



Temporary Agency Work as a Means of Achieving Flexicurity?

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ABSTRACT

After decades of debate about flexibility, flexicurity has become a new buzzword in working life. Flexicurity refers to both the employer's demand for flexibility and the employee's demand for security. Thus, the idea is to solve the flexibility–security trade-off. There is also a discussion that mentions temporary agency work as one way of creating a flexicurity system. The flexibility potential is not called into question—numerical flexibility is a quite common motive for using temporary agency workers. However, the security dimension has to be scrutinized. The aim of this article is to analyze the temporary work agency industry's potential for providing the security dimensions of the flexicurity model in a Swedish context. The study is based on a survey of white-collar temporary agency workers in Sweden ($n = 533$). Overall, the vast majority do not perceive security. Our most important result is that both the work agency and the user firm have a dual impact on the agency workers' perception of security.

KEY WORDS

Temporary agency work / agency work / staffing industry, / flexicurity / employability / security at work

Introduction and aim of article

After decades of debate about flexibility, flexicurity has become a new buzzword in working life. Flexicurity refers to both the employer's demand for flexibility and the employee's demand for security (Wilthagen & Tros 2004). Thus, the idea is to solve the flexibility–security trade-off.

Flexicurity is mainly used as a labor market concept, referring to institutional settings that enable staffing flexibility for employers while at the same time providing the labor force with security, e.g., by means of an active labor market policy and unemployment benefits. However, there is also a discussion that mentions temporary agency work as one way of creating a flexicurity system (Berg 2008, Storrie 2007). Thus, the concept is used at the industry level where one private actor on the labor market—the temporary

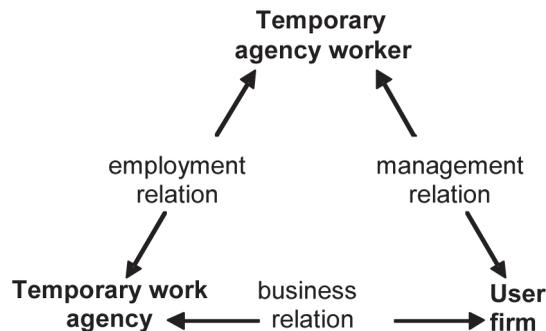
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work agency industry—is supposed to manage both flexibility and security. The flexibility dimension is not called into question; the hiring of agency workers entails staffing flexibility for the employers. A survey of workplaces in Sweden revealed that about 50% of workplaces using agency workers declared flexibility (upward or downward) as the motive. The same figure holds true for the UK (Håkansson & Isidorsson 2007). Even though flexibility was not the most common motive, the surveys show that the use of temporary agency workers has the potential to provide flexibility. The security dimension, on the other hand, needs to be scrutinized. According to the employer organization, the temporary work agency functions as an intermediary managing the reallocation of employees to workplaces and industries where there is a shortage of labor. Accordingly, temporary agency workers are kept out of unemployment while simultaneously increasing their employability (Cielt 2011). Also, conditions such as guaranteed wages during periods between assignments function as a security net. However, whether or not the temporary agency industry is successful in providing security has not been subjected to scientific research. Thus this article focuses entirely on the security dimension. The aim of this article is to analyze the potential for the temporary work agency industry providing for the security dimension of the flexicurity model in a Swedish context.

The basic idea of the temporary work agency is to provide workplaces with staff for limited periods. The user firm pays the work agency to provide traditional employer responsibilities such as matching, hiring, and severance. Risk displacement is thus one of the fundamental services provided by the staffing industry. The temporary agency worker is employed by the agency, but the work is performed and managed at the user firm. The temporary agency worker does not have one fixed workplace; he/she has to be mobile and move between different workplaces in accordance with the demands of the user firm. This could be labeled assignment insecurity. However, despite this assignment insecurity, agency workers can still obtain job security since they are employed by a temporary work agency that continuously provides them with new assignments.

Temporary agency work could be described as a triangular relationship (Bergström & Storrie 2003, Håkansson & Isidorsson 2012b, Storrie 2007). There is an employment relationship between the agency worker and the agency, a management relationship between the agency worker and the user firm, and a business relationship between the user firm and the temporary work agency. This triangular relationship is illustrated in Figure 1.

Figure 1: The triangular relationship between temporary agency worker, temporary work agency, and user firm.



The security dimension concerns both the employment relationship and the management relationship. The employment relationship deals with working conditions such as the type of contract, wages, and training possibilities. The management relationship concerns factors in the day-to-day working situation, e.g., agency workers integration with user firm employees and training possibilities. Both relationships are important as regards shaping the agency worker's perception of security. Also, we have to take national institutional arrangements into account when analyzing the different aspects of security.

Temporary agency work in the Swedish context

Prior to the Private Employment Agencies and Temporary Labour Act of 1993 (Swedish Code of Statutes 1993:440), it was illegal to run private work agencies for profit-making purposes in Sweden (Berg 2008). According to statistics provided by the Swedish Staffing Agencies, temporary agency work has increased rapidly over the last two decades. An international comparison of the temporary work industry made by the International Confederation of Private Employment Agencies (Ciett 2009) shows that Sweden, among 20 or so countries, has experienced one of the fastest rates of growth between 1997 and 2007. However, the temporary staffing industry seems to be very sensitive to shifts in business cycles. There was a substantial drop in the number of agency workers in 2009, but in 2010, the number was back on a pre-crisis level, i.e., 60,000 employees (Bemanningsföretagen 2011) corresponding to 1.5% of all employees.

Sweden is characterized as rather liberal in its regulation of agency work (Arrow-smith 2006). There is no specific legislation governing the temporary work agency industry in Sweden, neither is there any legislation directing the business relation between user firm and temporary work agency. Temporary work agencies are treated just like any other business and the labor laws are the same for both temporary agency workers and other workers. This lack of specific legislation is in line with Swedish labor market practice, with the social partners being given the responsibility to regulate via collective agreements. Collective agreements covering agency workers have emerged for both white- and blue-collar occupations. Even though there is some discussion within the unions about conditions concerning the use of agency workers (Håkansson & Isidorsson 2011), agency work could be described as an integral part of the Swedish labor market (Bergström et al. 2007).

According to the Swedish Employment Protection Act, there are principally two different types of employment contracts: open-ended and limited duration (Swedish Code of Statutes 1982:80). Since temporary work agencies in Sweden are treated like any other business, the normal employment contract for an agency worker should be open-ended. The Employment Act gives employers the possibility of using temporary contracts, e.g., substitute, seasonal work, and general temporary contracts, of up to 2 years. The collective agreement for blue-collar agency workers is stricter than the legislation in this respect with a time limit of 6 months, which could be extended to 12 months if locally agreed. According to the collective agreement for white-collar agency workers, it is possible to use different kinds of temporary contracts, for example, probationary contracts can be used for up to 6 months.

In most EU countries, it is not possible for agency workers to have open-ended employment contracts. In some EU countries, open-ended contracts in the temporary



agency industry are possible under certain conditions or restrictions, i.e., in the Netherlands, Slovenia, Portugal, and Hungary (Arrowsmith & Forde 2008: 31–32). Norway, however, not a member of the EU, is similar to Sweden in that agency workers can have open-ended contracts. Even though open-ended contracts may be possible in some countries, Sweden stands out as the most secure country when it comes to agency worker job security.

There is no legislation regarding minimum or equal pay for agency workers in Sweden. However, the blue-collar workers' collective agreement stipulates that temporary agency workers must be paid in accordance with the average pay at the workplace where they are located (Wage Agreement for Blue-Collar Workers in Temporary Work Agencies: 2010, Section 5 Subsections 1–2). The white-collar workers' collective agreement stipulates that salaries are based on individual qualifications and competencies (Wage Agreement for White-Collar Workers in Temporary Work Agencies 2010, section 12, subsection 2). The individually set salaries mean that two white-collar temporary agency workers, doing the same work at a user firm, can be paid differently. It is also possible for the salary of the agency worker to be either above or below the average salary for the employees of the client organization/user firm. If temporary agency workers are without an assignment they are entitled to a wage guarantee. For both blue- and white-collar workers, collective agreements stipulate a wage guarantee of approximately 80–90%. This type of guaranteed wage in-between assignments does not exist in other European countries.

Berg (2008) argues that agency work could be regarded as an example of flexicurity under certain conditions, when agency workers have open-ended employment contracts and when there are collective agreements regulating and guaranteeing wage equality. The Swedish system of open-ended employment contracts in the temporary work agency industry then has the potential to become one way of achieving both dimensions of the flexicurity model. The importance of open-ended employment contracts in the flexicurity trade-off is also emphasized by Storrie (2007). The EU member states have agreed on the following main elements of the EU flexicurity strategy: flexible contractual arrangements, reliable and responsive lifelong learning, effective labor market policies, and modern social security systems (Pacelli et al. 2008).

In sum, Sweden distinguishes itself as a country with the best prerequisites regarding security for temporary agency workers: according to the law, the normal employment contract should be open-ended contract and according to the collective agreements there is a guarantee wage in case of no assignment. Thus we could expect the Swedish temporary agency workers to perceive employment and income security to a higher extent compared with agency workers in other countries.

Theoretical framework and previous research

The debate of flexicurity could be seen as a response to employer's demand for flexibility and the employee's need for security. (For an overview of this debate, see for instance Jørgensen & Madsen 2007, Muffels 2008, and Viebrock & Clasen 2009.) The definition of flexicurity that frequently recurs in the debate and in research is coined by Wilthagen and Tros:

Flexicurity is (1) a degree of job, employment, income and “combination” security that facilitates the labour market careers and biographies of workers with a relatively weak position and allows for enduring and high quality labour market participation and social inclusion, while at the same time providing (2) a degree of numerical (both external and internal), functional and wage flexibility that allows for labour markets (and individual companies) timely and adequate adjustment to changing conditions in order to maintain and enhance competitiveness and productivity (2004: 170).

One conception within the flexicurity context is that employees cannot rely on having a career with only one employer but that the notion of having a career should instead consist of moving between several employers on the labor market (Bovenberg & Wilthagen 2008, Viebrock & Clasen 2009, Wilthagen & Tros 2004). Highly perceived and actual employability among the workforce is thus vital in order for a flexicurity system to function properly since it acts as a buffer against job insecurity (Berntson et al. 2006, De Cuyper et al. 2008). From a government standpoint, providing the unemployed with both unemployment benefits and active labor market policies (e.g., training and retraining) is thus key to facilitating the transition between different employers (Bovenberg & Wilthagen 2008). Thus, employability is seen as a societal responsibility (Salognon 2007). This has proven to be an important characteristic of the Danish labor market (Madsen 2008).

On an individual level, employability can be seen as a person’s own responsibility for increasing his/her qualifications and, in doing so, becoming more employable (Smith 2010). Here, employability refers to different kinds of educational achievements on an individual level (Campbell 2000, Gazier 1998, McQuaid & Lindsay 2005). Fugate et al. (2004: 15–16) argue for a more complex view of employability as a psychosocial phenomenon whereby the individual has to “acquire the knowledge, skills, abilities, and other characteristics (KSAOs) valued by current and prospective employers”. Thus, Fugate et al. (2004) include the individual’s behavior, experiences, abilities, feelings, motivation, and attitudes. Employability is, in this case, intertwined with personal compositions, and not easily changed.

Employability could also be understood as an organizational responsibility. De Vos et al. (2011) found that, in addition to participating in competence development activities, the employer’s support for competence development enhances the worker’s perceived employability. Thus, employability is not merely the individual’s ability to achieve continuous learning but also the employer’s ability to offer competence development and to support such development. Kirves et al. (2011: 900) argue that employability is more important to temporary workers than to permanent employees. This could be understood in an exchange perspective: temporary workers may expect training and opportunities to learn new things and, in doing so, increase their employability in exchange for their insecure employment. Also, employability could be seen as a coping strategy vis-à-vis the insecure labor position of temporary workers.

Using the definition of Wilthagen and Tros (2004: 170–173), we can distinguish four aspects of flexibility and four aspects of security. The flexibility dimension refers to both internal mobility within the workplace, i.e., functional flexibility, and external mobility, i.e., numerical flexibility. The latter can, for example, be achieved by using employees on temporary contracts and temporary agency workers (Muffelse & Luijkx 2008). In this article, the flexibility dimension is taken for granted, and as mentioned previously it is



legal in Sweden to use temporary agency workers. The security dimension on the other hand has to be elaborated. Job security refers to the possibility of keeping a specific job with the same employer. This security is stipulated in laws and agreements. Agency workers in Sweden have the same employment protection as employees in other industries. Employment security concerns the possibility to remain in a paid job. This is not connected to one specific job, but to the security of staying employed on the labor market. Training and competence development increase employment security, if the training and competence development result in transmittable knowledge and experiences. Job security is thus connected to one's current job, while employment security, or employability, refers to future jobs. Income security refers to maintaining a stable and secure level of income throughout working life. Thus, this security is linked to the financial benefits of the welfare system of a country. In this article, however, income security applies to periods in-between assignments and is regulated in the Swedish collective agreements in clauses on wage guarantee. Lastly, combination security refers to the work–life balance, i.e., the employee's possibilities of combining work and other responsibilities.

Previous research on insecurity and temporary agency work does not usually distinguish between employees on temporary contracts and temporary agency workers. In most countries, this is not problematic as agency workers have temporary contracts. Thus, these studies analyze *either* the importance of the contract type *or* the differences between agency and permanent workers.

There is a large body of research on job insecurity and temporary employment (Burchell et al. 2001, De Cuyper & De Witte 2008, Gallie et al. 1998, Håkansson 2001, Kirves et al. 2011). This type of employment contract is itself connected to an objective insecurity on the labor market—the employment has a definite final date. The insecurity is thought to entail negative consequences, e.g., reduced well-being, commitment, and job satisfaction. However, concerning perceived job insecurity, previous research shows no consistent results in this regard. Some researchers emphasize different levels of job strain as an important explanation. For example, Parker et al. (2002) found lower levels among temporary workers than among permanent employees. Their explanation is that work characterized by fewer role demands outweighed the negative effects of reduced job security (Parker et al. 2002: 714). A study of temporary agency workers in Sweden found that the possibility of relinquishing job responsibilities was one reason for taking employment within the agency industry (Allvin et al. 2003). The temporary nature of agency jobs can thus entail a lower level of strain. According to these results, we can assume that employees perceiving a low level of security also try to lessen their levels of strain. Thus, there could be a correlation between low levels of security and low levels of physical and psychological strain.

Different psychological contracts, as an important explanation for the inconclusive results in previous research comparing temporary and permanent employments, have been put forward by Kirves et al. (2011) and De Cuyper and De Witte (2008). These researchers argue that temporary workers have no expectations regarding security; they have accepted the temporary contract and do not feel betrayed by the employer when the assignment comes to an end. Temporary and permanent employees simply perceive the psychological contract differently. For temporary workers, it is more a question of being paid for their attendance and there are no expectations regarding access to the internal labor market and a more secure job while employees with permanent contracts show commitment to the employer and expect job security in return.

In a later study, De Cuyper et al. (2009) distinguish between three groups of employees in their analysis: temporary agency workers, employees with temporary contracts, and employees with permanent contracts. Agency workers are thus treated as a specific group and the contract type for these employees is not discussed. However, their analysis shows some interesting results. Contrary to their assumption, there were some similarities, concerning perceived insecurity, between temporary agency workers and permanent employees. For both groups, job insecurity was negatively related to job satisfaction and organizational commitment. In line with these results, a recent study by Aletraris (2010: 1148–1149) found that agency workers in Australia did value several job characteristics, e.g., job security and autonomy and control over duration of work, as much as permanent workers.

In a Norwegian quantitative study, Olsen (2006) compared atypical jobs with employees in traditional open-ended contracts. In her analysis, she includes open-ended and temporary contracts in temporary work agencies and in traditional employment relations. Olsen's research interest is job quality. However, one of the variables in her analyses is job security. Her findings on job security are that female agency workers with open-ended contract perceive higher fear of losing one's job compared with employees with open-ended contract in traditional employment relations. Noteworthy, these results did not apply to male employees (Olsen 2006: 403).

To summarize, the research review shows that there are no conclusive research findings relating to what expectations temporary agency workers have regarding their job security. It is thus interesting to investigate how agency workers with different kinds of employment contracts experience security. For agency workers, this security could be both job security (continued employment with the temporary work agency) and employment security (working conditions that enhance the employee's employability for other jobs). Further, we assume that there is an exchange between job security and commitment; we expect that agency workers who experience security show commitment to the employer.

According to the flexicurity model of Wilthagen and Tros (2004), the different kinds of flexibility refer to Atkinson's (1984) theoretical model of "the flexible firm." In his model, temporary agency workers belong to the periphery. The same conception of agency workers appears in several subsequent studies (Houseman 2001, Kalleberg 2001, Kalleberg et al. 2003: 532, Kauhanen 2001). This view of agency workers has been called into question by Håkansson and Isidorsson (2012a), who point to different work organizational outcomes in the use of agency workers, depending on how agency workers and user firm employees are integrated. Accordingly, temporary agency workers do not always belong to the periphery; they could be integrated with user firm employees performing qualified work tasks and could take part in change projects (Håkansson & Isidorsson 2012a). It is plausible that this integration also affects perceived job and employment security. We expect that temporary agency workers who are integrated, within the work organization, with user firm employees will experience a higher level of security than those who are not integrated.

The effect of the mobile nature of working as a temporary agency worker has not received much attention in previous research. The hiring pattern and the duration and the frequency of assignments probably all affect how security is experienced. Having several assignments may assure the agency worker of job security—the agency always manages to find a new assignment when the current one comes to an end. Therefore, we



assume that the experience of having several assignments is correlated to perceived job security.

Research questions

As mentioned in the introduction, the aim of this article is to analyze the potential for the temporary work agency industry providing for the security dimension of the flexicurity model in a Swedish context. Deriving from this aim our research questions are as follows:

- How do temporary agency workers perceive the four different aspects of security: job, employment, income, and combination security?
- How is perceived security affected by personal background, work characteristics, and the special character of agency work?
- How does perceived security affect job strain and organizational commitment?

Method

The study is based on a survey of white collar temporary agency workers in Sweden. A questionnaire was sent to all consultants, i.e., temporary agency workers, at three temporary work agencies, one of which operates nationwide and two of which are regional.

The survey included three occupational groups: office and administration services, IT services, and finance/accounting. The questionnaire was distributed via the Internet during the autumn of 2009 and the spring of 2010. In total, we had 533 respondents in office and administration, IT services, and finance/accounting. The response rate was 41%. The survey was distributed after the financial crisis. The employees participating in the survey had thus been spared from being laid off and were therefore probably more inclined to experience security than the agency workers who had been laid off. Two-thirds of our respondents had an open-ended contract with their work agency and an equal part had been employed by the agency for 1 year or more. Also, the length of the assignment at the present user firm was quite long; on average, 62% had been on their current assignment for longer than 6 months. Accordingly, this group of agency workers did not correspond to the picture of short-term mobile workers. Rather, we could expect this group to perceive more favorable working conditions compared with the average agency worker.

The questionnaire included questions about personal background, working conditions, job characteristics like levels of strain, commitment, integration with user firm employees, and perceptions of security. The dependent variables in this study were the four different kinds of security. In the analyses, logistic regression was the main statistical technique used.

Job security was measured using the question “How satisfied are you with your job security?”¹ (Job security was measured with the same question in the European Community Household Panel). Respondents responding very satisfied and slightly satisfied are coded as perceived job security. Others are coded as not perceived job security.

Concerning employment security we used an operationalization that entails an organizational perspective on employability—the employer (the temporary work agency)

assigns the agency workers to different user firms where they obtain skills useful for future user firms. The following question was used: “Do you consider yourself to have gained transferable skills or knowledge, in your current assignment, which could be applicable to other firms?”² Perceived employment security entails respondents considering themselves to have obtained transferable skills to a large extent.

For income security the following question was used: “Concerning pay, I believe that the regulations, i.e., legislation and collective agreements for agency workers, are sufficient.”³ Respondents answering strongly or slightly agree are coded as perceived income security. This question thus only measured income security as an agency worker and not how the welfare system worked in this regard.

Concerning combination security we used an index of two questions: “How satisfied are you with your influence on the long-term planning of your assignments?”⁴ and “How satisfied are you with your influence on your working schedule?”

Levels of strain were measured using questions about the perceived psychological and physiological workload compared with user firm employees. Commitment was measured using an index based on questions used by Allen and Mayer (1990: 6). Integration was measured as the level of participation in change projects and development work.

Of course, there are some limitations to our study. First, the cross-sectional design containing self-reports may have had some impact on the results. Second, just how the different questions concerning two of the security dimensions were perceived by the respondents may have had some impact on the outcomes. For instance, employment security, or employability, was measured using one question regarding the transferability of skills to other firms. Previous studies in this subject have used more questions, since employability is a multifaceted phenomenon (e.g., Berntson et al. 2006). However, from a flexicurity perspective, the transferability of skill is key when it comes to employees maintaining their employment security. Also, the human capital variables of employability are often regarded to be the most important ones (e.g., Berntson et al. 2006, Fugate et al. 2004).

Results and analysis

A first look at the results reveals that a minority of the respondents experience security.

Table 1 shows that around 40% of agency workers perceive security in three out of four dimensions. A comparison with employees in traditional labor relations shows that 68% of them perceive job security.⁵ This is considerably higher compared with the 36% for agency workers in our study.

Table 1 Perceived security in four dimensions. Employees with temporary contracts and open-ended contracts.

	Perceived security	Not perceived security	Total	<i>n</i>
Job security %	36	64	100	519
Employment security %	41	59	100	525
Income security %	20	80	100	469
Combination security %	39	61	100	524



Further analyses show that the type of contract is one important explanation for perceived job and employment security. One-third of all the respondents in our sample are in temporary employment; the vast majority of them have been employed for less than 1 year by their agencies. Only 17% of the temporarily employed agency workers experienced job security, compared with 46% of those with open-ended contracts. The corresponding share for employment security is 34% and 43%, respectively. There is no difference between the two groups as regards income and combination security.

How can the perceived security of agency workers be explained? In the following analysis, we will test the significance of *personal background* like gender, age, nationality, education, and union membership; *work characteristics* including type of contract, training possibilities, occurrence of progress interview with agency, and tenure; and finally the *specific character of agency work* like integration and hiring pattern. We present our findings in Table 2.

Analyzing job security shows that several factors have an impact: age, type of contract, and satisfaction with training. Agency workers with open-ended contracts are nearly five times as likely to experience job security as those with temporary contracts. Tenure is often assumed to contribute to job security. According to Swedish labor law, tenure is the ranking criterion in downsizing processes, given that the employee has sufficient competence to do the work. For agency workers, however, tenure does not seem to contribute to perceived job security. Training, especially when offered by the employer, has a significant impact on the perception of job security. Job security is thus primarily explained by factors relating to the work agency.

Employment security relates to both the employment situation and, to a large extent, to the work situation at the user firm. The type of contract has some impact on employment contract, but much less than for job security. More important, however, is the relationship with the user firm. Training offered by the user firm increases the odds ratios of experiencing employment security. Also, agency workers who are integrated with user firm employees are more likely to experience employment security.

Perceived income security is correlated to gender and age. Women are less likely to perceive income security. Older age groups are more likely to experience income security. Union membership has an impact, but not in the expected direction. Union members are less likely to experience income security. It is interesting to note that the type of contract does not seem to matter—the open-ended contract is important only as regards job and employment security. Instead, training offered by both the employer and the user firm increases the odds ratios for perceiving income security. No other factors have any significant impact on perceived income security.

Turning to combination security, in this study based on influence on personal scheduling and long-time planning, we found that training offered by agencies and user firms increases the probability of agency workers experiencing combination security. Also integration and the hiring pattern turn out to have some impact. Agency workers who are integrated with user firm employees are twice as likely to experience combination security. This level of security is lower for agency workers who have been assigned to several user firms. Experience from only one user firm and being integrated with user firm employees has an impact on the experiencing of combination security.

Table 2 Factors impacting on temporary agency workers' perceived security (odds ratios).

		Job security	Employment security	Income security	Combination security
Gender	Man (ref)	1	1	1	1
	Woman	1.15	1.12	0.57*	1.31
Age	18–29 (ref)	1	1	1	1
	30–45	2.75*	0.94	1.94+	1.19
	46–	5.50***	0.62	2.69*	1.40
Education	Upper secondary school (ref)	1	1	1	1
	Post upper secondary school (not university)	0.66	1.12	0.77	0.78
	University	0.92	1.36	0.68	0.98
Nationality	Born in Sweden (ref)	1	1	1	1
	Born outside Sweden	0.95	1.14	1.01	0.86
Union membership	No (ref)	1	1	1	1
	Yes	0.80	0.87	0.52*	0.70
Type of contract	Temporary (ref)	1	1	1	1
	Open-ended	4.65***	1.83*	1.12	1.02
Tenure	<1 year (ref)	1	1	1	1
	1–3 years	0.63	0.92	1.27	1.21
	4 years or more	0.66	0.55	0.68	1.69
Training offered by user firm	No (ref)	1	1	1	1
	Yes	1.70+	2.49**	2.82***	1.96**
Training offered by agency	No (ref)	1	1	1	1
	Yes	5.77***	1.09	2.22**	3.05***
Personal development discussion with agency	No (ref)	1	1	1	1
	Yes	1.40	0.95	1.35	1.37
Integrated with user firm employees	No (ref)	1	1	1	1
	Yes	1.58	1.79**	1.24	2.18***
Hiring pattern	Assigned to no other user firms (ref)	1	1	1	1
	Assigned to 1–10 other user firms	1.04	1.16	1.14	0.49**
	Assigned to more than 11 other user firms	1.56	2.11	0.63	0.44
	Nagelkerke R	0.36	0.14	0.19	0.22
	<i>n</i>	418	479	431	477

 + $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.



We also expected a trade-off between security and job strain, and an exchange relationship between security and commitment. We found no support for trade-off between security and job strain; agency workers who perceive job insecurity did not report lower levels of physical or psychological strain. However, perceived job security shows a strong correlation to commitment to one's employer as illustrated in Table 3. Employees who experience job security in exchange show loyalty and commitment to their employer, i.e., the agency.

Also, employees perceiving employment security showed commitment to the user firm. Accordingly, as shown in Table 4, there seems to be an exchange relationship between perceived employment security and commitment toward the user firm.

Discussion and conclusion

This article aims to analyze the potential for temporary agency work to provide for security in a Swedish context. The study is based on a survey distributed to white-collar agency workers. The majority of the respondents, 68%, have open-ended contracts. Two-thirds of them have worked for the temporary work agency for 1 year or longer and 62% have worked on their current assignments for more than 6 months. Accordingly, the study is based on agency workers who have worked in the industry for

Table 3 Agency workers' perceived security and their commitment toward their work agency. Cross tabulation.

	Job security		Total %
	Perceived security %	Not perceived security %	
Committed to agency	37	9	19
Not committed to agency	63	91	81
Total	100	100	100
<i>n</i>	189	331	520

$p < 0.001$.

Table 4 Agency workers' commitment toward their user firm and their perceived employment security. Cross tabulation.

	Employment security		Total %
	Perceived security %	Not perceived security %	
Committed to user firm	58	39	47
Not committed to user firm	42	61	53
Total	100	100	100
<i>n</i>	212	311	523

$p < 0.001$

some time and who might experience some stability in their employment and assignments. In sum, these temporary agencies could be expected to have the most favorable conditions for experiencing security. Also, the conditions enabling agency workers to experience high levels of job and income security are favorable, due to Swedish labor market legislation. However, despite these conditions, the experiencing of insecurity is predominant among the agency workers. This holds true for all four aspects of the security dimension.

In our analyses, we have tested three different kinds of explanations: The first concerns individual background variables. Our analysis reveals that gender, education, and nationality did not play a major role in explaining perceived security. Age seems to be important for both job and income security. Compared with the youngest age groups, the oldest age group is five times more likely to experience job security. The older age groups are also more prone to perceive income security.

The second kind of explanation refers to work characteristics as contract, tenure, and training possibilities. Not surprisingly, open-ended contracts turned out to be very important regarding job security. Open-ended contracts have by previous research (Berg 2008, Storrie 2007) been pointed out as a prerequisite for achieving flexicurity within the temporary staffing industry; this study supports those results. It is also noteworthy that an open-ended contract is important as regards perceived employment security, albeit to a lesser degree. The type of contract, however, is not the only panacea as regards experiencing security. Training offered by the user firm has an impact on all types of security. Also training offered by the employer has a significant impact on security, however, not on employment security.

The third explanation in our analyses reflects integration and the hiring pattern. Based on our previous research (Håkansson & Isidorsson 2012a), we expected temporary agency workers who are integrated with user firm employees to be more likely to experience security. We found support for this assumption when it comes to employment security and combination security. From the point of view of Atkinson's (1984) theory of the flexible firm, where agency workers belong to the periphery, this study shows that the boundary between core and peripheral workers is somewhat blurred. Agency workers who are integrated with user firm employees seem to resemble core workers in their perception of security. The specific nature of temporary agency work, whereby the agency worker is assigned to different user firms, only has an impact on combination security. Having experience of assignments at a large number of user firms seems to make it more difficult to influence working time and thereby combining work and family life.

We also expected perceived security to affect job strain and commitment in accordance to previous research. However, we did not find any support for the trade-off between low perceived security and job strain. Temporary agency workers who perceive insecurity do not seem to compensate this with lower work effort as suggested by Parker et al. (2002). Turning to commitment, we found strong support for a trade-off between commitment and security. This is in line with research by Kirves et al. (2011) and De Cuyper and De Witte (2008) in their research on job security.

Previous research has highlighted the employment relationship. However, temporary agency work differs from traditional employment relations. Agency work is characterized by a double organizational relationship: an employment relationship vis-à-vis the temporary work agency and a management relationship vis-à-vis the user firm (see



Figure 1). This gives us the possibility of separating the employment and management relationships. Our analyses acknowledge the significance of the employment relationship. In addition, our analyses also show the importance of the management relationship, i.e., with the user firm, when it comes to understanding perceived security. Job security is mainly correlated to the *employment relationship*, whereby the type of contract and the training offered by the agency have the strongest impact. Accordingly, it is the entire employment relationship, not just the type of contract that is important with regard to explaining perceived job security.

Employment security, on the other hand, is mainly correlated to the *management relationship* (see Figure 1). Our analyses show that satisfaction with the training offered by the user firm and integration with user firm employees have the strongest impact on perceived employment security. Also, agency workers show more commitment toward their user firm. It is thus likely that training endeavors for, and hence the employability of, the agency workers may lead to positive results in regard to commitment and security (cf. De Cuyper et al 2011, De Vos et al. 2011). It is noteworthy that our analyses also revealed that satisfaction with training overall increases the chance of agency workers to perceive income security and combination security. Altogether these results are in line with the findings of De Cuyper et al. (2008) and Aletraris (2010) and show that agency workers actually value several job characteristics resembling those of user firm employees.

To conclude, this article has revealed the importance of considering the triangular relationship between agency worker, work agency, and user firm (see Figure 1). While previous research on employees with atypical contracts and their perception on perceived security frequently focused on the employment relation, this article contributes to a more complex understanding of how the entire work situation influences perception of security. Perceptions of security are dependent on both the conditions in the temporary work agency (the employer) and in the user firm. There are some important prerequisites to take into account when discussing the possibilities of temporary agency work acting as a means of achieving flexicurity. Open-ended contracts are important but not sufficient; the entire employment relationship is essential in order to be able to experience security. It is also noteworthy that the management relationship plays an important role in explaining employment security. Accordingly, both temporary work agencies and user firms have a dual responsibility, and likely also dual gains, when it comes to achieving the security dimension of flexicurity.

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End notes

- ¹ Response alternatives ranged from very satisfied (1) to very dissatisfied (5).
- ² Response alternatives ranged from not at all (1) to some extent (2) and to a large extent (3).
- ³ Response alternatives ranged from strongly agree (1) to strongly disagree (5).
- ⁴ Response alternatives ranged from very satisfied (1) to very dissatisfied (5).
- ⁵ The data on perceived job security in traditional employment relations are derived from an ongoing project by Tomas Berglund at the Department of Sociology and Work Science, University of Gothenburg. Job security is measured with the same question in both surveys.