “non-standard” workers as an unique wide category to be compared to direct-hired permanent full time workers. In particular, this option allowed us to understand whether and how the type of agency contract influences specific variables. Our study means to fill gap also in practice, helping TWAs’ management and policy makers to identify intervention strategies to promote well-being and improve performances of Italian agency workers.

The last two issues refer to the need of a longitudinal study. First, the launch of a second wave of the survey will allow us to monitor possible changing in well-being and satisfaction of workers (according to the dimensions we analysed), afterwards specific intervention actions promoted by TWAs. Second, we believe that the monitoring of commitment, satisfaction and job insecurity levels of “perms-post” in the medium and long term is crucial. If in the short term we could expect good findings (due to the impact and the “novelty” of a permanent contract), we will have to administer again the questionnaire, in order to depict a clearer and more accurate scenario. We expect that after an early phase where the job security of a permanent contract or the conversion (from temporary to permanent) positively impacts on the well-being, another different phase will follow where workers will absorb the “permanency”, becoming taken for granted. In this next phase other aspects necessarily will influence well-being and related variables.

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