Influence of Temporary Employment on Employee Performance: A Case Study of Safaricom Limited

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Abstract

Despite a growing acceptance that temporary employment is likely to be a persisting and significant feature of contemporary work, there is no clear idea about how it affects the satisfaction, well being and performance of workers. Studies attempting to shade some light on the influence of temporary employment on employee performance are more generalistic and have failed to give detailed insights and analysis of the issues under the current study especially in Kenya. The purpose of the study therefore was to examine the influence of temporary employment on employee performance at Safaricom Limited. The study adopted a descriptive design. A sample of 112 staff of Safaricom Limited were selected using stratified random sampling. Data was collected through the use of questionnaires. Out of the 112 selected respondents, 97 filled and returned the questionnaires. The responses in the questionnaire were tabulated, coded and processed by use of computer Statistical Package for Social Scientists. (SPSS) versions 17.0. Descriptive statistics such as mean and percentages were applied in the data analysis. The study found out that there was a positive relationship between temporary employment and employee performance. Employees took up temporary employment as an alternative to lack of permanent employment, and with the hope of gaining permanent employment in the longer term. This motivated them to work harder to enhance their performance. The study also found out that the company was promoting the employability of the employees through coaching and work autonomy and enhancing their employment continuity through contract renewal. This gave the temporary employees a sense of job security which in turn enhanced their performance. Based on the findings the study recommends that in future, it would be better if studies would be carried out to independently interrogate the contribution of each of the studied variables to the performance of the employees. A study could also be carried out comparing the performance of permanent and temporary employees to establish whether they are influenced by the same factors. The study also recommends that the management of Safaricom Ltd should enact a policy which gives preference to temporary employees already on board when recruiting permanent employees. This will go a long way in encouraging employees to be more committed to their jobs.

Abbreviations

U.S. - United States

IEA- Institute of Economic affairs

HR- Human Resource

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PE-perceived employability

NSSF – National Social Security fund

NHIF- National Hospital Insurance Fund

SET- Social Exchange Theory

LTD- Limited

CHAPTER 1 INTRODUCTION

1.1 Background of the Study

The use of temporary workers is increasingly becoming a permanent feature of the modern workplace. In America, roughly one person out of four in the workforce is employed as a temporary worker .According to the US bureau of labor statistics (2012), the temporary workers currently represent a substantial portion of the U.S. workforce, and nearly four out of five employers, in establishments of all sizes and industries use some form of non-traditional staff. The temporary help industry provides in excess of 3 million workers today, a 300 percent increase since 1991.It accounts for about 20% of all new jobs in the United States (Dessler 2008).

According to the US Bureau of Labor statistics (2012), many employed have seen their hours of work decline, with a growing share of part-time workers in several developed economies, often in involuntary part-time employment. For instance, in the European Union (EU)-27, the share of part-time workers in total employment rose by 1.7 percentage points between second quarter (Q2) 2007 and Q2 2012, with an increase of 0.4 percentage points in the last year alone. In Ireland, the share of part-time workers surged by 5.7 percentage points since Q2 2007, with an increase of between 3 and 4 percentage points in Austria, Cyprus, Italy and Turkey. Between March and September of 2012, the number of part-time workers in the United States increased by 941,000, equal to 87 per cent of the net new jobs that were created over this period (Beardwell & Claydon,2007).

In Kenya, the proportion of temporary workers in the labor force has increased and this upward trend is expected to continue into the near future. Most employers in Kenya, particularly those within the private sector have resorted to the increasing use of casual, temporary, part-time, contract, sub-contracted and outsourced workforces to ostensibly reduce labour costs, achieve more flexibility in management and exert greater levels of control over labour. This trend allows the depoliticization of hiring and dismissal that makes it easier for companies to avoid labour legislation and the rights gained by trade unions (Institute of Economic affairs (IEA)-Kenya, 2010; Gachunga, 2008).

According to the IEA-Kenya (2010), the nature of employment of casual workers does not enable them to enjoy the fundamental rights of workers such as freedom of association and collective bargaining, right to paid leave (sick, maternity and annual leave), and the right to social protection as provided under the National Social Security Fund (NSSF) and the National Hospital Insurance Fund (NHIF). This leads to lack of motivation and increases shirking, which decreases effort. This could partly explain the persistently low levels of labor productivity, low enterprise competitiveness and the slow economic growth rates in Kenya.

The role of many temporary workers is dramatically different from past decades. Once limited to replacing relatively unskilled sick or vacationing clerical help, today's temporary workers increasingly fill positions in a variety of executive, managerial, professional and technical areas requiring extensive skills (Torrington, Laura &Taylor, 2008). Similarly, individuals' motivation to enter the temporary labor market varies widely and includes the inability to secure more desirable or permanent work, or a desire or need for retraining or for greater choice in when and where to work. Nevertheless, a large number of them do so with the tacit hope of obtaining an offer of longer-term employment (Dessler, 2008).

Important issues in determining the fundamental nature of the worker's status include: right to control which is the extent of the employer's supervision over the manner and means of doing work. It also includes the length of employment, tax treatment, method of payment and level of the worker's economic dependency on the employer. Other factors include: whether the employer trains the worker, who controls the work schedule, the extent to which the worker must follow established HR policies and practices, including disciplinary and grievance programs and whether benefits are paid. Misclassification can result in big penalties, unnecessary legal fees, and time consuming litigation (Graham & Bennet, 1998).

According to Redman and Wilkinson (2009), organizations can avoid large tax liabilities and many costly benefits of employment (for example health insurance, retirement plans, stock plans) by classifying workers as contractors rather than employees. These benefits are made available only to employees of the organization. Other benefits of hiring labor on temporary contracts include flexibility of staffing levels, ability to cope with an increased volume of business during certain periods, reductions in customer waiting/queuing times, and greater customer satisfaction. Temporary staffs are generally paid only when they are working-not for days off hence higher productivity is associated with their use. Many firms also use temporary hiring to give prospective employees a trial run before hiring them as regular employees (International Labour Organization, 2013).

Companies may save by hiring permanent workers through temporary help agencies if these agencies enjoy economies of scale and can recruit and screen workers more cheaply. Temporary

workers are also used as a means of accessing valuable knowledge for new services and for high quality products, which is reflected in increased revenues. Highly skilled professionals and technical experts in temporary employment create new and specific knowledge within the organizations that engage them; this knowledge would not otherwise be developed internally, and is especially valuable in dynamic and competitive industries (Cardon, 2003; Matusik & Hill, 1998).

There are various challenges associated with temporary workforce. The volatility of labour relations discourages workers and employers from investing time or money into strengthening or improving their relationship. Temporary workers respond to the narrow and short-term commitment on the part of the organization with a more restricted relationship. This narrow relationship may have a devastating effect on organizations, since they threaten employees' affective commitment, which is an indispensable attitude in guaranteeing efficacy and survival in organizations (Meer & Ringdal, 2009).

Other problems associated with the management of temporary workforce include: administrative difficulties associated with calling in the appropriate number of people at short notice, for instance the key time workers. There is also a possibility of resentment among full timers at having to work alongside short time staff, whom they might perceive as a threat to their security of employment. Possible low morale among peripherals staff may result in high labor turnover (Torrington, Laura & Taylor, 2008).

Temporary employees receive lower incomes and are uncertain as to when and how intensively they will be working (Cheng & chan, 2008; Probst, 2008).

According to Bergstrom and Storrie (2003), temporary employment leads to higher levels of stress, feelings of insecurity and less motivation for workers. Flexible work practices have allowed employers to rationalize working time but also forced a division between permanent and contingent workers who may have opposing interests in speeded up working. The level of voluntariness in being in a temporary employment arrangement may have an impact on temporary employee attitudes such as job involvement and satisfaction. Involuntary flexibility is unlikely to lead to organizational suppleness whereas mutually agreed flexibility almost certainly reflects good organizational health and high trust relations.

According to De Cuyper, isaksson and Witte (2008), temporary employment likely associates with strain in the form of poor well being at work. Job insecurity, uncertainty and unpredictability are a salient feature of working on short term contracts. The lack of job security associated with temporary employment is known to associate with overall unfavorable outcomes including poor performance. The problems of job insecurity could be compounded by instances of insensitive and occasionally manipulative management practices, insufficient or late communication regarding contract renewal and the threat of contract discontinuation as a performance management tool by local managers.

Employability is a very important factor to temporary employees since they lack job security. Training is valued by the temporary employees since it enhances their employability and it demonstrates that the employees are considered important for the survival and success of the organization (Takeuchi, Wang & Lepak, 2007). Training is also related to temporary employees perceptions regarding the treatment received from the organization, and these perceptions are what, in turn, are directly linked to their affective commitment (Mitlacher, 2008).

Employee commitment depends more on how employees are treated by the organizations than on workers' temporary or permanent status (<u>Gallagher & Connelly, 2008</u>). This treatment entails the employment relationship developed by temporary workers and it is this relationship that may explain the temporary workers' commitment (<u>Chambel & Castanheira, 2007</u>). However, the target of using temporary workers is not compatible with the target of enhancing employees' ability to perform a variety of jobs through the acquisition of skills. Employers are much less likely to invest in training of the temporary workers since they do not have expectations of a long term relationship. As a result the temporary workers risk being caught in an employment relationship where they have fewer possibilities for development (Roca-Puig, Beltran-Martin & Cipres, 2008).

The use of temporary workers by firms includes, by definition, an element of scheduled turnover. That is, by their nature temporary assignments have a planned ending date. However, firms that make extensive use of the temporary labor market may also experience higher than necessary levels of unscheduled turnover when they fail to cope with human asset management dilemmas peculiar to temporary workers. To the extent that unscheduled turnover occurs among temporary workers, previously expected cost trade-offs between scheduled turnover and wage/benefit avoidance no longer apply, seriously threatening economic gains previously anticipated from the use of such workers (Foote, 2004).

Results of studies comparing the affective commitment and therefore performance of temporary workers with permanent workers have proven to be inconclusive. In the same studies temporary workers report better or comparable affective commitment, while in others they report worse (<u>De Cuyper et al.</u>,

<u>2008</u>). This study aimed at establishing how temporary employment contracts have influenced employees' performance at Safaricom Ltd. The study focused on in-house temporary employees specifically: short contract workers, part time workers, and key time workers and leased workers.

1.2 Statement of the Problem

Despite a growing acceptance that temporary employment is likely to be a persisting and significant feature of contemporary work, there is no clear idea about how it affects the satisfaction, well being and performance of workers. There are doubts about the costs and benefits of temporary employment in that sub-contracted workers can be expensive and part-time workers may have higher levels of absenteeism and lack commitment (Armstrong, 2009). The dominant view portrays temporary employment as precarious employment, in the sense that temporary employment likely associates with strain .However, the evidence provided so far does not match the assumed strength of association between temporary employment and strain or below optimal functioning (De Cuyper et al., 2008).

According to Dessler (2008), temporary workforce may be more productive and less expensive to recruit and train, but generally cost employers 20% to 50% more than comparable permanent workers (per hour or per week), since the agency gets a fee. People have a psychological reference point to their place of employment, once you put them in the temporary employment category, you are saying they are expendable and this may affect the employee commitment. Temporary employees receive lower incomes and are uncertain as to when and how intensively they will be working. This may lead to low morale among the temporary staff which may result in high labor turnover .There is also a possibility of resentment among full timers at having to work alongside short time staff, whom they might perceive as a threat to their security of employment (Redman & Wilkinson, 2009).

The traditional assumption, still held by some policy-makers, is that workers experiencing flexible employment are a disadvantaged minority who need protection. Some of the arguments behind this idea are that temporary employment gives rise to feelings of job insecurity, uncertainty and unpredictability .These feelings are associated with unfavorable outcomes including poor employee performance (Cheng & Chan, 2008; Probst, 2008).

The above arguments contrast with the growing literature about those who have been described as 'free workers' and 'boundary less workers', who tend to be less committed to their employers and more committed to their careers, which they may perceive are likely to progress better if they change jobs rather than remain with their present employer. It is possible that as flexible employment becomes more commonplace, it becomes more acceptable to workers. On the other hand, there is the fear that as it becomes more prevalent, it opens the door to greater exploitation of workers by unscrupulous employers (Torrington, Hall & Taylor, 2008).

With so many uncertainties, untested assumptions, and unresolved questions about how workers respond to, and are affected by, temporary employment, there is a need for a stronger evidence base around which to build policy and practice (Guest, Isaksson & De Witte, 2010). Most of these studies relating to temporary staff were conducted in developed countries whose strategic approach and financial footing is different from that of Kenya. Thus, there is a literature gap on the effects of temporary employment on employee performance in Kenya (Wandera, 2011). Therefore this study sought to explore how temporary employment influences employee performance at Safaricom Limited.

1.3 Objectives

1.3.1 General Objective of the study

The general objective of the study was to establish the influence of temporary employment on employee performance at Safaricom Limited.

1.3.2 Specific objectives

- 1. To establish the influence of motives for working on temporary employment on employee performance at Safaricom Limited.
- 2. To examine the influence of perceived employability on employee performance at Safaricom Limited.
- 3. To determine the influence of expected employment continuity on employee performance at Safaricom Limited.

1.4 Research Questions

The study was guided by the following questions:

- 1. What is the influence of motives for working on temporary employment on employee performance at Safaricom Limited?
- 2. What is the influence of perceived employability on employee performance at Safaricom Limited?
- 3. What is the influence of expected employment continuity on employee performance at Safaricom Limited?

1.5 Justification of the study

The study will be of importance to Safaricom Ltd management in providing them with insights on the influence of temporary workforce on performance. The insights will also contribute to the development of effective policies to overcome challenges associated with the use of temporary workforce at Safaricom Ltd. The study will also be of great importance to other organizations in the country that have hired or intend to hire staff on temporary basis. Other researchers in the field of Human resource Management can use the study recommendations and findings to expound on areas not yet addressed in the area of temporary employment.

1.6 Scope of the study

The study covered the influence of temporary employment on employee performance with reference to Safaricom Ltd. Data was specifically collected from Safaricom call centre—section, on Mombasa road, opposite Kapa oil refineries depot. Safaricom Ltd was selected because it is one of the best performing companies in Kenya currently, hence the need to find out whether the use of temporary staff influences employee performance in the company.

1.7 Limitations of the Study

Some of the challenges the researcher experienced during the study include:

Time constraints- there was a problem reaching the required respondents to give data due to due to the nature of work schedule of the temporary staff and the fact that the researcher was also working. The researcher took a study leave during the data collection period to carry out the study to overcome this challenge.

Financial constraints –the researcher also experienced shortage of money needed for papers, printing, computation of the project, and transport due to price changes. To overcome this challenge the researcher requested for a salary advance from the bank to fund the study.

Lack of cooperation -There was laxity on the part of some of the concerned staff to freely share on very sensitive information due to fear. To overcome this challenge the researcher assured the concerned staff of confidentiality of information that they provided.

CHAPTER TWO LITERATURE REVIEW

2.1 Introduction

This chapter reviews the available literature on the influence of temporary employment on employee performance. The chapter reviews theoretical framework, it then covers the conceptual framework and critique of the existing literature relevant to the study. Finally, research gaps are identified and then a summary of the chapter made.

2.2 Theoretical Review

Kothari (2003) defines a theory as a set of interrelated concepts and propositions that specify relations among variables used to predict phenomena. The proposed study uses social exchange theory, self determination theory and equity theory to provide a foundation for the study.

2.2.1 Social Exchange Theory

Blau (1964), defined a social exchange relationship as involving unspecified obligations in which there are favors that create diffuse future obligations. According to the social exchange theory, workers respond to the actions of the organization in accordance to the established psychological contract (Rousseau, 1995). A psychological contract describes the implicit rather than explicit, exchange relationship between employers and those whom they employ. It is concerned with unwritten, unrecorded expectations and perceptions. In the past for example, job security in exchange for high quality work could have been perceived to be part of the contract. Now, because of the uncertainty of job security, it is usual for employees to expect employers to provide them with opportunities for development (Porter, Bingham & Simmonds, 2008).

Workers react to the actions of organizations based on their interpretations of whether they provide them with the inducement that satisfies their needs, and on their interpretations of whether it provides them with the opportunities for fulfillment of the obligations included in the psychological contract (Hannah & Iverson, 2004). Employees may expect to be treated fairly as human beings, to be provided with work that uses their abilities, to be rewarded equitably in accordance with their contribution, to be able to display competence, to have opportunities for further growth, to know what is expected of them and to be given feedback (preferably positive) on how they are doing. Effective performance management and reward structures in organizations must attend to the quality of the relationships employees experience while at work which are an integral aspect of the psychological contract (Beardwell & Claydon, 2007).

On the other side, employers may expect employees to do their best on behalf of the organization, to be fully committed to its values, to be compliant and loyal, and to enhance the image of the

organization with its customers and suppliers. The degree to which the employee expectations are met influences employee performance and commitment (Armstrong, 2009). Good psychological contract may not always result in superior performance, or indeed in satisfied employees; but poor psychological contracts tend to act as demotivators which can be reflected in lower levels of employee commitment, higher levels of absenteeism and turnover, and reduced performance (Beardwell & Claydon, 2007).

Koene and Van Riemsdijk (2005), found that positive attitudes and behaviors displayed by temporary workers were dependent on recognition, on the part of the organizations, of their specific needs. As temporary workers cannot expect employment security, employability is considered an important need for them (De Cuyper & De Witte, 2008). Employees interpret organizational actions, such as training, as indicative of the organization's commitment towards them, and reciprocate their perceptions accordingly in their own commitment toward the organization (Whitener, 2001 in Chambel & Castanheir, 2012).

2.2.2 Self Determination theory

According to self determination theory, proposed by Ryan and Deci (2000), individuals experience one of two forms of motivation: autonomous or controlled. When they experience autonomous motivation, they feel a profound sense of choice. In contrast, when individuals experience controlled motivation, they feel obliged and driven by forces that transcend the self, such as managers or society in general. Usually, when individuals tend to feel they are granted choice and autonomy, their persistence and wellbeing improves.

Drawing from the Self determination theory, employees are less likely to become absorbed and engrossed in their work when someone else, such as their supervisor, imposes a deadline. Interestingly, this problem dissipates if employees set themselves a more stringent deadline. This implies a sense of choice, which fosters an autonomous motivation (Burgess, Enzle, & Schmaltz, 2004). The significance of autonomy and choice, could partly explain the ownership or endowment effect. Specifically, individuals are more inclined to value and like anything they own. They tend to choose the objects they possess. Accordingly, their preference towards these objects could be ascribed to ownership, choice, or both (Toma, Bry, & Buter, 2013).

Self determination theory can be applied to temporary employment in terms of the motives for temporary employment. De Cuyper and De Witte (2009), argued that these motives can be classified into three clusters: autonomous, controlled, and instrumental as defined by self determination theory. Autonomous motives relate to intrinsic needs like competence and relationships, such as family. Controlled motives relate to extrinsic needs, like money or power, such as economic motives. Finally, instrumental motives, which relate to achieving specific goals, and include attempts to demonstrate qualities as a means to secure permanent employment later, might entail both autonomous and controlled orientations. Specifically, the voluntary and the involuntary motive are considered as two extremes within the choice dimension, consistent with self-determination Theory that basically distinguishes between autonomous and controlled choices.

The voluntary motive is assessed, by referring to the possibilities for freedom that temporary work may offer (<u>Tan & Tan, 2002</u>). This resembles autonomous motives as described by <u>Ryan and Deci (2000)</u>, in that the activity is accepted because of its value to the pursuit of personal goals. For example, workers may prefer their temporary arrangement because it allows combining work with study or family obligations. The involuntary motive, in its turn, is addressed by referring to the difficulty of finding permanent employment. In this case, temporary employment is a way to avoid unemployment (Tan &

Tan, 2002; Heinrich et al., 2005). In the terms of self-determination theory, the controlled motive represents a forced acceptance of an activity to avoid another undesired activity (Gagne & Deci, 2005), as in the case of a bad labor market that forces workers into temporary employment.

2.2.3 Equity Theory

Equity theory is concerned with the perceptions people have about how they are being treated as compared with others. According to the theory by Adams (1965), an employee's own assessment of whether he or she is being fairly treated is a major factor influencing motivation. Equity theory states, in effect, that people will be better motivated if they are treated equitably and demotivated if they are treated inequitably (Dessler,2008).

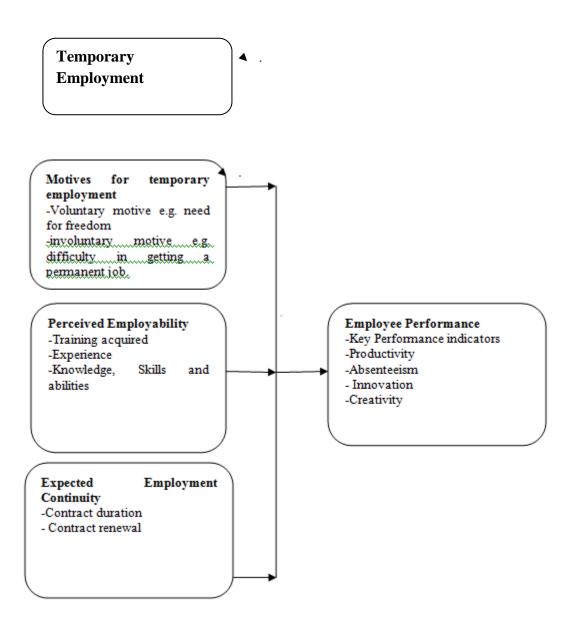
Workers are assumed to compare their personal reward/effort situations with those of colleagues and to feel aggrieved if they believe they are relatively under rewarded. If the rewards are regarded as equal to those of other employees- a state of distributive justice is said to exist. Otherwise cognitive dissonance occurs, whereby the individual perceives the reward/effort relationship as inconsistent and out of balance. Consequently, the worker feels uncomfortable and discontented, and his or her effort and motivation may diminish (Graham & Bennett, 1998).

Adams' (1965), equity theory proposed, in general terms, that when individuals perceive a difference between their own input/outcome ratio and that of a referent other, a negative state of distress results that motivates those individuals to take action to restore equity to the situation. Adams suggests that there are six basic options available to an employee: modify inputs; seek to modify outputs; modify perception of self; modify perception of comparator; change comparator; or leave the situation. Adopting one or a combination of the options may result in a feeling of restored balance or equity resulting in the employee accepting the situation (Beardwell & Claydon, 2007).

Based on the Equity theory ,temporary workers who perform comparable tasks equally as well as their referent coworkers (in this case, permanent employees), but receive lower pay than the coworkers, may respond by seeking to increase outputs or by reducing input efforts in order to restore equity. If neither inputs nor outcomes can be adjusted in actuality, they may attempt to cognitively distort their own input: outcome ratios or those of the referent others (Parker, 1994).

2.3 Conceptual Framework

The study utilized the conceptual framework illustrated below in order to meet its objectives. In this study employee performance was conceptualized as being affected by motives for working on temporary employment; perceived employability and expected employment continuity.



2.3.1. The influence of motives for temporary employment on employee performance

For temporary employees, a key factor that will guide how the time spent in temporary work is experienced is the degree to which the temporary work is undertaken voluntarily, that is, whether workers

prefer it over permanent work (Roberts, 2008). Motives for temporary employment are frequently classified in into voluntary and involuntary motives (Krausz, 2000; Tan and Tan, 2002).

Involuntary temporary workers accept a temporary position with a view to transitioning to permanent employment with the same employer in the near future. Therefore they use temporary employment as a stepping stone to permanent employment. These temporary workers accept a temporary position to develop marketable skills and specialist job experience in order to acquire a permanent position in future (Freese & Kroon, 2013).

It has been argued that because involuntary temporary workers are highly motivated to gain permanent employment, this motivation drives high levels of performance (Moorman & Harland, 2002; Van Dyne & Ang, 1998). However, If the firm fails to offer a permanent position within an acceptable (to the involuntary temporary worker) time frame, the temporary worker may perceive it as a breach of the psychological contract, diminishing expectations and leading to reduced motivation. This may be associated with a growing frustration with temporary work as they wait for a more permanent opportunity to arise, which might affect their role performance (De Cenzo & Robbins, 2010).

Voluntary temporary workers accept temporary work for a diverse set of motives, including the idea that temporary work presents the opportunity to learn from different jobs and organizations, or to explore the labor market and future career opportunities (De Cuyper & De Witte, 2008); all motives that ultimately lead to employability development and through employability, to well-being and optimal functioning. These temporary workers seek to be challenged by their job, instead of the organization they work for (Allan & Sienko ,1998).

The psychological contract of an employee who wants to have more freedom (Voluntary temporary employees) is fulfilled if the employee is provided with autonomy, high salary and many different, interesting projects (Kunda,Barley & Evans, 2002; Marler, Barringer & Milkovich, 2002). These temporary workers are less likely to require strong organizational attachments to fulfill their needs (Arthur & Rousseau, 1996), and may view their experiences of temporary work as more positive and meaningful (Bernhard-Oettel et al., 2008), which is likely to result to improved performance.

Practices like information sharing and employee participation allow employees with a career development motive to learn about future projects, and to learn from other specialist colleagues at other organizations. These employees perceive organizational obligations such as providing training, supervisory support (like coaching and providing feedback), career development support and opportunities to build up work experience to overcome the inability to find a permanent position at the moment since they do not have job security. If the employee with career development motives does not perceive these HR practices, their performance will be poor and their turnover intentions will be higher (Liden, Kraimer, Sparrowe & Wayne, 2003).

2.3.2. The influence of expected employment continuity on employee performance

Considering their relatively short tenure with organizations, one issue particularly important to temporary workers is their perceived employment future beyond the conclusion of their current contract. Temporary workers may be unsure about their employment future or expect their employment with their current organization to cease at the end of their contract, at which point they will be assigned to or may be required to find an alternative employer (Clinton, Bernhard-Oettel, Rigotti & De Jong, 2011).

Expecting that one's employment will continue beyond the current contract is perhaps akin to having greater employment stability and reduces the immediate threat of facing unemployment. As a result, feelings of job insecurity should decline. An indication from the employing organization that they wish to retain a temporary worker's skills may also be viewed as a signal that one's contribution is recognized and that the employer considers it worthwhile to further invest in the worker. These are all factors that are likely to enhance job satisfaction (Spector, 1997).

Likewise, a worker's expectation to be offered an extended contract may be reciprocated with favorable in-role performance and organizational commitment, as a way to balance the efforts and rewards of the underlying social exchange (Blau, 1964). The temporary worker who expects a contract extension also no longer needs to exert energies exploring alternative work arrangements elsewhere, which may justify the findings that job performance is superior when workers expect to stay with an organization for longer (Pearce & Randel, 2004).

According to Martı'n (2000); Dı'az-Mayans and Sa'nchez (2004), the average productivity of temporary workers is lower than that of permanent ones due to the negative effect over the worker's effort caused by the expectation that its contract could not be renewed. Temporary contracts can have a positive effect on effort if workers perceive that the rehiring probability depends on past performance. This motivates them to put in more effort to enhance their chances of contract renewal. If the renewal rate is low, firms and workers may be less inclined to invest in specific human capital, which implies that workers with temporary contracts will tend to receive less training and it will affect their productivity (Diaz-Mayans & Sanchez, 2003).

If the end of a contract is viewed as a change or even a threat, an individual's experiences may differ depending on the temporal distance from the end point. One implication is that perceptions of job insecurity may increase towards the contract end as the reality of job loss moves closer (De Cuyper et al., 2008). Also, towards the contract end work may either intensify, as project reports need to be delivered and works completed; or begin to lose its structure, as the employing organization terminates work responsibilities or hands them over to co-workers. Arguably, both of these possibilities may further limit perceptions of job satisfaction during this time and increase feelings of job insecurity (Clinton et al., 2011).

In addition, commitment and performance may also be compromised towards the end of a contract as temporary workers face the prospect of leaving the organization and begin a process of disengagement, during which they refocus energies towards job search behavior (Gallagher & McLean Parks ,2001). At this time temporary workers are also less likely to be included in discussions regarding future work events, which has been found to reduce perceived insider status and thereby temporary workers' organizational commitment and performance (Lapalme et al.,2009).

2.3.3. The influence of perceived employability on employee performance

Employability, that is the possibility of attaining a new job, has been considered an important need for temporary workers that is central to explaining their affective commitment and performance (<u>De Cuyper & De Witte, 2008</u>). Forrier and Sels (2003) posited that temporary workers engage in attempts to enhance their employability in order to compensate the lack of job security.

Sanders and De Grip (2004) in Burgess and Cornell (2006) point out that the concept of employability has changed over time with the current emphasis focusing on a worker's capacities and willingness to be

proactive in a diversity of jobs, thereby improving their position in the labour market. Under this scenario the individual is responsible for gaining skills that make them employable.

Perceived employability (PE), refers to an individual's perception of his or her possibilities of obtaining and maintaining employment (Berntson & Marklund, 2007). It concerns an individual's chance of a job in the internal and/or external labour market (Forrier & Sels, 2003). Perceived employability brings along wins for the organization when workers feel secure: highly employable compared with less employable workers report higher in-role performance and more helping behaviour when they feel relatively secure (Cuyper, Sulea, Philippaers, fischmann, lliescu & De Witte, 2014). PE is said to be more important to voluntary temporary workers. Given that involuntary temporary workers are highly motivated to gain permanent employment with the current organization, job security is more important to them than PE (Kinnunen, Kikangas, Mauno, Siponen & Natti, 2011).

Highly employable employees may interpret their job situations more positively than less employable employees, for example, to perceive insecurity or flexibility in the labor market as less threatening, and consequently experience less strain (Berntson, 2008; Wittekind et al., 2010).

Koene and Van Riemsdijk (2005), found that positive attitudes and behaviors displayed by temporary workers were dependent on recognition, on the part of the organizations, of their specific needs. As temporary workers cannot expect employment security, employability is considered an important need for them (De Cuyper & De Witte, 2008). Having the opportunity to develop a set of transferable skills for example through training could be seen as a valuable benefit that is offered by organizations since it enhances their chances of gaining employment in the internal and external labor market (Finegold et al., 2005; Forrier & Sels, 2003). Such actions are seen as a benefit offered by organizations that promotes the employability of temporary workers, a valued need, to which they reciprocate with positive responses towards the organization (Allan, Shore & Griffeth, 2004; Zhao et al., 2008).

Employers can enhance the employability of temporary employees by allowing temporary workers to participate in making decisions that affect and giving temporary workers responsibility with commensurate authority. These enable them to learn more from their jobs, feel fully utilized and motivated which will in turn enhance their in –role performance (Foote, 2004).

2.3.4 Employee Performance

Employee performance refers to the <u>job</u> related <u>activities</u> expected of a <u>worker</u> and how well those activities are executed. The performance of each staff member is usually assessed on an annual or <u>quarterly</u> basis in <u>order</u> to help identify suggested areas for <u>improvement</u> (Dessler, 2008).

According to Armstrong (2009), employee performance is a function of both ability and motivation. It can be enhanced through careful selection and training, multiple incentives (financial and non financial rewards) to enhance motivation. Human resource practices such as employment security, selective hiring, training, self managed teams, high compensation contingent on performance, a reduction of status barriers between managers and workers, sharing information, employee share ownership programmes and investment in building worker skills enhance employee performance.

An employee's performance is considered as a multidimensional concept including all aspects related to that organization's success and activities. This includes efficiency, effectiveness, quality, productivity, quality of work life, innovations and profitability (Sink, 1985). According to Jaaskelainen

(2010), efficiency entails utilization of inputs and doing things right. Productivity examines the output of a production process including quantity and quality of products and services. Effectiveness is connected to outcomes and benefits in relation to the organization's objectives and customer needs, while profitability is related to the relationship between revenue and costs.

Performance can be examined from different aspects; actual results or outputs of activities (e.g. financial results), or how an activity is carried out (e.g. efficiency, quality of production process). It may also refer to the employee's ability to achieve results in the future (e.g. competence of employees). Regarding measurement, performance may be defined as ability of the object measured to achieve objectives defined (Lonnqvist, 2004).

Key Performance Indicators, performance reviews and appraisals help employees know how they have been doing and what further development or training they need to do to improve. Reviews should be available to all staff. The performance and development agreement plans are used to outline the employee's expected performance standards and goals as well as skills improvement. Objectives give employees focus and appraisals make them feel that their good work is recognized. Employees and their managers also discuss any weaknesses or problems and identify solutions together .The indicators of performance include: (quantity number of units produced), quality, timeline (how fast work is performed), cost effectiveness, absenteeism, creativity, adherence to policy, among others (Armstrong, 2009).

2.4 Critique of Existing Literature Relevant to the Study

Wandera (2011), carried out a study on 'The effects of short term employment contract on an organization at Kenya Forest Service'. The research concluded that short term employment results in: unscheduled turnover, low staff morale, and low productivity. The research also found out that the very nature of temporary employment increases feelings of divided allegiance on the part of temporary employees. This reduces levels of commitment and productivity. The study targeted 51 employees out of which 44 filled and returned the questionnaires. The researcher used questionnaires in the study. The target population was permanent and temporary staff and involved a sample of 51 employees. The current study agrees with the conclusion by Wandera (2011) that temporary employment creates feelings of job insecurity especially for the involuntary temporary workers who hope to transit to permanent employment in future.

A research carried out by Anwar, slam& Tariq (2011), titled 'Temporary job and its impact on employee Performance', concluded that employee performance has a strong positive relation with job security and incentives but shows weak relation with contract job. The study suggested that employees should be hired on permanent basis or if they are hired on temporary basis their performance should be recognized and appreciated by incentives. The research involved use of questionnaires in a sample of 100 employees of different categories in organizations. The current study agrees with the suggestion by Anwar et al., (2011) that the performance of temporary employees should be recognized and appreciated.

De Jong, De Cuypper, de witte, Silla and Bernhard-Oettel (2009), carried out a study titled "Motives for temporary employment –a typology" using Latent class analysis of 645 temporary European workers. Organizations were recruited in two private sectors totaling 64 organizations and data was collected using questionnaires. The study highlighted three motives: involuntary motive, stepping stone motive and the non voluntary motive which disagrees with the first two motives. The study suggested that, the steppingstone group may more realistically reflect a "voluntary" group, as they deliberately choose their temporary job to gain permanent employment. The study also suggested that the voluntary group largely

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consists of workers accepting temporary work for the time being, but with the aim of eventually gaining permanent employment.

The description given of the stepping stone motive and the involuntary motive by De Jong et al., (2009) does not differentiate between the two motives because both groups appear to use temporary employment as a stepping stone to permanent employment. Therefore the two motives should have been classified under one group (involuntary motive). The current study seeks to classisfy the motives for temporary employment into voluntary and involuntary only.

A research by Chambel and Sobral (2011), from 240 call centre workers titled 'Training is an investment with return in temporary workers: a social exchange perspective', found out that employees attributed greater importance to the fact that training increased their employability. This promoted their perceived organizational support and commitment. The study was analyzed using correlation and multiple regression. The current study seeks to agree with the findings by Chambel and Sobral (2011), given that temporary employees especially the voluntary employees value their employability and therefore training since it enhances their perceived employability (De Cuyper, 2008).

2.5 Summary

This chapter reviewed literature on the research study with the initial section exploring the relevant theories such as the social exchange theory, self determination theory and the equity theory. The chapter also reviewed the conceptual framework and it identified the independent variables which include: motives for temporary employment; Perceived employability and expected employment continuity. The dependent variable was identified as employee performance which looks at issues like productivity, achievement of key performance indicators, innovation, creativity and absenteeism. This chapter also explored studies done by other researchers on the issue of temporary employment and a critique of those studies was carried out. Finally the research gap the study sought to fulfill was identified.

2.6 Research gaps

The empirical review presented above provides a useful framework for generating broader hypotheses about the relationship between temporary employment and employee performance. However most of these studies were conducted in developed countries whose strategic approach and financial footing is different from that of Kenya. This study intends to establish the influence of temporary employment on employee performance at Safaricom Limited. Therefore the present study seeks to develop a number of propositions towards expanding the framework for understanding the influence of temporary employment on employee performance.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

According to Adams, Khan, Raeside and White (2007), research design is the blueprint for fulfilling research objectives and answering research questions. It is a master plan specifying the methods and procedures for collecting and analyzing the needed information.

This study adopted descriptive research design. The choice of the research design was based on the fact that descriptive research is concerned with description of the state of affairs as it exists at present.

It describes the characteristics of a particular individual, or of a group. In descriptive research, the researcher has no control over the variables; he can only report what has happened or is happening (Kothari, 2004).

According to Mugenda and Mugenda (2003), the major purpose of descriptive research is to determine the relationship between an independent variable and a dependent or outcome variable in a population, establishing the associations and causality between variables. The study consisted of both qualitative and quantitative approaches. The qualitative approach was concerned with subjective assessment of attitudes, opinions and behavior while the Quantitative techniques were used to present numerical data.

3.2 Population

Population refers to an entire group of individuals, events or objects having a common observable characteristics (Mugenda & Mugenda,2003). Target population refers to that population to which a researcher wants to generalize the results of a study (Kombo & tromp, 2006).

The target population for this study was all Safaricom staff, but the accessible population was 1092 staff at the call centre, Mombasa road (Safaricom HR Head count report, 2013). This population was chosen because it consisted of the biggest number of staff in safaricom.

3.3 Sampling Frame

A sampling frame is a list of members of the population under investigation from which the sample may be drawn (Adams, Khan, Raeside & White, 2007). The study consisted of employees chosen from different ranks at the Safaricom call centre. The categories that were considered for the study are presented in the table below:

TABLE 3.1 Sampling Frame

RESPONDENTS	POPULATION	SAMPLE
Chief Executive Officer	1	1
Head of Department	1	1
Shift Managers	5	1
Line managers	25	3
Support staff	30	3
Quality analysts	30	3
Customer care representatives	1000	100
Total Population	1092	112

Source: Safaricom HR Head count report, 2013

3.4 Sample and Sampling Technique

According to Mugenda and Mugenda (2003), a sample is a smaller group of individuals selected from the population. A sample of 110 individuals from the Safaricom call centre were used. This is in line with Mugenda's recommendation that for descriptive studies ten percent of the accessible population is enough (Mugenda et al, 2003).

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Sampling technique deals with the procedure the researcher would adopt in obtaining items to be observed (sample) from a given population. The sampling technique that was used was stratified sampling so as to obtain a representative sample because the population from which the sample was drawn did not constitute of a homogenous group (Kothari, 2008).

3.5 Data Collection Instruments

For primary data, in this study, questionnaires were used to collect data. The questionnaires comprised of both open and closed ended questions. The choice of this method of data collection was based on the fact that questionnaires are low cost even when the population is large; it is free from the bias of the interviewer; answers are in respondents' own words; respondents have adequate time to give well thought out answers; and respondents who are not easily approachable can also be reached conveniently (Mugenda & Mugenda, 2003).

3.6 Data Collection Procedure

The data was collected using a self-administered questionnaire procedure, where the questionnaires were administered to the selected respondents through drop and pick later technique. This gave the respondents enough time to fill the questionnaire.

3.7. Pilot test

The questionnaires were pre-tested to assess how effective they were (Gatara, 2010). Ten respondents from the sample with representatives from each category were used in the pilot test. Errors detected during the pilot test were corrected before full administration of the data collection instruments.

The pilot study was aimed at testing the logic, clarity and objectivity of questions in the questionnaire. The pre-test also enabled the researcher to check whether the variables collected could be easily processed and analyzed (Mugenda & Mugenda, 2003).

3.8 Data Processing and Analysis

Data analysis involved data coding, data punching and data analysis (Gatara, 2010). Data analysis was done using both qualitative and quantitave approaches. Descriptive statistics such as mean and percentages were applied in the data analysis. The data was analyzed using Statistical Package of Social Sciences (SPSS). The results were presented using tables and charts with explanations on all parameters used.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

The chapter represents the empirical findings and results of the application of the variables using techniques mentioned in chapter three. Specifically, the data analysis was in line with specific objectives where patterns were investigated, interpreted and implications drawn on them.

4.2 Response Rate

The presented data was collected from the call centre division of Safaricom Ltd. The study targeted 112 respondents but managed to obtain responses from 97 of them thus representing an 87%

response rate as shown in table 4.1. This response rate is considered satisfactory to make conclusions for the study. Mugenda and Mugenda (2003) observed that a 50% response rate is adequate. For purposes of analysis, the responses from the line managers, the shift managers, the heads of department and the chief executive officer were grouped together under management. The responses from the quality and support staff were also treated together.

Table 4.1: The Response Rate

Strata	Questionnaires	Questionnaires	Response Rate	
	Administered	Returned	(%)	
Chief Executive Officer	1	1	100	
Head of Department	1	1	100	
Shift Managers	1	1	100	
Line Managers	3	3	100	
Support Staff	3	3	100	
Quality analysts	3	3	100	
Customer Care	100	85	85	
Representatives				

4.3 Reliability Analysis

The reliability of an instrument refers to its ability to produce consistent and stable measurements. Bagozzi (1994) explains that reliability can be seen from two sides: reliability (the extent of accuracy) and unreliability (the extent of inaccuracy). In this study Cronbach's Coefficient Alpha was used to test the reliability of the proposed constructs. Cronbach's Alpha was chosen because it help determine how items relate among themselves. A high coefficient implies that items correlate highly among themselves. (Mugenda & Mugenda, 2003). The reliability is expressed as a coefficient between 0 and 1.00.

The findings indicated that the motive for temporary employment had a coefficient of 0.784; perceived employability had a coefficient of 0.780 and expected employment continuity 0.753. All constructs depicted that the values of Cronbach's coefficient Alpha are above the suggested value of 0.5 thus the study was reliable (Nunnally & Bernstein, 1994; Nunnally, 1974). On the basis of reliability test, it was supposed that the scales used in this study are reliable to capture the constructs as shown in the Table 4.1 below.

Table 4.2 Reliability Analysis

Independent Variables	Cronbach's Alpha	Comments
Motive for employment	.784	Accepted
Perceived employability	.780	Accepted
Expected employment continuity	.753	Accepted

4.4 Demographic Information

The study sought to establish the demographic data of the respondents. The researcher begun by a general analysis on the demographic data got from the respondents which included: age, gender and highest level of education.

4.4.1 Gender of Respondents

The study sought to find out the gender of the respondents in order to help establish whether gender influenced their motive for temporary employment. Respondents were required to indicate their gender. Two categories were given for the respondents to indicate their gender-male and female. Figure 4.1 shows the gender composition of the respondents.

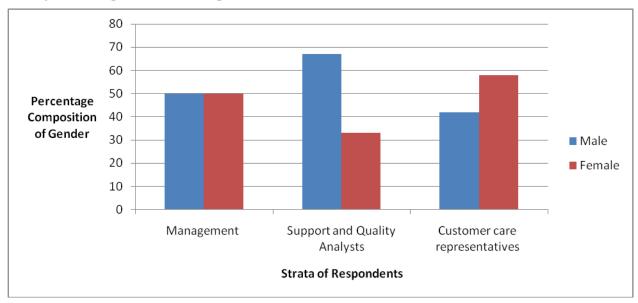


Figure 4.1: The Gender Composition of the Respondents

Among the management, there was a balance in the number of the male versus the female gender. 50 % of the respondents were male while 50 % were female. 33 % of the quality analyst and support staff was made up of the female gender while 67 % were males. In the customer care representative strata, 58 % were of the female gender while 42 % were the male gender.

4.4.2 Marital Status of Respondents

The marital statuses of the respondents were essential to the research because it could be used to come up with some comments about its relationship with the motive of temporary employment. Only two marital statuses were tested as shown in Figure 4.2 below.

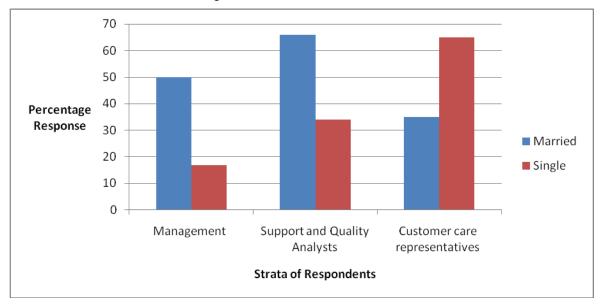


Figure 4.2 Marital Status of the Respondents

The respondents were asked if they were single or married. Amongst the management, 83 % stated that they were married while 17 % responded stated that they were single. In the support staff and the quality analysts' strata, 66 % indicated that they were married; 34 % indicated that they were single. The analysis of the marital statuses of the customer care representatives revealed that 35 % of the respondents were married while 65 % of the respondents were single.

4.4.3 Highest Level of Education

Respondents were further required to indicate the highest level of education they had attained. This was aimed at establishing whether the level of education influenced the motives for temporary employment. Among the management strata of respondents, it was found out that 83 % had a post graduate degree. 17 % had a bachelor's degree. None of the respondents had a diploma as the lowest degree. As well, the support staff and the quality analysts had no diploma degree as the lowest qualification. 50 % indicated in the questionnaire that they had a bachelor's degree while 50 % indicated that they had a post graduate degree. Among the customer care representatives, 54 % of the respondents had a diploma as the lowest qualification; 46 % had a bachelor's degree. None of the respondents had a post graduate degree. These results are shown in Figure 4.3.

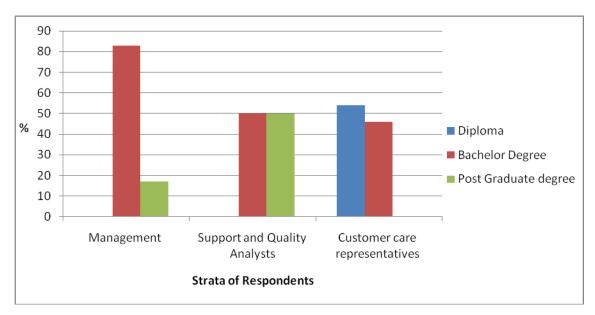


Figure 4.3 Highest level of Education

4.4.4 Number of Years worked in Safaricom

The questionnaire tested the years of employment in five categories. They included less than 1 year, 2-5 years, 5-9 years, 9-10 years and over 10 years. This question was meant to help the researcher to establish whether there was employment continuity in the temporary employment. The answers were categorized in three strata. Figure 4.4 show the distribution of the number of years of employment by the three groups analyzed during the study.

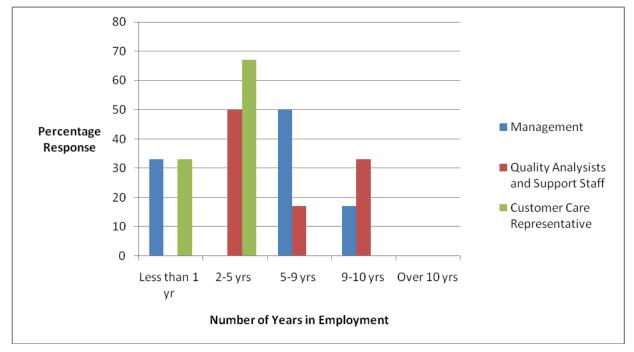


Figure 4.4: The number of years that respondents have worked in Safaricom Ltd.

In the management level response, 33 % have been employed for less than 1 year, 50 % have been in employment for between 5-9 years and 17 % have been employed for between 9-10 years. In the support staff and quality analysts' group, 50 % have been employed for between 2-5 years, 17 % have been in employment at the call centre for between 5-9 years and 33 % have been working at the call centre for a period of between 9-10 years.

In the customer care representatives' category, 33 % stated that they have been employed for less than 1 year. 67 % indicated that they had worked with the company for a period of between 2-5 years. There were no responses to the categories of 5-9 years, 9-10 years and the category of over 10 years. This could mean that the organization has a high staff turnover among the customer care representatives or that the organization has a good job promotion policy where employees in the lower level of responsibility are promoted to undertake duties at a high level of responsibility

4.5 Study Variables

The study sought to investigate the influence of temporary employment on employee performance at Safaricom Limited. Three major factors were considered ranging from: Motives for temporary employment, perceived employability and expected employment continuity.

4.5.1 Motives for Temporary Employment

Respondents were required to indicate their level of agreement with various aspects that motivate employees to be temporary employed. The Items were measured on a five point Likert-Type scale ranging from 1 being "Strongly Disagree" to 5 being "Strongly Agree". The findings are as presented in Table 4.2.

Table 4.2 Descriptive Statistics on Motives for Temporary Employment

Mean	Std. Deviation
Temporary employment in Safaricom provides an alternative 3.01 to lack of employment in the job market	.793
Expectation to gain permanent employment at Safaricom3.9706 drives temporary employees to high levels of performance	.59612
Temporary employees who do not get permanent employment 3.8676 position within an expected time become psychologically tortured hence reduced motivation	.73107
Temporary employment provides an opportunity to learn 3.7794 from different job organizations	.68775
Temporary employment provides freedom to carry out other 3.7353 duties outside work	.68279
Career development opportunities at Safaricom motivate 2.8676 temporarily employees to be more committed to their work	.59777
Overall Mean 3.5472	

Means of between 2.8676 - 3.9706 and standard deviations of between 0.59612- 0.70118 were registered. It was clear from the research findings that expectation to gain permanent employment at Safaricom drove temporary employees to high levels of performance (3.9706). This is in line with the assertion by Dessler (2008) that a larger number of individuals enter the temporary labour market with the tacit hope of obtaining an offer of longer-term employment.

Further, it was clear from the study findings that delayed permanent employment confirmation psychologically tortured employees hence affecting their productivity (3.8676). On the same note majority of the respondents were of the opinion that career development opportunities at Safaricom did not motivate employees to be more committed to their work to a great extent (2.8676).

4.5.2 Perceived Employability

Respondents were further required to indicate their level of agreement with various aspects on perceived employability and its influence on employee performance. Items were measured on a five point Likert-Type scale ranging from 1 being "Strongly Disagree" to 5 being "Strongly Agree". The findings are as presented in Table 4.3.

Table 4.3 Descriptive Statistics on Perceived Employability

Mean	Std. Deviation
Formal training programs are available for all staff including 3.6176 temporary employees which enhance role performance	.62365
Given my qualifications and experience, I could easily find another job3.8676 if I was looking for one	.65254
Temporary employees are given autonomy and reasonable authority in 2.54 the jobs that they perform which enables them to learn more from their jobs and feel fully utilized.	.836
Line managers provide supervisory support like coaching and feedback3.8529 to employees on their job performance	.54374
Overall Mean 3.4695	

Means of between 2.54 -3.8676 and standard deviations of between 0.54374-0.836 were registered. The research findings revealed that the employees felt highly employable (3.8676). The findings also revealed that the temporary employees are taken for training by the company. This is contrary to the argument by Roca-Puig, Beltran-Martin & Cipres (2008), that the employers are less likely to invest in training of temporary workers since they do not have expectations of a long term relationship.

4.5.3 Expected Employment Continuity

Respondents were further required to indicate their level of agreement with various aspects on expected employment continuity and employee performance. The findings are as shown in Table 4.4.

Table 4.4 Descriptive Statistics on Expected Employment Continuity

Mean	Std. Deviation
Perceived employment continuity makes temporary employees3.9706 more committed to their work	.59777
Uncertainty in terms of job security discourages employees at 3.8676 Safaricom hence unproductive	.59612
Expected termination of contracts demotivates employees at 3.8676 Safaricom	.73107
Managers use the threat of contract discontinuation as a performance 3.7794 management tool	.68775
Expected contract renewal enhances employee commitment 3.7353	.68279
My contract has been renewed more than once by this company in 3.6176 the past	.793
Temporary employees are given sufficient and timely3.6176 communication regarding contract renewals	.91471
Commitment of temporary employees tends to reduce towards the 3.71 end of the contract	.69173
Overall Mean 3.7707	

Means of between 3.6176 - 3.9706 and standard deviations of between 0.59612-0.91471 were registered. The research findings revealed that perceived employment continuity made temporary employees more committed to their work as shown by the high means (3.9706). Further, the findings revealed that uncertainty in terms of job security and expected termination of contracts demotivated employees hence making them unproductive (3.8676).

4.5.4 Employee Performance

Respondents were further required to indicate their level of agreement with various aspects on employee performance at Safaricom Limited. Items were measured on a five point Likert-Type scale ranging from 1 being "Strongly Disagree" to 5 being "Strongly Agree". The findings are as shown in Table 4.5.

Table 4.5 Descriptive Statistics on Employee Performance

	Mean	Std. Deviation
Temporary employees at Safaricom report to work always as required	3.8676	.54374
Temporary employees adhere to the company policy to a great extent	3.8529	.65254
Temporary employees give suggestions aimed at products and service improvements	3.1912	.93453

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Overall Mean	3.6515	
Temporary employees at Safaricom respond appropriately to feedback on job performance	3.7794	.76968
Temporary employees at Safaricom consult with supervisors and co-workers as necessary	3.3529	.89384
Temporary employees at Safaricom work without supervision as necessary	3.4559	.78100
Temporary employees at Safaricom meet work deadlines	3.7353	.78451
Temporary employees met all their performance targets for the previous evaluation period	3.7353	.76525
Temporary employees at Safaricom take appropriate actions to problems as necessary	3.7647	.64917
Temporary employees at Safaricom propose solution to problems	3.7794	.76968

Means of between 3.1912- 3.8676 and standard deviations of between 0.54374-0.93453 were registered. It was clear from the research findings that employees at Safaricom punctually reported to their work as required and absenteeism cases were not mentioned to a great extent (3.8676). This could be because generally temporary staff are paid only when they are working not for off days (ILO, 2013). Further, the findings revealed that temporary employees at Safaricom met their deadlines to a great extent (3.7353). However, temporary employees' contribution to innovation scored lowly (3.1912).

4.6 Correlation Analysis

Correlation analysis models the relationship between the dependent variable which was employee performance and the independent variables which were motives for employment, perceived employability and expected employment continuity.

The correlation analysis results presented in Table 4.6 reveal that there is considerably a strong positive correlation between the variables. Specifically, it is noted that there is a very strong positive relationship between expected employment continuity and employee performance at Safaricom Limited (n=97, r=.783, p<.05). Further the research findings also revealed that there was also a strong positive relationship between motives for employment and employee performance (n=97, r=.655, p<.05). However, there was a relatively weak relationship between perceived employability and employee performance (n=97, r=.582, p<.05). These results were all positive and statistically significant, hence supporting the fact that the factors under study positively and significantly influenced employee performance. The statistical significance is indicated by the low p values i.e. P values of less than 0.05. The findings therefore revealed that expected employment continuity, motives for employment and perceived employability respectively influenced employee performance at Safaricom.

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Table 4.6 Correlation Matrix for Temporary Employment and Employee Performance
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1	Employee performance	Pearson Correlation	.681(*)
		Sig. (2-tailed)	.04
		N	97
2	Motive for employment	Pearson Correlation	.655(*)
		Sig. (2-tailed)	.03
		N	97
3	Perceived employability	Pearson Correlation	.582(*)
		Sig. (2-tailed)	.05
		N	97
4	Expected employment	Pearson Correlation	.783(*)
	continuity	Sig. (2-tailed)	.02
		N	97

^{*} Correlation is significant at the 0.05 level (2-tailed).

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter considers the findings of the study done with specific reference to the objectives and research questions being used as units of analysis. Data was interpreted and the results of the findings were correlated with both empirical and theoretical literature available. The conclusion relates directly to the specific objectives/research questions. The recommendations were deduced from conclusion and discussion of the findings.

5.2 Summary

The study sought to investigate the influence of temporary employment on employee performance at Safaricom Limited. The results revealed that the employees in the management level, the support staff and the quality analysis levels were found not to work under temporary basis. Their responses, even though they were included in the sampling, were excluded from the analysis. As such, this acted as a control measure during the analysis of these results. In this report therefore, the analysis of the data centered on the customer care representatives

The specific objectives of the study were: To establish the influence of motives for working on temporary employment on employee performance at Safaricom Limited, to examine the influence of perceived employability on employee performance at Safaricom Limited and to determine the influence of expected employment on employee performance at Safaricom Limited.

The study was a case study of Safaricom Limited where all employees at Safaricom Call Centre were targeted. A sample of 112 employees was selected using random sampling. This research relied on primary data which was collected using a semi-structured questionnaire. The questionnaires were self-administered by the researcher and two research assistants. The researcher managed to obtain information from 97 respondents hence a response rate of 87%. Cronbach's Coefficient Alpha were obtained to establish the reliability of data. The coefficients were above the required 0.7 hence accepted.

With regards to motives for employment, the research found that expectations to gain permanent employment at Safaricom drove temporary employees to high levels of performance to a great extent. Delayed permanent employment confirmation psychologically tortured employees hence affecting their productivity to a great extent. These findings complement the findings of (Freese & Kroon, 2013) who contend that involuntary temporary workers accept a temporary position with a view to transitioning to permanent employment with the same employer in the near future. Therefore they use temporary employment as a stepping stone to permanent employment.

Expected employment continuity was also a key aspect which influenced employee performance at Safaricom Limited. The research findings revealed that expected employment continuity made temporary employees more committed to their work to a great extent. Further, the findings revealed that uncertainty in terms of job security and expected termination of contracts demotivated employees hence making them unproductive to a great extent. These findings are in agreement with the findings of (Spector, 1997) who argues that expecting that one's employment will continue beyond the current contract is perhaps akin to having greater employment stability and reduces the immediate threat of facing unemployment. As a result, feelings of job insecurity should decline.

With regards to perceived employability, the research findings revealed that the temporary employees in Safaricom Ltd call centre were taken for training by the company and they had autonomy in the jobs they performed. The employees felt highly employable which could in turn motivate them to perform well.

5.3 Conclusions

The objective of this study was to investigate the influence of temporary employment on employee performance at Safaricom Limited. The study findings indicate that the factors under study had a positive influence on employee performance. The findings therefore revealed that employment continuity, motives for employment and expected employability respectively influenced employee performance at Safaricom.

The motive of taking up the temporary employment offer at Safaricom plays an important role in the performance of the employees. The employees know that there are few permanent job opportunities and that the temporary job at the company serves as a good substitute to unemployment. This motive makes them work hard and perform better at work with the hope that they will get a better job, on permanent basis, at the company. This contributes to the enhanced job performance.

The employability of the employees at the company is also an important factor. Here, it is clear that the company was promoting the employability of the employees through coaching and work autonomy. Such conditions prove essential in any organization when planning to improve the performance of employees.

Employment continuity has a positive relationship with the performance of the employees. It was found that most of the respondents had had their contracts renewed. The employees indicated that they were informed in advance regarding contract renewal. This instills a sense of job security among the

employees. It was also concluded that the company does not invest in training of the temporary employees. This could affect the employability and performance of the employees.

5.4 Recommendations

This study focused on temporary employment and employee performance at Safaricom Limited and therefore, generalizations cannot adequately extend to other organizations in Kenya. Based on this fact among others, it is therefore, recommended that a broad based study covering major public and private enterprises in Kenya be conducted.

It is also vital to independently interrogate the contribution of each of the studied variables to the performance of the employees. In future, it would be better if only one variable was selected and its effects on the performance of the temporary employees evaluated. A study could also be carried out comparing the performance of permanent and temporary employees.

The study also recommends that the Management of Safaricom Limited should enact a policy which gives preference to temporary employees already on board when recruiting permanent employees. This will go a long way in encouraging employees to be more committed to their jobs.

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APPENDICES

QUESTIONNAIRE FOR SAFARICOM LIMITED

Dear respondent,

This academic questionnaire is designed to generate information on the effects of temporary employment on employee performance at Safaricom Limited. As one of the identified respondents, you are hereby requested to complete it. Any information given with respect to this request shall be treated with strict confidentiality and respondent identity will not be divulged.

Part A: Demographic information

Please tick or fill as appropriate.

1.	Position of respon	dent	
2.	Gender	Male Female	
3.	Marital Status	Single Married	
4.	Highest level of ed		
	Post graduate Bachelor's De Diploma	-	
	Certificate		
5.	Number of Years v Less than 1 year	worked in Safaricom ar	
	2 to 5 years		
	5 to 9 years		
	9 to 10 years		
	Above 10 year	rs	

Section II: Motives for Temporary Employment and Employee Performance

The statements presented below describe motives for temporary employment and how they influence employee performance at Safaricom Limited. Please indicate the extent to which you agree with each of the statements by ticking ' $\sqrt{}$ ' in the appropriate box (from 1 to 5); where: 1= Strongly Disagree (SD); 2 = Disagree (D); 3 = Neutral (N); 4 = Agree (A); 5 = Strongly Agree (SA)

	Item	SD	D	N	A	SA
		1	2	3	4	5
1	Temporary employment in Safaricom provides an alternative to lack of employment in the job market					
2	Expectation to gain permanent employment at Safaricom drives temporary employees to high levels of performance					
3	Temporary employees who do not get permanent employment position within an expected time become psychologically tortured hence reduced motivation					
4	Temporary employment provides an opportunity to learn from different job organizations					
5	Temporary employment provides freedom to carry out other duties outside work					
6	Career development opportunities at Safaricom motivate temporarily employees to be more committed to their work					

Section III: Perceived Employability and Employee Performance

The statements presented below describe perceived employability aspects and employee performance at Safaricom. Please indicate the extent to which you agree with each of the statements by ticking ' $\sqrt{}$ ' in the appropriate box (from 1 to 5); where: 1= Strongly Disagree (SD); 2 = Disagree (D); 3 = Neutral (N); 4 = Agree (A); 5 = Strongly Agree (SA).

	Item	SD	D	N	A	SA
		1	2	3	4	5
1	Formal training programs are available for all staff including temporary employees which enhance role performance					
2	Given my qualifications and experience, I could easily find another job if I was looking for one					
3	Temporary employees are given autonomy and reasonable authority in the jobs that they perform which enables them to learn more from their jobs and feel fully utilized.					
4	Line managers provide supervisory support like coaching and feedback to employees on their job performance					

Section IV: Expected Employment Continuity and Employee Performance

The statements presented below describe expected employee continuity and employee performance. Please indicate the extent to which you agree with each of the statements by ticking ' $\sqrt{\ }$ ' in the appropriate

box (from 1 to 5); where: 1= Strongly Disagree (SD); 2 = Disagree (D); 3 = Neutral (N); 4 = Agree (A); 5 = Strongly Agree (SA)

	Item	SD	D	N	A	SA
		1	2	3	4	5
1	Perceived employment continuity makes temporary employees more committed to their work					
2	Uncertainty in terms of job security discourages employees at Safaricom hence unproductive					
3	Expected termination of contracts demotivates employees at Safaricom					
4	Managers use the threat of contract discontinuation as a performance management tool					
5	Expected contract renewal enhances employee commitment					
6	My contract has been renewed more than once by this company in the past					
7	Temporary employees are given sufficient and timely communication regarding contract renewals					
8	Commitment of temporary employees tend to reduce towards the end of the contract					

Section VI: Employee Performance

The table below presents aspects of employee performance at Safaricom Limited Please indicate the extent to which you agree with each of the statements by ticking ' $\sqrt{}$ ' in the appropriate box (from 1 to 5); where: 1 = Very small extent, 2 = Small extent, 3 = Moderate extent, 4 = Great extent, 5 = Very small extent.

	Item	Very	Small	Moderate	Great	Very
		Small	Extent	extent	extent	great
		Extent				extent
		1	2	3	4	5
i.	Temporary employees at Safaricom report to work always as required					
ii.	Temporary employees adhere to the company policy to a great extent					
iii.	Temporary employees give suggestions aimed at products and					

	service improvements			
iv.	Temporary employees at Safaricom propose solution to problems			
V.	Temporary employees at Safaricom take appropriate actions to problems as necessary			
vi.	Temporary employees met all their performance targets for the previous evaluation period			
vii.	Temporary employees at Safaricom meet work deadlines			
viii.	Temporary employees at Safaricom work without supervision as necessary			
ix.	Temporary employees at Safaricom consult with supervisors and coworkers as necessary			
х.	Temporary employees at Safaricom respond appropriately to feedback on job performance			

APPENDIX III: WORK PLAN

ACTIVITY	SEP	OCT	NOV	DEC	JAN	FEB	MAR
Literature							
Review							
Proposal							
writing							
Presentation							
Piloting							
Data							
collection							
Data							
Analysis							
Report							
writing							
Project							
submission							
Project defense							
defelise							

APPENDIX III: RESEARCH BUDGET

Particulars	Cost (Kshs)
Stationery	1,000
Writing materials	1,800
Printing of Research Work (proposal, questionnaires and project)	6000
Photocopying	1,000
Binding The Research Work (proposal, questionnaires and project)	4,500
Traveling Expenses	3,000
Communication Expenses	1,000
Miscellaneous Expenses	5,000
Total Research Expenses	23,300.00

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