MOTIVATION AND COMMITMENT OF TEMPORARY AGENCY WORKERS

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### Objectives

The main objectives of this study were to explore the motivation and commitment of temporary agency employees compared to regularly employed workers. The thesis also examined if and how the national culture of the temporary agency employees influences their motivation and commitment.

### Summary

The primary research in this study was done through semi-structured interviews conducted with temporary agency employees, temporary work agencies and client organizations. The interviews focused on the motivational factors of temporary agency employees as well as their work satisfaction and commitment to their place of employment. The agencies and client organizations were also asked about how the national culture of their employees affects their motivation.

### Conclusions

This thesis concludes that overall the temporary agency employees are quite motivated and committed to their job. However, more emphasis should still be put in the human resources management of temporary agency employees at the client organizations, to make the employees feel more welcome, appreciated and useful. The amount of support that the employees received from the client organization and the agency clearly correlate with how motivated and committed they are to said companies. According to the respondents, there was very little correlation between the national culture of the temporary agency employees and their motivation and commitment to their place of employment.

**Key words:** motivation, commitment, temporary agency work, national culture  

**Language:** English  
**Grade:**
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1. INTRODUCTION

1.1. Background and research problem

This thesis is part of a Bachelor of Science in Economics and Business Administration degree at Aalto University School of Business, Mikkeli Campus. The purpose of this thesis is to examine the motivation and commitment of temporary agency workers in Finland. The thesis also aims to investigate if and how the national culture of the temporary agency employees affects their motivation and commitment.

Employees are the most important asset a company has. They are the face of the company and the most visible part to customers. For employees to do their job well, they need to be motivated and interested in what they are doing. Things that are usually believed to motivate people in their working life are career advancement, pay, co-workers, challenging and interesting work projects, and the stability a job brings to life. Employees, who work on a temporary basis lack most of these “normal” motivators. Because of this the question of what motivates temporary employees, arises.

The number of temporary employees in Finland is only around 1% of adults who are in the work life. Still, temporary workers and especially the agencies that provide them are making headlines quite often in the Finnish media due to issues with work contracts, not training the employees enough and not paying them enough. The number of temporary employees is rising at a steady pace in Finland. Temporary employees are especially important in industries such as retail, hospitality, and manufacturing. Temporary employment is popular among students and other young people, who have not been working for long and are lacking other work experience. Because of this, it would be important for managers and the companies to gain a better understanding of these temporary employees and their motives, since inexperienced young workers might not be willing or able to speak up for themselves at all times and demand things they need.

The results of this thesis may be of interest for temporary work agencies and client organizations who employ temporary agency workers. Due to the increasing number
of foreign and immigrant workers, the cultural aspect of the study is also relevant. This aspect has also not been researched much in the past.

1.2. Research questions

The aim of this thesis is to answer the following questions:

1. What motivates temporary employees at work?

2. How can managers motivate temporary employees and how does it differ from the way regular employees are motivated?

3. How committed are temporary employees to the company they are working for at a given time and how can they and the managers of said company ensure that the temporary employees fulfill and represent the company’s values and ideals (since they are changing companies constantly and might not have time to familiarize themselves with the company much)?

4. Does the situation of temporary employees differ between countries and how does this potential difference influence their motivation and commitment?

1.3. Research objectives

The research objectives of this thesis are the following:

1. To understand what motivation and commitment are, how they differ and why they are so important for employees and employers.

2. To explore how the motivation of temporary employees differs from the motivation of regularly employed workers and why.
3. To investigate how managers motivate temporary employees.

4. To survey the effect national culture has on the motivation and commitment of temporary employees.

5. To understand the different situations temporary employees in different countries are in.

2. LITERATURE REVIEW

2.1. Introduction

The use of temporary agency work is growing at a steady pace around the world (Veitch et al., 2009). Temporary employees have become an asset especially in industries that demand flexibility from their workforce, such as retail, hospitality, and manufacturing. However, in order to be an asset for the company, temporary employees have to be motivated and committed to the work they are doing. Common motivators for permanent employees are career advancement, pay, stability, work community and self-actualization (Bosmans et al., 2015). Employees, who work on a temporary basis, lack most of these motivators, which raises the question of what motivates them to work (Håkansson et al., 2015). It is important for managers and companies to get a better understanding of temporary employees to better comprehend their motives and utilize their contributions. Due to globalization and migration, managers also have to appreciate how differences in cultural backgrounds might affect the motivation and commitment of employees and how employee motivation might be achieved in different ways between different cultures (Leroch, 2014).

The purpose of this literature review is to understand the motivation and commitment of temporary employees and explore whether the cultural backgrounds of employees affect these. This is done by comparing and contrasting the findings of different literary sources such as articles and research papers. The main goals of the literature review are to 1) understand what motivation and commitment are, how they differ and why
they are important for employees and companies 2) To review how the motivation of temporary employees differs from that of permanent employees 3) investigate how managers motivate temporary employees and 4) to understand how culture affects employee motivation and commitment. The literature review focuses on temporary employment in Europe.

2.2. Defining temporary agency work

Temporary employment is typically defined as employment of limited duration (Connelly et al., 2011; De Cuyper et al., 2011; Eiken et al., 2009). Temporary employees can be divided roughly into four groups:

1. **Fixed-term contractors**: The employment contracts of fixed-term employees are made directly between the employee and the organization they are working for and always have a predetermined end date.

2. **Casual workers**: As the name suggests, casual workers work on a casual basis, which means that they do not have regular work hours and are not guaranteed regular work by the employer.

3. **Seasonal workers**: Seasonal workers are usually hired by organizations that need extra help during a particular season such as Christmas. Seasonal workers often work on a part-time basis.

4. **Agency workers**: Temporary agency workers are employed by a temporary work agency that hires the employees to client companies. (Biggs, 2006; Eiken et al., 2009).

This literature review will focus on temporary agency workers.

The temporary agency work industry has been one of the fastest growing employment trends of the past two decades (Chambel et al., 2016; Giunchi et al., 2015; Veitch et
al., 2009), with the number of temporary agency employees doubling in the past decade in Europe (Morf et al., 2014). CIETT, the International Confederation of Private Employment Services (CIETT) reports (2016) that in 2014 67.2 million people around the world worked through a temporary work agency, which is a 12% increase from 2013. Around 1.8 percent of Europeans work as temporary agency workers (CIETT, 2016).

Temporary agency work is distinct from other forms of employment because of the triangular relationship formed between the employee, the agency, and the client organization (Figure 1). In contrast to traditional employment relationships, the employer role in temporary agency work is divided between the temporary work agency and the client organization. Temporary agency employees develop two different foci of perceptions about how the organizations care about their contributions and well-being; namely, the support they receive from the two entities. This is directly related to the employee’s attitudes, commitment, and motivation towards both organizations. In order to gain maximum profit from the contingent work arrangement, the agency and the client organization need committed employees (Chambel et al., 2016; Håkansson et al., 2015; Veitch et al., 2009; Giunchi et al., 2015; Morf et al., 2014). From an employee perspective, the dual relationship is divided into the employment relationship (agency) and the management relationship (client organization). The employment relationship includes issues such as work contracts and wages and the management relationship consists of day-to-day matters such as assignments and integration to the work community (Håkansson et al., 2015).
Temporary agency workers were traditionally seen as replacements for permanent employees who were absent for a short period of time due to reasons such as illness or vacation. However, in today’s labor market, some positions are staffed with only temporary employees as a way to maintain organizational flexibility (De Cuyper et al., 2011). Temporary employees are seen as a critical part of organizations’ personnel strategies (Bosmans et al., 2015; Håkansson et al., 2015). This is especially the case in sectors that experience seasonal peaks in demand. Because of this temporary agency employment is largely concentrated to certain sectors. The main sectors to use temporary agency employees are the service, the manufacturing, and the construction industry (Eurostat, 2015; CIETT, 2016). In Europe around 37% of temporary agency employees work in the service industry, 32% in manufacturing, 9% in construction, 7% in public administration and 4% in agriculture on average. In the UK, the most dominant industries to use agency workers are the service industry with 52% and the manufacturing industry with 36% (CIETT, 2016). In Finland, the majority of temporary agency workers are employed by the same two industries, service and manufacturing, but there are no conclusive numbers on the percentage of agency workers in each industry (Tilastokeskus, 2015).
2.3. Temporary employment in Finland and in the UK

Until the end of the 20th century, full-time jobs with permanent contracts were the norm in Finland. Currently around 1.2% of the Finnish workforce works through a temporary work agency (CIETT, 2016). Even though temporary agency work represents only a small share of total employment in Finland, there has been a clear increase in the use of agency workers according to Viitala et al. (2016). The amount of temporary agency employees has grown around 28% since 2009. In 2015, temporary agency employees were used in approximately 25% of the companies in Finland (Lyly-Yrjänäinen, 2015). The increased use of temporary employees has not only occurred in traditional industries such as cleaning, hospitality and commerce, but also in industries that use highly skilled professionals, like the health care sector (Viitala et al., 2016).

According to Forde et al. (2016), employment intermediaries have a long history in the UK labor market, leading back to at least the 1920s. However, it is only in the past 30 years that temporary agency work has developed and grown significantly. The number of temporary agency workers has grown over 500% since the 1980s. While the recession in 2008-2012 caused the numbers to drop slightly, temporary agency work has been rising steadily since 2013 (Forde et al., 2016). At the moment, the UK employs the highest number of temporary agency workers in Europe. According to CIETT (2016), 3.9% of the labor force in the UK is employed through temporary work agencies. Furthermore, agency workers have penetrated into a significant number of firms, with approximately one in five companies using agency workers on a permanent basis (Forde et al., 2016).

2.3.1. Regulations in the temporary agency industry

According to Håkansson et al. (2015), the precariat, is a new emerging class. The precariat consists of both temporary agency employees and employees with open ended contracts. The precariat is in no way homogenous, but the unitive aspect of the group is the insecurity and lack of support they face in the labor market (Håkansson et al., 2015). Vlandas (2013) argues that the emergence of this class only further solidifies inequality in western societies. Temporary work is not distributed evenly between
different social groups in the population; educational level, gender and age are identifiers of the precarious work force. There are twice as many workers with lower level of education than those with higher education. Women are more likely to work in temporary positions and over 40% of working youth is employed through a temporary contract (Vlandas, 2013).

Temporary agency employees are viewed to have very little political power (Vlandas, 2013). This argument is supported by Bosmans et al. (2015) who states that temporary employees are less likely to know and stand up for their rights, both individually and through union representation. Because of this, governments have chosen on several instances to reduce regulations in the temporary employment sector, as it is unlikely to inflict political costs or large demonstrations. Vlandas (2013) argues that temporary employment, and especially temporary agency employment, is one of the least protected forms of employment in Europe.

Still, there are legislations and regulations that secure basic rights for temporary employees. The two main international regulations concerning Finland and the UK are the 2008 EU Directive on Temporary Agency Work and the 1997 International Labor Organization Convention No. 181. In addition to these two regulations, there are also country specific laws that regulate the temporary employment sector.

The Directive on Temporary Agency Work is an EU Directive agreed in 2008. It provides a general framework for the working conditions of temporary agency workers in the European Union. The Directive concerns mostly the contracts done between an employee and the temporary work agency. The objective of the directive is to secure a minimum level of protection for temporary employees and to enable the growth of the temporary employment industry. The Directive outlines principles of non-discrimination between the working conditions and treatment of temporary employees and permanent employees of the client company. It seeks to secure equal pay and working conditions (use of amenities, collective services at work, etc.) for temporary employees and permanent employees of the client firm. The directive also states that temporary employees are not to be charged any recruitment fees and should be granted the opportunity for training (European Commission, n.d.).

...requires governments to take the necessary measures to ensure adequate protection for the workers employed by private employment agencies in relation to nine aspects of employment: collective bargaining, minimum wages, working time, statutory social security benefits, access to training, protection in the field of occupational health and safety, compensation when occupational accidents or diseases occur, compensation in cases of insolvency and protection of worker claims, and maternity/parental protection and benefits.

These nine aspects are in addition to the four core ILO labor rights of freedom of association, non-discrimination, and the elimination of forced or child labor (Underhill, 2010; ILO, n.d.).

In Finland, these two regulations are overseen by the Ministry of Economic Affairs and Employment. From Finland’s viewpoint, the most significant part of the EU Directive on Temporary Agency Work is Article 6. Firstly, it states that the client organization has to inform temporary employees about new vacancies in the company at the same time as permanent employees and secondly it gives temporary employees access to the services offered by the client company, such as cafeteria, childcare and transportation. In other accounts, Finnish legislation is similar to the directive and the ILO’s convention (www.eur-lex.europa.eu, 2008). Per Finnish law, the temporary agency workers’ rights, payments, and other conditions such as holidays are dictated by the collective labor agreement of the industry that the employer is working under. If the agency is not tied to any specific industry, the workers’ contract is based on the collective labor agreement of the industry the client organization is working under (Ministry of Economic Affairs and Employment, n.d.).

Until recently, regulations in the temporary agency sector in the UK were minimal, as temporary agency work was not included in most of the employment legislation altogether. Both the Employment Agencies Act (1973) and the Employment Agencies and Employment Businesses Regulations (2003) failed to clarify the vague
employment status and rights of temporary employees. The most significant change in the sector has been the EU Directive on Temporary Agency Work with the UK Agency Working Regulations (2011) implemented soon after. While these have improved the standing of temporary agency employees in the UK, there has been growth in contractual arrangements that take advantage of the gaps in the regulations. The so-called “Pay Between Assignment” model exploits the article in the Directive that states that employees who have worked twelve consecutive weeks at the same client organization are entitled to the same basic conditions as the permanent employees of said organization, by agreeing to pay the temporary agency employee between their assignments, meaning that they do not get the same pay or the same perks as other employees (Forde et al., 2016; Goldman et al., 2011; www.eur-lex.europa.eu, 2008). Also, because of the impending EU referendum, it is not quite clear if and how the regulations concerning the temporary agency industry are going to change in the next few years.

While these regulatory advances can be seen as a step in the right direction, Underhill (2010) raises the point that both the ILO and the EU approaches to regulating temporary agency work highlight the conflicts that arise when trying to protect the employment rights of temporary agency employees whilst protecting the temporary agencies business interests at the same time. Especially the part about equal employment conditions for agency and permanent employees raises issues. Wages are important to the employees, but they are of utmost importance to the agencies, since their entire business model and potential for revenue lies in being able to offer client companies cheaper workforce than the permanent employees they have (Underhill, 2010). As stated at the beginning of this section, a majority of temporary employees are not aware of their rights and cannot advocate for them. Because of this, employers are able to take advantage of the loopholes in the regulations, such as “Pay Between Assignments” in the UK, to ensure that temporary employees do in fact not have the same monetary gains and other working conditions and rights as permanent employees. This claim has been confirmed by several studies done by for example Håkansson et al. (2015), Chambel et al. (2016), and Bosmans et al. (2015) that have concluded that temporary employees feel like they are in a disadvantage in comparison to permanent employees.
2.3.2. Challenges in temporary agency work

Most research done on the motivation, commitment, satisfaction, and well-being of temporary agency employees suggest that the use of temporary agency employees creates several human resource and people management challenges, mostly due to the triangular relationship between agency, employee, and client organization (Forde et al., 2016). Work satisfaction among temporary agency employees is significantly lower than with permanent employees (Håkansson et al., 2015).

Triangular relationship between employee, agency, and client organization
The conflicting interests and lack of responsibility of the temporary work agency and the client organization affect the temporary agency workers in several ways. Connelly et al. (2011) notes that while it is in the best interest of the agency and the client organization to employ highly skilled and motivated employees, the goal of the temporary work agency is “placing each temporary on an assignment for as many hours as possible”. The client organization on the other hand aims to “extract the maximum labor power from each temporary in order to shorten the number of hours for which they are billed by the temporary agency”. Since both are companies that want to make profit, this is completely understandable. Still, this conflict has a direct effect on the employee. Temporary agency employees, especially those on longer assignments, often have trouble accessing training and have fewer chances to develop their competencies than permanent employees have. Because of the high turnover rates, the training of temporary employees is seen as a waste of resources, since it as poor return of investment to the client organization. The agency on the other hand does not want to jeopardize their contract with the client organization by pulling employees out of work for training (De Cuyper et al., 2011; Håkansson et al., 2015).

Exclusion from the work community
The presence of temporary employees changes the organizational culture and the dynamics in the work community (Viitala et al., 2016). Bosmans et al. (2015) argues that temporary agency employees are seen as competition for the permanent employees and permanent positions at the client organization. This often leads to the stigmatization and exclusion of temporary employees from the work community. Temporary employees are not invited to social events and are depicted as
incompetent, lazy, unintelligent, and inferior (Bosmans et al., 2015; Viitala et al., 2016). Chambel et al. (2016) expands on this by stating that temporary employees are frequently seen as peripheral workers. They have lower autonomy, more repetitive tasks, and a higher dynamic work load. These conceptions further the “established-outsider figuration” of temporary employees, which affects their well-being, self-image, and confidence negatively. The large power distance between temporary and permanent employees means that temporary employees often also have trouble speaking up for themselves and standing up for their rights; both individually as well as through union reps (Bosmans et al., 2015). Because of their lack of representation, temporary employees are not that aware and involved in occupational health and safety organizations. Eiken et al. (2009) warns that as the number of temporary employees rises, this can, in the long run, have harmful effects on the overall motivation and competence of organizations to take actions to prevent work situations that threaten the safety and health of employees, since employees are not advocating these.

**Lacking working conditions**

Despite the EU Directive and country specific regulations, Underhill (2010) highlights that temporary employees still have worse working conditions than permanent employees do. Especially the lack of job security is highlighted in several articles (Bosmans et al., 2015; Forde et al., 2016; Håkansson et al., 2015; Underhill, 2010). Temporary employees experience wage disadvantages, obstacles to unionization, higher risk for workplace injury, exclusion from pension plans and lack of challenges at work (Underhill, 2010).

### 2.3.3. Comparing temporary agency work in Finland and in the UK

Finland and the UK are both (at least for now) part of the European Union. Because of this, there are not that many differences in the legislation that regulates temporary agency work. The same main guidelines such as equal pay and working conditions are implemented in both countries. However, on the local level there are some differences in the approach to temporary employment.
In Finland, the employment sector is heavily regulated, which can be seen from the fact that the introduction of the 2008 EU Directive did not lead to any major changes in the temporary agency sector. In the UK, however, there was very little regulation regarding temporary agency employment and it was excluded from most legislations. The challenges that face the temporary agency industry are also similar in both countries and there are no significant differences.

2.4. **Motivation of temporary employees**

Kanfer et al. (2016: 7) states that modern views portray motivation as “a time-linked set of recursive and reciprocal affective, behavioral, and cognitive processes and actions that are organized around an individual’s goals”. An individual’s goal is the desired outcome of a certain action that is developed and modified constantly by three different forces: the person, the situation, and epigenetic forces. These three powers and the individual’s goals they built, contribute to the stability and heterogeneity of the individuals’ motivated actions (Kanfer et al., 2016). As Hendijani et al. (2016: 251) states, “the forces that influence motivation occur both within as well as externally to the individual”. In other words, motivation is affected by both internal, psychological processes as well as environmental factors and can only be evaluated in perspective of the individual’s character and the concept in which the action occurs.

The self-determination theory (SDT) declares that different types of motivation are distinguished based on the reasons or goals that give rise to the action. The most basic distinction is between intrinsic and extrinsic motivation (Lopes et al., 2013). Intrinsic motivation refers to actions that are done simply for the pleasure of doing them. The experience of carrying out the action is enjoyable and satisfactory in itself and is executed for inherent reasons rather than to achieve a separate object of value. Extrinsic motivation on the other hand refers to actions that are done in the hopes of extrinsic rewards (e.g. wages, praise, etc.) or to avoid negative outcomes (e.g. punishment) (Hendijani et al., 2016).

When examining the motivation of temporary agency employees, volition is one of the most important constructs to keep in mind. Muzzolon et al. (2015) defines volition as
“the degree of choice in employment contracting for a job-seeker”. In other words, if the worker is employed through a temporary work agency by choice or by necessity. Based on the volition construct most articles written on temporary agency workers motivation divide the temporary agency workforce into three categories. These are 1) employees who are willingly working through a temporary work agency, 2) employees who believe temporary agency work can be used as a stepping stone to more permanent employment and 3) employees who work temporary jobs, because they are unable to find or retain permanent employment (Borgogni et al., 2016; de Cuyper et al., 2011; de Jong et al., 2009; Muzzolon et al., 2015). The volition often determines the employees’ attitude, behavior, satisfaction, and well-being at work. Voluntary temporary employees often have a more satisfactory organizational experience than involuntary employees do (Muzzolon et al., 2015). The following sections will describe and examine the most relevant motivational theories and the importance of motivation for both the employee and the manager (client organization).

**Maslow’s Need Hierarchy Theory**

The most famous theoretical framework for understanding motivation is Maslow’s Need Hierarchy Theory that was published in 1943, but is still widely used to this day. In his theory, Maslow (1943) proposes five basic human need categories: physiological, safety, love/belonging, esteem and self-actualization. These needs are organized hierarchically so that the most basic physiological needs (e.g. water, food, and sleep) are at the bottom of the hierarchy and the highest level of need, self-actualization (e.g. creativity, morality, etc.) is at the top of the hierarchy. When the basic physiological needs have been reached, the individual moves to the next level in the hierarchy and so on.

Maslow’s model is a useful tool in understanding the motivation of employees, but it also highlights the challenges that arise with the use of temporary agencies; both for the motivation of the temporary employees, but also for how management should motivate these employees. For permanent employees, the source of motivation comes from climbing the hierarchy Maslow has introduced. They work hard to earn more money, be a part of a work community, move up the corporate ladder and express their ideas. Most temporary agency employees, however, lack these opportunities (de Jong
et al., 2009). Because of this, the question of what motivates temporary agency employees, arises.

**Herzberg’s Two-Factor Theory**

Herzberg’s Two-Factor Theory (also known and motivation and hygiene theory) strives to identify the aspects that employees view as satisfactory and unsatisfactory in their work. It states two factors that generally cause these: work content as a source of satisfaction and work context as a source of dissatisfaction. Motivators such as recognition, responsibility and stimulating work lead to satisfaction and better work performance. Hygiene factors like salary, job security, co-workers and working conditions are external and caused by the working environment. If the hygiene factors are not fulfilled, employees are most likely dissatisfied with the company and less motivated to do their best. According to Herzberg, both motivators and hygiene factors have to be taken into account. Fulfilling the hygiene factors leads to work satisfaction, but not necessarily motivation. Employers have to offer motivators to their employees to motivate them. (Kanfer, 2016 et al.; Ehiobuche, 2013).

Exploring temporary agency workers motivation through Herzberg’s theory underlines a significant challenge: according to the majority of research, the hygiene factors for temporary agency workers are not met. As stated in the previous section of the literature review, temporary employees lack job security, feel excluded from the work community and get fewer benefits than permanent employees (Bosmans et al., 2015; Forde et al., 2016; Håkansson et al., 2015; Underhill, 2010; Viitala et al., 2016). Because of this, the work context can cause dissatisfaction and harm the motivation of the employee.

**Locke’s Goal-Setting Theory**

Locke’s Goal-Setting Theory states that employees’ personal goals are strong motivators. At the end of the day, motivation is a goal-oriented activity, and setting clear and challenging (but attainable) goals will ultimately improve motivation. Locke’s research suggested that having clear goals influence employee behavior in four ways: directing attention, increasing effort, encouraging task persistence, and facilitating the development of effective performance strategies (Kanfer et al., 2016).
De Jong et al. (2009) argues that clear goals are an important source of motivation for temporary employees. By creating goals, temporary employees can feel motivated even if the work itself is not that motivational. If, for example temporary employment is seen as a stepping stone, the prospect (goal) of a permanent contract has positive consequences for work related behaviors, attitudes and motivation (de Jong et al., 2009; Borgogni et al., 2016). As for involuntary temporary employees, finding even a small goal can improve motivation significantly (Ehiobuche, 2013).

**Self-efficacy as a motivational instrument**

The different motivational frameworks that are discussed above highlight the importance of self-efficacy in the motivation of temporary employees. According to the frameworks, motivation is mainly triggered by self-actualization and improvement through challenging situations, problem solving and responsibility. Since these are aspects that the temporary work agency as well as the client organization are most of the time unable to provide, the personal resources of the employee become increasingly important.

Self-efficacy refers to “the extent to which individuals feel confident in having the capabilities to successfully face specific events and circumstances of their work context” (Borgogni et al., 2016: 87). Borgogni et al. (2016) explains that when employees approach their work with optimism, it helps them see the positive aspects of the experience and be more resilient in difficult situations, since they are confident that they have the abilities to create their own success. Employees with high self-efficacy have a more positive perception of their work environment, set clear goals and put in effort to achieve these goals. Self-efficacy improves and influences motivation, performance and job satisfaction (Ballout, 2009; Borgogni et al., 2016). In uncertain situations, such as temporary employment, success depends largely on the active role of the individual; temporary employees need to actively ask for feedback, demand challenges and instigate social relationships at work (Ballout, 2009). Borgogni et al. (2016) adds that self-efficacy helps employees exercise some control, even in environments that offer limited opportunities.
2.5. Understanding employee commitment

Commitment is “a force that binds an individual to a course of action of relevance to one or more targets” (Morin et al., 2011). Commitment is the factor that ties an employee to an organization. It helps organizations succeed, by increasing job performance and employee satisfaction and decreasing turnover (Yahaya et al., 2016). Research identifies three separate aspects to commitment: affective commitment, continuance commitment, and normative commitment (Veitch et al., 2009; Morin et al., 2011; de Jong et al., 2009; Connelly et al., 2011). Affective commitment refers to an individual’s emotional attachment to, identification with and involvement in an organization. Continuance commitment depicts the awareness of the costs associated with leaving an organization and normative commitment describes the sense of obligation to continue working for a company (Veitch et al., 2009, Allen, 2011). Among these three types of commitment, affective commitment has been researched the most and is most relevant to the temporary employment sector.

Motivation and commitment often go hand in hand. It is, however, possible for employees to be committed, but not motivated. This can be the case for example with continuance commitment, where employees stay with the organization mostly for benefits such as wages (De Cuyper et al., 2011).

An important concept of organizational commitment is organizational embeddedness. The job embeddedness theory illustrates a set of social, psychological and economic forces that operate around and within the job. The stronger the forces, the less likely an employee is to resign and the more committed they are to the company. High levels of organizational embeddedness also motivate employees to perform better (Wei Tian et al., 2016).

Commitment is a desirable attribute of temporary agency workers for both the agency and the client organization. Research, however, shows that temporary agency workers are more committed to their client organizations than the temporary work agency (Veitch et al., 2009; Connelly et al., 2011). Veitch et al. (2009) explains that the reason for this is that temporary employees lack regular interaction with the agency and their
affective commitment is based more on their work experiences at the client organization than the legal ties they have with the agency.

The essence of organizational commitment is that employees perceive that they are supported and valued at work and the organizations values match those of the employees. Veitch (2009) argues that a key period when employees form these ties is during their initial socialization into the company. Given the frequent transitions that temporary agency employees make between companies, it is important that they feel supported from the beginning. In order to get the maximum labor power from the temporary employees, client organizations should include temporary employees in social event (such as morning coffee), training events that help them understand the organization better, and appoint tasks that match the employees talents. By supporting temporary employees, client organizations can get more committed employees (De Cuyper et al., 2011; Veitch et al., 2009). De Cuyper et al. (2011) explains that if temporary employees lack this support, they may not feel any obligation to reciprocate with commitment. Low commitment in temporary employees can lead to counterproductive workplace behavior that negatively influences morale and increases turnover rates among committed employees (Connelly et al., 2011).

However, commitment of temporary employees does not always have anything to do with working conditions or the support from the client organization. Håkansson et al. (2015) and De Cuyper et al. (2011) explain that for many temporary agency employees commitment to their work is caused simply by employability. Employability stands for the possibility of remaining in a paid job. It is not connected to one specific employer or job but to the security associated with staying employed in the labor market. Håkansson et al. (2015: 7) highlights that employability is “intertwined with personal characteristics and is not easily changed”.

2.6. Exploring the effect of culture on employee motivation and commitment

Culture is typically defined as a system of shared understandings, values, and norms (Leroch, 2014; Carroll et al., 2007). Culture is passed from one generation to another and is because of this bound to change over time (Leroch, 2014). Jung et al. (2008)
claims that numerous studies suggest that the national culture in which an organization is located in, significantly influences organizational culture. This claim is supported by Leroch’s (2014) statement that for example the importance and effect of incentives such as money, hierarchy and monitoring seems to vary across cultures.

Over the past sixty decades, several studies have been conducted with the aim of producing a framework of cultural dimensions to help understand how the culture of a society effects the values of its members and how these are reflected in their behaviour. The most famous of these studies is Geert Hofstede’s cultural dimensions theory that was conducted in the late 1960s to early 1970s. According to Hofstede’s theory, a national culture can be defined through five dimensions: power distance, individualism, masculinity, uncertainty avoidance and long-term orientation (Hofstede, 1984). Several other frameworks, such as Trompenaars’ Seven Dimensions of Culture, Schwartz’s Theory of Basic Human Values and the GLOBE Study also examine the effect of national culture on the values and behaviours of people. However, most of these studies share several aspects with Hofstede’s theory, such as the dimension on power distance and individualism vs. collectivism. Other cultural frameworks are mainly extensions of Hofstede’s cultural dimensions theory (Leroch, 2014). Because of this, this literature review will focus on Hofstede’s research. The three cultural dimensions that shape motivation and commitment the most are uncertainty avoidance, masculinity, and power distance.

**Uncertainty avoidance**

Uncertainty avoidance is the degree to which members of a society feel uneasy with situations that are unpredictable, unclear, or ambiguous. Societies with high uncertainty avoidance tend to be more intolerant to changes, seek for security and be less aggressive. Conversely, societies with low uncertainty avoidance are more inclined to tolerate change, take more risks and be more aggressive (Hofstede, 1984; Jung et al., 2008).

Finland scores high on this dimension compared to the UK and has therefore a preference for uncertainty avoidance. Hofstede (n.d.) explains that people in countries with high uncertainty avoidance have an inner urge to work hard and stay busy. Change and innovation faces resistance, since security is an important element in
individual motivation. Unlike Finland, the UK scores quite low on uncertainty avoidance. British people are comfortable with ambiguous situations and do not plan that far ahead. There is also no need for that many rules (Hofstede, n.d.).

Masculinity
Societies that score high on masculinity, are driven by competition, achievement, and success. Feminine societies on the other hand have softer values such as caring for one another and quality of life. In a masculine society, success is defined as being the best in your field, whereas in a feminine society success is measured in the quality of life. The fundamental difference between these two is what motivates people: wanting to be the best (masculine) or loving what you do (feminine) (Hofstede, 1984).

Finland scores very low on masculinity and is therefore a feminine society. As such, Finnish employees value equality, solidarity and quality in their working lives. Decisions are often done on consensus and conflicts are resolved through negotiation and compromise. Finns do not care that much about social status; free time and well-being are valued more (Hofstede, n.d.). According to the OECD Better Life Index (n.d.), Finland ranks very high on well-being and life satisfaction. In comparison with Finland, the UK ranks high on masculinity; people are driven by success. Whereas Finns work to live, people in the UK live to work. Ambition is more evident and valued (Hofstede, n.d.)

Power distance
Power distance measures the extent to which less powerful people accept that power is distributed unequally in organizations and institutions (Hofstede, 1984).

Finland is an egalitarian culture and scores therefore low in power distance. Finnish organizations are flat; hierarchy is minimal, superiors are easily accessible and employees work independently. The atmosphere is participative as employees expertise, experience and ideas are valued (Hofstede, n.d.; Viitala et al., 2016). Despite being known for its rigorous class system, the UK also scores low on power distance. There is a deep-seated belief that one’s background should not define their future (Hofstede, n.d.; Forde et al., 2008).
The differences between Finland and the UK that are highlighted by Hofstede (n.d.), Viitala et al. (2016) and Forde et al. (2008) indicate that culture does affect the motivation and commitment of temporary employees. These differences should be taken into consideration by managers in order to get a better performance from their employees.

For example, the masculinity of the British culture would suggest that employees in the UK are more motivated by money, esteem and rank, whereas Finnish employees would feel more motivated by a work community due to the femininity of the culture. For temporary agency employees, this can, however, be different, since these motivators are lacking in both culture.

2.7. Conclusions for further research

The temporary agency industry is one of the biggest employment trends in the past decades. This can be seen for example in Finland and in the UK, where the number of temporary agency employees has grown significantly. Temporary agency work offers client organizations flexibility, cost reductions and the ability to react quickly to changes in workforce demand. For temporary employees, agency work can be a voluntary choice to gain more flexibility, a stepping stone for permanent employment or an involuntary must, because no other work is available. Motivation and commitment of temporary employees can create a challenge for the client organization. At the moment, temporary employees are seen as peripheral workers and they have difficulties receiving training and being part of a work community. Since it is in the best interest of both the client organization and the agency to get highly motivated employees, more resources should be allotted to make temporary employees feel like their contribution is appreciated.

As can be seen in the conceptual framework of this literature review (Figure 2), the motivation and commitment of temporary employees depend on several forces. The most significant factors are the employees and their attitudes as well as the client organization and the agency they work for. Culture also influences motivation and commitment. The values of an employee and subsequently their motivators (money,
Esteem, security, etc.) are often determined by the culture they grow up in. Finally, national, and local legislation impacts the motivation and commitment of agency employees, as it dictates the compensation, holidays and working conditions they get.

Current research and literature explores the triangular relationship of agency work and the challenges that rise with it. A lot of the research focuses on the issues of temporary agency work (lower wages, poor working conditions, etc.) and temporary employee work satisfaction. There is not that much research on how and if culture affects the motivation and commitment of temporary employees. Because of different national values (culture), temporary agency work can be seen differently in different countries. This would be an interesting topic of research for the future.
3. METHODOLOGY

3.1. Secondary research

The secondary research conducted in the literature review was done to enable a better understanding of temporary agency employment, employee motivation and commitment and cultural differences. The sources used in the secondary research are mostly from academic journal articles written and published in the past ten years. Studies done by for example Håkansson (2015), Bosmans (2015), Viitala (2016) and Hofstede (1984) were used extensively. The secondary research provided a platform on which to formulate the interviews that were done in the primary research.

3.2. Primary research

The purpose of this thesis is to gain a better understanding of the motivation and commitment of temporary agency workers and explore if and how national culture affects these. The chosen method to accomplish this was interviews. Because of the triangular employment relationship in temporary agency employment that was described in the literature review, interviews were conducted with temporary agency workers, temporary work agencies and client organizations. Interviews were conducted with all three sides because of their interdependent relationship and in order to gain a more in-depth and balanced look into the temporary employment sector. Additionally, not many interview-based studies have been conducted in the temporary agency sector in Finland, which brings further value to the choice of method.

3.3. Conducting the interviews

Twenty interviews were conducted over a two-week period. Interviews were conducted over the phone, in person and via e-mail. The different interviewing methods were chosen due to time constraints; it was quite challenging to find times that were suitable for both sides. Table 1 shows how each interview was conducted.
Three different sets of interview questions were constructed for the agency employees, the temporary work agencies, and the client organizations. The interviews had 21 questions for temporary agency employees, 13 for temporary work agencies and 12 for client organizations. The interviews were semi-structured. There were certain issues that had to be covered during the interviews, but follow-up questions were also asked when needed. The interview questions were divided roughly into three parts: demographic questions, questions about the job in general and questions on motivation and commitment. In addition, the agencies and client organizations also had questions about employing employees with different cultural backgrounds. The interview questions can be found in Appendix 1.

Each interview was between 15 to 30 minutes in length. The interviews were all conducted in Finnish, since all interviewees were of Finnish nationality. All interviews were recorded for further analysis with the consent of the interviewees.

### 3.4. Interview respondent profiles

The requirements for the interviewees were that they are currently employed by a temporary work agency, and have worked for at least one client organization in the past year. The goal was to find temporary agency workers who work in different industries in order to get a more balanced view of temporary agency motivation and commitment, so that the answers are not focused on solely one industry. Eight of the temporary agency workers were found through personal connections and seven were

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Phone interview</th>
<th>Face-to-face interview</th>
<th>E-mail interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary agency employee</td>
<td>9</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Temporary work agency</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Client organization</td>
<td>2</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

Table 1: Format of interviews
suggested by the temporary work agencies. The table below (table 2) summarizes the basic characteristics of the interviewees.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Gender</th>
<th>Age</th>
<th>Field of work</th>
<th>Working experience in current temporary agency</th>
<th>How many client organization have you worked for in the last year?</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1</td>
<td>Female</td>
<td>31</td>
<td>Service</td>
<td>10 years</td>
<td>4</td>
</tr>
<tr>
<td>E2</td>
<td>Female</td>
<td>23</td>
<td>Office</td>
<td>1 year</td>
<td>1</td>
</tr>
<tr>
<td>E3</td>
<td>Female</td>
<td>24</td>
<td>Office</td>
<td>3 months</td>
<td>1</td>
</tr>
<tr>
<td>E4</td>
<td>Female</td>
<td>21</td>
<td>Retail</td>
<td>1,5 years</td>
<td>1</td>
</tr>
<tr>
<td>E5</td>
<td>Female</td>
<td>22</td>
<td>Service</td>
<td>1,5 years</td>
<td>10</td>
</tr>
<tr>
<td>E6</td>
<td>Female</td>
<td>21</td>
<td>Service</td>
<td>3 years</td>
<td>2</td>
</tr>
<tr>
<td>E7</td>
<td>Female</td>
<td>23</td>
<td>Service</td>
<td>3,5 years</td>
<td>3</td>
</tr>
<tr>
<td>E8</td>
<td>Female</td>
<td>32</td>
<td>Office</td>
<td>1 year</td>
<td>1</td>
</tr>
<tr>
<td>E9</td>
<td>Female</td>
<td>34</td>
<td>Office</td>
<td>6 months</td>
<td>3</td>
</tr>
<tr>
<td>E10</td>
<td>Female</td>
<td>27</td>
<td>Office</td>
<td>1,5 years</td>
<td>1</td>
</tr>
<tr>
<td>E11</td>
<td>Female</td>
<td>23</td>
<td>Retail</td>
<td>1,5 years</td>
<td>3</td>
</tr>
<tr>
<td>E12</td>
<td>Male</td>
<td>25</td>
<td>Manufacturing</td>
<td>1 year</td>
<td>1</td>
</tr>
<tr>
<td>E13</td>
<td>Male</td>
<td>33</td>
<td>Service</td>
<td>1,5 years</td>
<td>1</td>
</tr>
<tr>
<td>E14</td>
<td>Female</td>
<td>32</td>
<td>Office</td>
<td>3 years</td>
<td>1</td>
</tr>
<tr>
<td>E15</td>
<td>Female</td>
<td>65</td>
<td>Service</td>
<td>2 months</td>
<td>4</td>
</tr>
</tbody>
</table>

Table 2: Characteristics of temporary agency employees who were interviewed

In addition to the temporary agency workers, two temporary work agencies and three client organizations were interviewed. All five companies are located in Mikkeli and their responses are relevant to the Mikkeli branches. One of the agencies (agency A1) employs temporary agency employees as “floating” employees that move from one client organization to another as well as long term to one client organization. The other agency (agency A2) only employs temporary agency workers in long term positions at client organizations. From the client organizations one offers temporary agency employees office work (client organization C1), one specializes in manufacturing (client organization C2) and one in hospitality (client organization C3).
3.5. Limitations of research

This study is prone to some limitations. Firstly, the number of interviewees is somewhat small due to the fairly small scope of the study and restrictions in both time and resources. Because of this it is difficult to generalize the answers for the entire population of temporary agency employees, temporary work agencies and client organizations in Finland. All interviews were also conducted in Mikkeli, a rather small and homogeneous town, which might affect the answers.

Secondly, despite the fact that most temporary agency employees who were interviewed were chosen at random by the temporary work agencies, only two of the employees interviewed were male, while thirteen respondents were female. Also, apart from one exception, the interviewees are all in their twenties or early thirties. This makes the sample rather homogeneous and it does not represent the entire population.

Lastly, the findings for the last research question that asks if and how culture affects motivation and commitments of temporary agency workers, suffers from a lack of comparison.

4. FINDINGS

4.1. Responses from the interviews

Overall, the temporary agency employees feel motivated and committed to their work. Based on the interviews, the temporary agency employees can be divided roughly into two groups: employees who work on a semi-permanent basis at just one client organization and employees who are not committed to one job, but constantly move between different client organizations. The motivators and commitment of these two sub-groups of temporary agency employees differ in some aspects and will be discussed further in the following paragraphs of the thesis. These two different forms of temporary agency work are also reflected in the way the agencies and client organizations approach and care for the employees.
A recurring theme in the temporary agency employee interviews was the poor reputation of temporary agency work and how temporary agency workers are therefore often seen as less valuable employees at the client organizations, which is reflected in their tasks and how they are welcomed to the work community. Or as interviewee E14 stated:

“There still seems to be some kind of taboo when it comes to agency work. That it is somehow embarrassing to be employed by an agency. I wish this outdated reputation could be fixed … I for one feel like I am in perfectly capable hands and do not feel like some outcast who can only be employed through an agency”.

4.1.1. Why temporary agency work

All of the interviewees stated that they were working voluntarily through an agency. However, only five of the fifteen temporary agency employees interviewed said that they were specifically looking for temporary agency employment, the other ten said it just worked out that way. The main reasons for searching specifically for temporary agency work were studying and money. Three of the five previously mentioned employees are currently studying and preferred therefore to work through an agency, as it enables them to pick their own shifts as well as say no to shifts if needed. The other main reason for consciously working through an agency was that their permanent place of employment could not offer enough shifts during quieter periods and agency work is an easy way to earn some extra money, without committing to too much.

Still, a majority of the interviewees were initially employed through an agency by chance; either the client organization insisted that they apply to work through an agency or they did not even realize they were interviewing for an agency.

“I didn’t even realize that I was interviewing with an agency when I applied for the job, because of course the job description was that of the client company. I haven’t really minded though, the only difference is that my paycheck comes from a separate company, but otherwise there isn’t really any difference with working directly for the
Agency A1 also revealed that many temporary agency employees are looking for work in agencies in the hopes of earning a permanent position in one of the client organizations. This argument was supported by client organization C1 that has hired several temporary agency employees as permanent employees in the past and client organization C2 that hires new permanent employees almost exclusively from the temporary employee pool.

4.1.2. Work satisfaction of temporary agency employees

Overall, the interviewees were satisfied with their place of work. Working through an agency enables employees to pick their own shifts, client organizations and work assignments. It is also easy to combine work with studies or family commitments. However, there was a slight difference in the work satisfaction of temporary employees who worked for one client organization on a semi-permanent basis and employees who float between different client organizations. Interviewee E10, who works at one client organization said:

“I’m very satisfied with my work place at the moment. I have clear work hours, free weekends and the work environment, especially my colleagues, are very nice. The tasks are diverse, but I don’t have to be on my toes the entire time learning something new.”

However, interviewee E9, who has worked in three client organizations in the past year, stated that working through an agency and floating from one client organization to another meant that you are not really seen as a person.

“Employees are not just numbers. Empathy and organizational skills are important, if you want to keep people satisfied and working. I don’t believe many of my former colleagues who were employed here through an agency would come back to work for the same agency, if they were given the choice.”
The employees also felt that there was a lack of trust from the agencies side. According to interviewee E6, for example sick leaves were very difficult to arrange.

“If you are sick, you always have to go to the agency office to prove that you are sick, before they give you the paper that pays for the doctor. It just feels like you are not trusted completely.”

Still, the consensus from most interviews was that most agencies and client organizations are very good and fair employers and, like interviewee E5 said “the good thing about temporary agency work is that if you don't like a client organization, you always have the option of not accepting more shifts there”.

4.1.3. Motivation

The temporary agency workers were asked to assess their motivation on a scale from 1 to 5, with 1 being “not at all motivated” and 5 being “very motivated”. The mean of the answers was 3,86, indicating that for the most part the employees feel motivated by their job. However, a clear difference could be found in the motivation of employees, who worked on a semi-permanent basis in one client organization and employees who only worked casually and for many different client organizations. During the course of the interviews the following aspects concerning motivation were highlighted.

The importance of challenging work
Interviewees E1, E2, E3, E5, E8, E11, E13, and E14 expressed that the greatest motivator for them is work that is challenging enough. The other interviewees mentioned this as a motivator as well, just not as the most important one. Despite this, only interviewees E5, E8 and E14 felt like their current work was challenging enough.

“I am very motivated to work, this is the best job I have ever had. I originally applied for a different job, but after interviewing me, the agency offered me a more challenging position. I really appreciate the challenges, because I feel like I am constantly learning
new things and getting more responsibility, which motivates me even further”.
(Interviewee E8)

The lack of challenges in the work seemed to lower motivation of all employees. As interviewees E3 and E13 said:

“I am motivated in the sense that I always do my work as well as I can. However, I feel like me and my skills are constantly undervalued and the tasks that are given me are way too easy. I have noticed that I have started working slower and with less enthusiasm, because I am not challenging myself in the least bit.” (Interviewee E3)

“I would say that I was quite motivated. Especially in the beginning, when I was learning a lot of new stuff, it was very exciting to be at work … However, once the work started to become a bit repetitive and routines started to form, the job became a bit boring. I wouldn’t say that I wasn’t motivated anymore, but certainly less motivated than I was at the beginning.” (Interviewee E13)

**Work-community as motivator**

The second most common answer on what motivates temporary agency employees was the work community. If the co-workers and managers are not welcoming or there are other issues with the people working at the client organization, it affects the motivation, atmosphere, and well-being of the employees as well as their attitudes towards the work itself. But on the other hand, if the people at work are encouraging and nice, even menial tasks that might not be that exciting are much more fun and tolerable.

While the work community is a big source of motivation for temporary employees, only interviewees E7, E8, E10, E12, E13, and E14 said that they felt completely at ease in the work community and equal with the permanent employees of the client organization. Other interviewees stated that there was a visible divide between them and the permanent employees. This is visible in the tasks, but also in how temporary employees are included in company outings, coffee breaks, etc. For example, interviewee E15 said that while she was working for the client organization for the first
time, her permanent co-workers informed her that she was entitled to one ten-minute break, while they themselves took two fifteen-minute breaks.

**The importance of feedback**

A prevailing issue in Finland is the lack of feedback at work places. This issue translates over to temporary agency work as well. Agency A1 highlighted the issue of feedback in their interview:

“When motivating employees, feedback is of utmost importance – both positive and constructive feedback. Unfortunately, many client organizations don’t know how to properly give feedback. The problem is that feedback should be given in the moment, so that the employee can connect it to something they have done. Managers in client organizations often feel too shy to do this and instead call us. Of course, we always relay the feedback to the employees, but it is not as effective out of context.”

Apart from agency A2 and client organization C1, none of the companies interviewed hold performance appraisals or other discussions with the agency employees. The triangular employment relationship was evident in this, because the other two client organizations C2 and C3 stated that since the employees were not officially working for them, they could not have performance appraisals in the client organization. On the other hand, the agencies cannot have them, because they have not the required knowledge of the tasks of the employees in the client organization.

While most of the interviewed employees said that they had received some, mostly positive, feedback at the client organizations, many wished that they would be seen more as individuals rather than “temporary employees” and given feedback accordingly.

**Compensation**

Interestingly, only interviewees E1 and E4 mentioned compensation as their main motivation. Most other interviewees were of the opinion that while salary is the reason everybody works, it is not the thing that affects their motivation the most. There seemed to be a consensus among the respondents that the salaries from the temporary work agencies were competitive with permanent positions in client organizations and other
similar jobs. Because of this, other factors such as challenges and work-community were more important motivators to the employees, since these change from one employer to the other.

4.1.4. Commitment of temporary agency workers

The employees were asked to rate their commitment to the organization they are currently working for with the same 1 to 5 scale as they ranked their motivation. The mean was 3.33, which means that the employees were fairly committed. Most of the employees rated their commitment as a three, with most answering that they would accept a permanent position, but not a similar temporary work place, just at a different company. The highest ratings came from employees in semi-permanent positions and the lowest from employees who have worked through an agency for a very short period of time or who work for several client organizations.

The biggest issue affecting the commitment of the temporary agency workers was the knowledge that even if they feel comfortable and motivated at the client organization, there are still some differences between them and the permanent workers. For example, interviewee E2 was happy at the client organization, but did for example not have access to all servers she needed access to and had to pay for her lunch separately every month unlike the permanent employees. Interviewee E8 also explained that it would be nice if temporary agency employees would have the same benefits as permanent employees for doing the same work. As stated by interviewee E4:

“I feel committed but there are small things in the everyday tasks that remind us that we are not really part of the client organization … such as taking part in employee surveys and handling money for example. Even though it is nothing big or distracting, it is still something that makes you not feel completely committed and at ease.”

The companies have acknowledged this, too. Company C3 employs temporary agency employees only when needed for one shift at a time. When asked about the temporary employee commitment the interviewee said the following:
“Of course it is difficult to get temps to commit to the organization, when they might only be doing one shift here. However, we try to offer them the best possible work environment and community. If we see someone excel at their job, we always strive to ask the same people back.”

This is also reflected in the thoughts of interviewee E6:

“With these individual jobs it is what it is. Of course I always try and do my best so that I get called back. But I don’t really feel like I have any ties to the client organizations and I don’t really care how the company is doing.”

4.1.5. How the uncertainty affects motivation and commitment

For the most part the temporary agency employees seemed optimistic about their work and were not too concerned about the uncertainty of their employment. Especially interviewees E1, E4, E5, and E6 said that as long as you are willing to work, it is no problem getting shifts. Interviewee E9 stated:

“At least for me the uncertainty increases my motivation and drive, because I have to prove every day that I am useful and an asset to the company … otherwise I can be let go at any moment”.

However, for employees who worked for several client organizations, the uncertainty did affect their motivation and commitment slightly, because as interviewee E11 says:

“When you are working as an extra, it is always a race between who gets the job. For example, when you get a message that the client organization would need someone tonight, the person who is the quickest to answer, gets the shift. I find this system a bit unfair. It also makes it more difficult to motivate yourself to take shifts, if the shifts are for the same day and you have already planned a quiet evening at home.”
The concerns raised due to the uncertainty were also noticed at the client organizations. Client organization C1 that only employs temporary agency employees for longer periods of time acknowledged that the uncertainty does cause some visible anxiety and restlessness, especially when the contracts of the employees are coming to an end. However, they did not find that the motivation of the employees suffered because of this.

4.1.6. The triangular employment relationship

Four of the fifteen employees that were interviewed view the agency as their primary employer. The other eleven thought that the client organization/s were their main employer. A common theme in all the interviews conducted with the temporary agency employees was that the temporary work agency should stay more in touch with the employees.

“It would be nice if the agency could check in with the employees every once in a while and just ask what is going well and what could be done better. I understand that they have so many people working through them, but it would still be good if they were somehow present in the workplace, even if it is not physically … or at least know what happens at the workplace. I don’t think the agency has any clue what kind of work I actually do here” (Interviewee E2)

Agency A2 had not encountered this issue. They only employ people to client organizations with longer contracts (3 months to 3 years) and therefore treat their employees as permanent employees. This means that the employees have performance appraisals at the agency once they have worked there for a year, they get training from the agency and keep in contact with their employees through well-being surveys, etc.

Agency A1 however, acknowledged that the evolution of technology has made this issue more prominent. Previously, the employees had to go to the office to sign their shifts and do other administrative things. Since everything from marking the hours they have worked to signing contracts is done online now, there is no need for employees
to go to the office anymore. Because of this, agency A1 highlighted the importance of the initial interviews, since that is when the agency gets to build some kind of image of the employee and vice versa. This is a challenge for the agencies as well as the employees, because the agency has to be able to place the employees in the right client organizations and this is of course more challenging if they do not know the employee properly. Agency A1 informed that because of these issues, they have for example decided to keep their office in the Mikkeli city center, to make the threshold to go to the office as low as possible.

Both agencies and all three client organizations agreed that if any issues arise with the employees, they are handled by all three parties. Of course, issues with for example salary are handled by the agency and task-specific issues by the client organization. However, if there are larger issues with well-being or work-community, both sides in unison handle these, or at least the agency or client organization makes the other party aware of the issue.

4.1.7. Culture

Since all agency and client organization interviews were conducted in Mikkeli, the culture aspect proved to be somewhat of a challenge, as there are not that many people with different cultural backgrounds working in Mikkeli; at least not through the agencies. However, one of the agencies and two of the client organizations had employed people with different cultural backgrounds before. The interview answers seemed to indicate that there are not that many differences in the motivation and commitment of temporary agency workers with different cultural backgrounds.

As a whole, neither the agency nor the two client organizations saw any noticeable differences in the motivation or commitment of the employees with other national backgrounds than Finland. However, agency A1 noted that:

“Employees that come from countries such as Russia, Thailand or Burma for example, are usually more receptive to all different kinds of jobs and willing to try new things. They have a great work morale and are always happy to go and be at work.”
Most of the client organizations in Mikkeli require that the temporary agency workers speak fluent Finnish, which limits the options for foreign employees a lot. In some places, such as manufacturing, this is due to work related safety issues, but according to both the agency and the two client organizations who have employed people with different cultural backgrounds, there are still a lot of prejudices in Finland about hiring people with different nationalities. Interestingly, nearly all answers about how culture affects motivation and commitment were more related to how Finnish employees and employers welcome people with different national cultures to the company. The biggest difference in motivation and commitment of the foreign employees is, according to the interviews, tied more to how they are perceived by other employees rather than how their personal values and motivators differ from typical Finnish ones. For example, client organization C2 explained that they have employed people from Eastern Europe, particularly Russia, and the biggest issue with their motivation has been the reception they got from other Finnish employees.

5. DISCUSSION AND ANALYSIS

5.1. Satisfaction, motivation, and commitment of temporary agency employees

Despite the fact that the temporary agency employees can be divided into two groups, “semi-permanent” and “extras”, the motivation of these did not differ hugely. The biggest difference between these two sub-groups was their commitment to the client organization.

According to Maslow’s and Herzberg’s motivational theories, the basic needs of employees, such as physiological needs and safety needs (Maslow) as well as hygiene factors like salary and working conditions (Herzberg) have to be fulfilled, for employees to be fully motivated to work and do their best (Maslow, 1943; Kanfer et al., 2016). The findings of the interviews corroborate these theories. While the differences in employee motivation were not that significant when comparing the “semi-permanent employees” and the “extras”, the interviewees who lacked motivation stated that this was caused
by the lack of inclusion in the work community, stability of the job and feeling underappreciated by the client organization.

Locke’s Goal-Setting Theory states that motivation is a goal-oriented activity and setting clear and challenging but attainable goals will ultimately improve motivation (Kanfer et al., 2016). The responses from the interviews supported this theory, as challenging work and learning new things was highlighted as an important motivator by several interviewees. For the “semi-permanent” temporary agency employees the possibility of a permanent position in the client organization was a very clear goal that worked as further motivation.

Still, the most important motivational aspect of temporary agency work is volition: if the employee is employed through an agency by choice or is forced to it due to necessity (Muzzolon et al., 2015). According to de Jong et al. (2009), temporary agency employees lack the basic motivational tools such as work community, promotions and self-expression. Because of this self-efficacy is of utmost importance for temporary agency workers (Borgogni et al., 2016). De Cuyper et al. (2011) argues that motivation and commitment often go hand in hand, but that it is possible for employees to be committed but not motivated. For many temporary agency employees’ commitment is simply achieved through employability. However, organizational embeddedness and the feeling of being supported and valued help organizations gain the most committed employees (De Cuyper et al., 2011; Veitch, 2009).

The interviews supported some of these claims. An interesting difference, however, is that a majority of the interviewees rated their motivation higher than their commitment, unlike De Cuyper et al. (2011) argues. One explanation for this could be that all interviewees work voluntarily as temporary agency employees, or at the very least do not feel forced into their jobs. Since the employment form is voluntary, the motivation and self-efficacy of the employees was rather high. Surprisingly, the biggest source of motivation for the sample of the study was the chance to learn new things and have a challenging place of work. For most, this was realized at the client organizations, since the employees gave the impression of being fairly motivated to work.
Most secondary research done in the literature review concluded that the satisfaction, motivation, and commitment of temporary employees is very low (Bosmans et al., 2016; Forde et al., 2016; Håkansson et al., 2015). However, both the temporary agency employees and the temporary work agencies and client organizations stated that the employee satisfaction and motivation was high.

5.2. Triangular employment relationship

Forde et al. (2016) argues that the use of temporary agency employees creates several human resource and people management challenges, due to the triangular employment relationship between the temporary agency employee, the temporary work agency, and the client organization. This argument was confirmed during the interviews. Per all three parties, all issues with employees are handled by all sides of the triangle. This means that the agencies have to be somewhat aware of what is happening in the client organizations without actually being there. The client organizations on the other hand have to be able to trust that the agencies can find the right employees that fit the work communities. Some tasks are, however, clearly divided, for example payroll is handled solely by the agency.

When asked the question of who they considered to be their primary employer, the agency or the client organization, many of the interviewees had to consider their answer for a long time. The responses correlate positively with Håkansson et al's. (2015) description of the employee perspective of employment relationship (agency) and management relationship (client organization). Only four of the temporary agency employees viewed the agency to be their primary employer, the rest considered the client organization to be the primary employer. All respondents acknowledged that legally their employer is the agency, but the majority still felt that the client organization cared about their well-being and efforts more.
5.3. The effect of culture on motivation and commitment in temporary agency employees

The cultural aspects of the study rely on the study done for the thesis from the Finnish perspective and on secondary data for similar studies done in other cultures. The three dimensions of uncertainty avoidance, masculinity and power distance were highlighted in this thesis, since these aspects are affected most when the employment relationship is non-traditional, i.e. temporary agency work.

The responses gathered in the interviews have a positive correlation with the theories and secondary data gathered in the literature review. Finland scores high on the uncertainty avoidance dimension, which indicates that Finnish people prefer to avoid uncertainty (Hofstede, 1984). One of the biggest downsides of temporary agency employment is the uncertainty that comes with it. Per the dimensions, Finnish employees would thus prefer to work in a permanent position, employed directly by the client organization. Only five of the fifteen interviewees were intentionally looking for agency work, the rest just fell into it. Finding a permanent position in the client organization served as a great motivator for several of the interviewees. The client organizations also acknowledged how the uncertainty of the work can affect commitment and motivation, or at the very least the line of thought, negatively. All this combined suggests that the results of the study draw a parallel to Hofstede’s cultural dimension of uncertainty avoidance.

The masculinity dimension describes which values are appreciated in the society. A masculine society values success, whereas a feminine society puts more value on equality, solidarity, and the quality of their work lives (Hofstede, 1984). According to the secondary data in the literature review, Finland is a very feminine society. This was confirmed in the study. The respondents were more concerned with how they feel at work and how they fit in the work community than with their perceived success or monetary gains.

The power distance dimension measures the extent to which less powerful people accept that power in distributed unequally in the organization (Hofstede, 1984). Finland scores very low on power distance. This means that the organizations are flat, there is
minimal hierarchy and the superiors are easily accessible. The overall atmosphere in
the organizations is participative and employees experience and ideas are valued. This
was the only cultural aspect in which the responses in the interviews differ to a certain
degree from the secondary data collected. The responses correlate with the dimension
in that the organizations are quite flat, management is easily accessible and
employees feel somewhat equal with one another on a personal level. However, the
participative aspect in this dimension was not fulfilled. About half of the interviewees
explained that they were often given the easier, more menial tasks while more
challenging tasks were awarded to the permanent employees. This suggests that
despite the fact that the temporary agency employees feel equal with the permanent
employees, there are still some power differences between the agency employees and
the client organization employees.

The situation of temporary agency employees differs in different countries as can be
seen in the literature review where Finland and the UK are compared with each other.
The biggest differences lie in the regulations concerning temporary agency work and
how widely spread it is. However, according to the interviews done in the temporary
work agencies and the client organizations, the national culture of the temporary
agency employees does not affect their motivation or commitment. The biggest cultural
challenge in Finland is to make sure that people with different cultural backgrounds are
accepted at the workplace and treated as equals.

5.4. Conclusion for the temporary employment sector

Multiple conclusions can be drawn from the findings of this thesis regarding the
motivation and commitment of temporary agency employees. The main areas in which
temporary agency employee motivation and commitment could be improved is a more
individual approach towards the agency employees from the client organization and
better communication between the employee and the agency.

By treating the temporary agency employees more as individuals and putting some
effort into finding their strengths and skills, the client organization could be able to
provide the employees with more challenging and meaningful tasks. Still, temporary
agency employees are often used, because the client organizations need people to do the more repetitive tasks. In these cases, feedback and encouragement from superiors can also affect the motivation and commitment significantly. More communication from the agency could make the employees feel more like someone has their back and make them feel more secure in an insecure employment sector.

Another important aspect is the image of temporary agency employment in general. Compared to other countries in Europe, Finland still uses relatively little temporary work agencies. Currently, the reputation of agency workers is not stellar. Many companies and especially permanent workers working in these companies, view temporary agency employees as less talented and less intelligent. There is a prevailing image that temporary agency workers only have enough talent to work through agencies and cannot get a permanent job. Because of this, they are often given the easiest and most repetitive tasks in the client organizations. This is, of course, not true for all companies, all permanent employees, or all industries, but especially in industries were temporary agency employees are used as “extras”, this is still a strong preconception. By getting to learn temporary agency employees as more than numbers or just “temps” and giving them tasks that match their abilities, client organizations as well as agencies could be able to start clearing up these misconceptions by showing that temporary agency employees are just as intelligent and capable. By improving the reputation of temporary agency work, agencies and companies can attract better, more skilled and more motivated employees as well as predict tensions and problems in client organizations between the temporary agency employees and permanent employees.

6. CONCLUSION

The purpose of this thesis was to explore the motivation and commitment of temporary agency employees and if and how the national culture of the temporary agency employees influences these. The methods used in the thesis include secondary research done in the first part of the thesis, the literature review and interviews that were conducted with temporary agency employees, temporary work agencies and client organizations in the Mikkeli region in Finland.
The results of the thesis highlight both the successful sides of the temporary employment sector, such as the satisfaction of the employees as well as the aspects in which employee motivation and commitment could still be improved.

Overall the temporary agency employees are quite motivated and committed to their job. There are several different motivators for the employees to work in the temporary agency sector, such as the freedom to decide when to work, choosing the places of employment and aiming for a permanent workplace at the client organization.

However, more emphasis should still be put in the human resources management of temporary agency employees at the client organizations, to make the employees feel more welcome, appreciated and useful. The amount of support that the employees received from the client organization and the agency clearly correlate with how motivated and committed they are to said companies.

According to the respondents, there was very little correlation between the national culture of the temporary agency employees and their motivation and commitment to their place of employment.

6.1. Implications for International Business

Changes and developments in society and economic issues are giving rise to new forms of employment. These developments include the need for increased flexibility for both employees and employers, a more extensive use of advanced information and communication technologies (ICT) and an increase in the importance of specific business activities and occupations. New, non-traditional forms of work, such as job-sharing, ICT-based online work, short-term contracts and temporary agency work are becoming increasingly popular. Most theories and management models however, are still based on the traditional one-on-one employee-company relationship. Due to globalization and immigration, more and more companies are also hiring employees with different national cultures. Because of these changes, it is very important that companies and managers learn to understand and embrace these new forms of work and more multicultural work communities.
6.2. Suggestions for future research

The research was based on a rather small sample, so no conclusive generalizations can or should be made based on this study. Moreover, the agencies and client organizations were all based in Mikkeli. Agencies and client organizations in larger and less homogeneous cities might have different ways of working and for example motives for using temporary employment. Further research could be done on how the national culture of temporary employees affects their motivation and commitment.

The prejudices concerning not only temporary agency employees but especially temporary agency employees from different cultural backgrounds could be an interesting field of study.

Further research could also be done in terms of the relationship between temporary agency employees and the agencies/client organization, especially in terms of how the employees can get the support they need from these two.
7. REFERENCES


European Commission (n.d.) Working conditions – Temporary Agency Workers. Available from:


Ministry of Economic Affairs and Employment (n.d.) Vuokratyööpas (Guide to temporary employment) Available from:


8. APPENDICES

8.1. Appendix 1: Thesis interview questions

For temporary agency workers:

1. How long have you been working as a temporary agency worker?
2. How long have you been working for this agency?
3. For how many client organizations have you worked for during the past year?
4. How many hours/shifts do you work per week on average?
5. Why are you working as a temporary agency worker (voluntary/involuntary)? Are you actively searching for a permanent position?
6. Are you happy with your work place and why yes/no?
7. Do you feel your tasks match your abilities and the image you had of the job during the recruitment process? Do you have a clear job prescription? Are the tasks challenging enough?
8. Do you feel your assignments differ a lot from those of the permanent employees at the client organization?
9. How well do you feel you fit in the work community? Do you feel equal with the permanent employees? What is the atmosphere like?
10. What kind of training have you received (by the agency or the client organization)? Have you been trained just about the tasks or have you also received some training about the organization? What could have been done better? Do you feel like you get to develop your skills and learn new things?
11. Who is, in your opinion, your primary employer; the temporary work agency or the client organization?
12. On a scale from 1 to 5 (1=not motivated at all, 5=very motivated), how motivated are you to work? Explain your answer.
13. What is the best thing about working through a temporary work agency?
14. What motivates you at work?
15. What kind of things increase/decrease your motivation?
16. Do you get any feedback from your supervisors? What kind of feedback?
17. On a scale from 1 to 5 (1=not committed at all, 5=very committed), how committed do you feel to the agency/to the client organization? If someone would offer you a similar job with similar wages and benefits, would you take it?
18. How big of an impact do you feel colleagues/salary/work itself/management have on your motivation and commitment?
19. How does the uncertainty affect your motivation and commitment/would they be different if you had a permanent job?
20. Do you feel the agency/client organization appreciates your efforts?
21. If you could change one thing in the temporary agency sector (from an employee perspective), what would it be and why?

For temporary work agencies:

1. How long do temporary agency workers work for the agency on average?
2. How many client organizations do they work for on average at the same time through your agency?
3. On a scale from 1 to 5 (1=not satisfied at all, 5=very satisfied), how satisfied are the employees on average with the agency, the client organization and their assignments?
4. If there are issues with an employee, how do you solve it?
5. How much do you work in co-operation with the client organizations when it comes to the temporary employees? How are the responsibilities divided?
6. How do you train your employees?
7. Do temporary employees have performance appraisals?
8. On a scale from 1 to 5 (1=not motivated at all, 5=very motivated), how motivated are temporary employees?
9. How do you motivate them?
10. How do you increase employee commitment?
11. Do you feel that employee motivation and commitment is your concern or more that of the client organization?
12. Do you have workers with different cultural backgrounds? Do you feel that the different cultural backgrounds affect the motivation and commitment of the employees?
13. What do you think is the biggest challenge when it comes to the motivation and commitment of temporary agency employees?
For client organization:

1. How many temporary agency workers do you employ?
2. How long are the contracts with these employees on average?
3. Do you employ the same temporary agency worker for longer periods of time or do you only employ them for short periods when needed? Do you often end up hiring them on a permanent basis at some point?
4. How do temporary employees fit in the work community?
5. Do temporary employees participate in meetings/training sessions/info sessions? If no, why?
6. Do temporary employees have performance appraisals?
7. How do you motivate temporary agency employees?
8. How does motivating temporary agency employees differ from motivating permanent employees?
9. Do you feel that temporary agency employees are, in general, satisfied employees on a scale from 1 to 5 (1=not satisfied at all, 5=very satisfied)?
10. How do you assure that temporary employees are committed to the company? Do they receive information on the company (mission, values, etc.)? How can you be sure that employees fulfill and represent the company’s values and ideals?
11. Have you employed temporary agency employees with different cultural backgrounds? If yes, do you feel that the different cultural backgrounds affect the motivation and commitment of the employees?
12. What do you think is the biggest challenge when it comes to the motivation and commitment of temporary agency employees?