

# Temporary agency workers face poor development potential

#### October 4 2011

Staffing agency personnel who stay with a client company for a long time face a low development potential and feel that they are not increasing their perceived employability. The reason is that they get to try and learn new things to a much lower degree than their more traditionally employed colleagues. These are the main conclusions of a new study from the University of Gothenburg.

Staffing agencies have been around for almost 20 years in <u>Sweden</u>, and they are well established in the country's <u>labour market</u>. They employ an equivalent of about 50 000 full-time workers, and roughly 30% of all large private and public employers use their services. Women, <u>immigrants</u> and unmarried individuals are over-represented among staff agency workers.

## **Shared responsibility**

In Sweden and in the rest of the EU, the staffing agency and the client company share the responsibility for the contracted workers. The agency serves as the actual employer and is therefore in charge of for example skills development training, performance reviews and development plans, whereas the client company has more of an on-site responsibility, including work environment issues. In an article published in Arbete och hälsa (in Swedish), Hannes Kantelius, doctoral student at the Department of Work Science, University of Gothenburg, reports the results of a study with 57 interviews – including both staffing agency personnel with



long-term assignments and regular permanent staff and also managers, supervisors and union representatives – at industrial enterprises, logistics companies and one government agency. Some of the agency-provided staff had spent more than two years with the same client company.

### **Extensive introductory training**

'One thing that the studied companies had in common was that the agency workers generally need extensive training on the job they were hired to do. This may eliminate the advantages to the client company of using temporary staffing, which is to have a flexible workforce that can be adjusted upwards or downwards according to the need at hand,' says Kantelius.

The client companies therefore demand that these staff members keep the same work tasks for the duration of the contract. The introductory training is a bottleneck where a high agency-provided staff turnover imposes a burden on the client company's organisation since it then has to divert resources to extensive staff training.

None of the temporary agency workers included in the study had been invited by their staffing agency to discuss work performance or development, as required by the Swedish Work Environment Act. Neither had they had the opportunity to vary their work tasks, due to the client companies' demand.

#### A dead-end street

'Agency workers with long contracts feel like they are stuck on a deadend street. They are not gaining any relevant knowledge, skills, experience, networks, contacts or anything else that makes them perceive themselves as more attractive in the labour market,' says



Kantelius. 'Another important finding is that the behaviour and demands of client companies have a large impact on the staffing industry, including on the affected people's development potential.'

However, there is one exception: highly educated white-collar workers who perform advanced work tasks related to industrial engineering. This group felt that their time as an agency worker actually had made them more attractive in the labour market, as they had performed qualified work tasks linked to their education. Yet, similar to the other studied groups, this group of agency workers did not envision a future in working as a staffing agency employee.

In regard to training opportunities, the studied temporary agency workers have a lot in common with other groups of temporary workers at large despite the fact that most of them are in fact permanently employed by their staffing agency.

#### Provided by University of Gothenburg

Citation: Temporary agency workers face poor development potential (2011, October 4) retrieved 3 July 2024 from <a href="https://phys.org/news/2011-10-temporary-agency-workers-poor-potential.html">https://phys.org/news/2011-10-temporary-agency-workers-poor-potential.html</a>

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