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TEMPORARY EMPLOYMENT AND
'EMPLOYABILITY'

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**TEMPORARY EMPLOYMENT AND 'EMPLOYABILITY'.
Training Opportunities and Efforts of Temporary and Permanent Employees.**

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The rise of temporary employment contributes to the fact that people can no longer count on life time employment with one employer. The conclusion that life time employment within the same organisation is no longer a prerogative for all, inspires the search for new career concepts. 'Life time employability' is often put forward as an alternative to 'life time employment'. A successful career is, then, believed to be assured by having and obtaining the appropriate capacities for being continuously employable on the internal and external labour market during one's working life. At first sight, temporary employment relations and employability go hand in hand. For temporary employment is less dramatic when it is linked to a higher employability. The career opportunities of temporary workers are safeguarded by their employability. Opponents, however, add some critical observations to this statement and claim that contractual flexibility and employability enhancement are at odds. In this article, we deal with this question. If temporary employment and employability enhancing activities are at odds, temporary employees get less facilities to expand their employability. This can have important implications for the career opportunities of temps. We compare the employability enhancing activities of temporary and permanent employees. We study one central employability enhancing activity, namely training. Firstly, we have a look at the capacity and the willingness of temporary and permanent employees to participate in training in order to enhance their employability. Secondly, we also study the training opportunities that are offered by employers to temporary and permanent employees. The results indicate that, although temps do largely take responsibility for their own training, they get less opportunities to enhance their employability than permanent employees.

TEMPORARY EMPLOYMENT AND 'EMPLOYABILITY'.

Training Opportunities and Efforts of Temporary and Permanent Employees.

The increasing prevalence of temporary employment is an unmistakable development. In Flanders the proportion of temporary employees has increased steadily since the second half of the 1990s (Steunpunt WAV, 2000). While in 1990, 5% of all salaried employees in the Flemish Region of Belgium had temporary contracts, the proportion had already reached approximately 10% in 1999. Concerns are increasingly being voiced that lifelong job security with the same employer is being jeopardised by this increasing prevalence of temporary work (de Grip, Van Loo & Sanders, 1999; Gaspersz & Ott, 1996). The 2000-2004 Policy Memorandum from Flemish Minister for Employment Landuyt speaks of a changing career model in which people increasingly frequently face job insecurity and can no longer count on lifelong employment with a single employer. Many people, however, do not see this development as a reason for despair. Since lifelong employment with a single employer is guaranteed less and less often, job security must be found in some other way. From that point of view 'life-time employability' is being put forward as an alternative to the old 'life-time employment' (Gaspersz & Ott, 1996).

Employability points to the permanent ability of employees to gain employment in the internal and external labour market. It is the ability to find and keep a job with one's current employer or with another (Delsen, 1998). Individual employees are expected to take more responsibility for their own professional training and career planning. This does imply that employers must give their employees opportunities to take this responsibility for their own careers. Employers are expected, for example, to invest in training and to offer greater variation in tasks and suitable jobs. According to Gaspersz & Ott (1996) the exchange relationship between employer and employee therefore no longer consists of a salary and security from the employer in return for permanent loyalty and good work from the employee. In the 'new' relationship, the employer offers a salary and opportunities to increase employability in exchange for the effort and commitment of the employee to the work that is being done. Employees have a primary loyalty to their own careers.

At first sight the increasingly temporary character of the employment relationship and 'lifelong employability' fit neatly into the same picture. For the increasingly temporary character of employment has less dramatic effects when it is balanced by greater employability. Critics, however, add a number of important comments to this view. Delsen (1998) goes as far as to assert that contractual flexibility and 'life-long employability' are diametrically opposed. Delsen's argument is that greater contractual flexibility increases uncertainty at the expense of the stability that is necessary to achieve internal employee flexibility and employability. Promoting employability, for example, is associated with high training costs. This investment can only be recouped if employees continue to work for the company for a long enough period of time. Training aimed at increasing the employability of employees also reinforces those employees' opportunities on the external labour market. As a result there is also a greater likelihood that the employee will leave the business before the investments in 'human capital' has yielded an adequate return. Companies can solve this problem by binding employees to the company in many different ways (Gaspersz & Ott, 1996). This, of course, takes

place at the expense of their external flexibility. Increasing contractual flexibility and the promotion of employability therefore hinder one another (Delsen, 1998).

Employees may also be faced with dilemmas in relation to the promotion of employability. Working on one's own employability requires a long-term perspective on one's career. Efforts to achieve short-term results within one's current job may, however, be made at the expense of these longer-term objectives. Research in the United States has shown that employees with short-term contracts are more focused on maximising income in the short term rather than training for future jobs which are as yet unknown (Delsen, 1998; de Vries, 1995). All these arguments give rise to the suspicion that temporary employment relationships discourage the promotion of employability rather than encouraging it.

What is more, employability is not a static factor, but it can grow exponentially. Job expansion, job changes and external mobility are all ways of gaining new knowledge and skills, and in this sense they increase opportunities on the internal and external labour market (de Grip et al., 1998). They do not, however, only lead to better opportunities in the labour market. They can also be a consequence of greater employability (de Feyter, Smulders & de Vroome, 2001). A person who has held more different jobs can find work more easily in the labour market. Those who are more employable then also have greater opportunities of further mobility. A new job means new knowledge and skills, as a result of which employability increases once again. This results in a snowball effect. Companies that give their employees opportunities to promote their employability may start off that snowball and reinforce the extent to which employees are able to enhance their own employability in future. If temporary employment and employability enhancing activities are at odds, temporary employees may have fewer career opportunities than permanent employees. An employability policy focused only on permanent employees could, therefore, give rise to increasing duality in the labour market. In that case employability certainly cannot be put forward as an alternative to job security.

We look at this theme in this essay. We tackle the question whether employees who enjoy less job security also participate less in employability enhancing activities. This would point to an accumulation of risks.

RESEARCH QUESTIONS

Employability is quite a diffuse term, and it is hitched to different meanings precisely because it is so vague. Although employability became a buzz word in organisational literature, no clear consensus about its specific meaning can be found. In some of the more managerial literature, employability is approached as an organisational goal. The focus of attention goes to building functional flexibility within the organisation (de Vries, Gründemann & van Vuuren, 1999; Gaspersz & Ott, 1996; Gaspersz, 1999; Paauwe & Hoeksema, 1996). Other authors direct employability mainly as a characteristic of individual employees. Some of these authors are focusing on the capacities of employees (de Vries et al., 1999; Wilk & Sackett, 1996) while others are directing their willingness, beliefs and attitudes (Noe & Barber, 1993). Some definitions integrate both aspects (de Grip et al. 1999; Gaspersz & Ott, 1996; Peck & Theodore,

2000; van Dam, 1999; van der Velde & van den Berg, 1999). Furthermore, the focus can be on employability on the internal labour market or on the external labour market.

Since no clear conceptual model of employability exists, there are as many measurements as researchers of the topic. Some research is measuring employability by what are believed to be determining factors, such as capacities of individuals, their intentions or their participation in activities enhancing their employability, e.g. training. Other research is measuring employability by its effects, such as transitions on the labour market.

Besides the lack of a clear definition and a well-defined conceptual model, there is also some indistinctness in literature about who is responsible for somebody's employability. While some authors consider the employee to have the final responsibility for his or her employability, other authors are stressing the duty of the employer and the government to create opportunities for enhancing one's employability (Outin, 1990; ILO, 2000).

In this essay we focus as well on the employees' willingness and ability to enhance their employability as on the conditions shaped by the employers to do so. This is in accordance with the definition of Thijssen (1998, 2000) in which he describes employability as the whole range of personal and contextual factors that will influence one's future position in a given labour market. Thijssen's definition comprises not only employees' ability and willingness to exploit and enhance their current employability, but also context-based factors which help or hinder the effectuation of employability. The opportunities to promote employability which are provided by the employer are therefore included in the definition.

The question about the measurement of employability still remains however. The objective of this essay is not to develop an all-encompassing measurement of employability including all possible personal and contextual factors. We are mainly interested in the employability enhancing activities of temporary and permanent employees and their respective employers. We therefore decided to focus in this essay on one crucial employability enhancing activity, namely training. Training is a central issue in the employability debate. In our knowledge society, continuous training and education are widely acknowledged as being of crucial importance to stay competitive on both the internal and the external labour market. In the 2000-2004 Policy Note from Flemish Minister for Employment Landuyt, the right to lifelong learning and to social, professional and personal development is put forward as a basic right of citizens. This right, however, also entails the obligation *'to enter into a moral contract to shape this personal development in everyday life and to open it up for the enrichment of society'* (Policy Memorandum 2000 - 2004, p. 105). Investing in one's own human capital forms an essential part of one's own employability. Employers are expected to offer facilities to improve and enhance employability by means of training that transcends both the job and the organisation.

Although the importance of 'lifelong learning' for opportunities on the labour market is widely recognised, few research has, however, directly studied the relationship between the duration of the employment relationship and training activities. Furthermore, hardly any research looks at the same time at training initiatives of both the employer and the employee. In this essay, we would like to fill this gap. We therefore want to formulate answers to the following research questions:

1. Do temporary and permanent employees receive equal opportunities from their employers to promote their employability through training?
2. Are there differences in the extent to which temporary and permanent employees devote time and energy to their training and development to promote their own employability?

METHODOLOGY

In the context of a wider survey on the impact of the institutional context on the flexibility policies of industrial and service companies and on its consequences in terms of the quality of the organisations and the quality of labour, a written questionnaire was distributed in 2000 to three groups of employees (postal survey): employees with permanent contracts, employees with fixed-term contracts and temporary agency workers. A random sample was drawn from the respective populations for each of these groups. This sample was stratified by the age and sex of the population (1000 temporary agency workers, 1000 employees with fixed-term contracts and 800 permanent employees). In total data was collected from 521 temporary employees (227 temporary agency workers and 294 employees with fixed-term contracts) and from 197 permanent employees.

In table 1 we compare the main biographical characteristics of the respondents with the population data. We find similar differences between temporary and permanent employees among the respondents and the population in Flanders. Temporary employees are significantly younger on average than permanent employees. Another noticeable difference is the fact that the majority of temporary employees are women. Among the respondents the proportion of women among temporary employees is smaller than in the population as a whole. In terms of educational level there are not many differences between permanent and temporary employees in Flanders. All levels are represented approximately equally in both groups. Among the respondents, poorly educated people are under-represented among temporary employees.

Table 1. Descriptive Statistics. Characteristics of the Respondents and the Population in Flanders. (percentages)

	Response		Flanders (1999)	
	Permanent work	Temporary work	Permanent work	Temporary work
Age:				
Younger than 25	6.1	33.8	7.9	37.7
25-49	76.0	63.3	76.9	57.5
50+	17.9	2.9	15.2	4.8
Sex:				
Male	60.7	45.1	59.9	39.8
Female	39.3	54.5	41.1	60.2
Educational level:				
Primary school.	30.8	21.6	31.0	31.4
Secondary School	33.7	43.2	37.8	37.4
Higher education	35.5	35.2	31.2	31.2
n	179	521	1 877 956	194 500

source: NIS EAK

HYPOTHESES

Before discussing the results of the survey, we will look in more detail at the research questions. We consider a few theoretical frameworks and results of empirical research which give rise to the suspicion that there is a trade-off between temporary employment relationships and training.

Training Opportunities for Temporary and Permanent Employees

One of the main arguments against the increasingly temporary character of the employment relationship is that it can lead to under-investment in human capital. An increase in the number of temporary contracts is thought to inhibit investment in training. The reasoning behind this is that the temporary character of the employment relationship adversely affects the willingness to invest, because the payback period for the investment is reduced.

This reasoning is based on the Human Capital Theory (Becker, 1964; Mincer, 1974). This economic theory dominates the debate on investment in training. The Human Capital Theory supposes that companies invest in human capital in a rational way. A company acting rationally can be expected only to invest in training if employee productivity increases sufficiently to recover the cost of the training. The Human Capital Theory starts from the assumption that employee productivity is solely dependent on employee characteristics such as age, job tenure and qualifications.

The Human Capital Theory also makes a distinction between general and company-specific training. *General training* teaches skills that can also be used outside the company. It increases an employee's value (and opportunities) on the external labour market. In fear that this kind of investment will be poached by other companies, companies do not tend to invest in general skills. *Specific training*, on the other hand, only increases the employee's productivity when working for the employer who provides the training. The amount of company-specific training is said to be related to the period of time spent in the company. The greater the likelihood that someone will leave the business soon, the shorter the time in which the investment in training can be recovered through increased productivity.

On the basis of this reasoning, temporary employees have fewer opportunities for specific training than permanent employees. Temporary employees, however, benefit mainly from transferable knowledge because this allows them to improve their chances in the external labour market (Ramioul, 1999). According to the Human Capital Theory, however, companies do not tend to invest much in general training. This applies both to fixed and to temporary employees.

One criticism of the Human Capital Theory which is often expressed is that, in reality, companies do invest in general training. The perspectives of information economics build on the insights of the Human Capital Theory but offer an explanation for this general training within companies. The information economy departs from the idea of a perfect labour market and takes information asymmetries into account. This means that not all the players in the labour market have the same information at their disposal. Katz & Ziderman (1990) assume that employers, prior to recruitment, do not have all the information about the training that candidate employees have received. Hence they may, for example, not have a good view of the nature and amount of on-the-job training that they have received. Companies recruiting new employees are consequently faced with an additional risk, an extra information cost. The level of this information cost depends on a number of different factors. Formal training certificates, for instance, can keep the information cost down. According to the ideas held by information economists, companies will underestimate the training of potential new employees if they do not have sufficiently reliable information on the training they have received. In this way they reduce their own risks. The value of the training is therefore higher for the companies which have made the investment than for the companies poaching the trained employees. It is precisely for this reason that employers may decide to provide general training themselves. This is because information asymmetry reduces the likelihood that employees who have received general training will be poached by another company. The main difference between the Human Capital Theory and the view taken by information economists is the latter's assertion that companies do invest in general training. On another point, however, they do not differ from the Human Capital Theory. The perspectives of information economics still treat training purely as an investment. From this perspective it is also assumed that this investment only becomes profitable if the duration of the employment relationship is long enough. According to this approach temporary employees therefore have less likelihood of receiving (both specific and general) training than permanent employees.

The Human Capital Theory and information economics are often criticised because they only consider the financial benefits and costs of training. Despite this criticism we are basing our hypotheses on these economic approaches because they do dominate the

debate on companies' investments in training. What is more, these theories form the basis for one of the main arguments against the increasingly temporary character of employment relationships, namely the danger of under-investment in training. Our analyses do allow us to test the explanatory value of these perspectives. According to the Human Capital Theory, temporary employees are less likely to receive company-specific training than permanent employees. The perspectives of information economics add to this the fact that temporary employees are also less likely to receive general training than permanent employees. So we arrive at the following hypotheses:

Hypothesis 1: Temporary employees are less likely to receive training financed by their employer than permanent employees.

Hypothesis 2a: Temporary employees are less likely to receive specific training financed by their employer than permanent employees.

Hypothesis 2b: Temporary employees are less likely to receive general training, financed by their employer, than permanent employees.

Training Efforts Made by Temporary and Permanent Employees

Thunnissen & de Lange (2000) assert that in the 'new' psychological contract, relationships have got out of balance. The employer is willing to offer a good salary, but cannot guarantee a future within the organisation. The employers demand that the employee should continue to develop and train, but they cannot guarantee that the benefits of this will be reaped within their own organisation. The question therefore arises of whether temporary employees, who are not entitled to a future with their existing employer to the same extent, are willing to make that investment. If we extrapolate the Human Capital idea we can assume that temporary employees will not be much inclined to invest in specific knowledge themselves. Employees only have an interest in specific training if they continue to work for that employer. Investment in general training, on the other hand, enhances opportunities in the external labour market. Temporary employees therefore benefit considerably from investing in general training.

Empirical research into participation in training by temporary employees often throws light on a number of different facets which make it difficult to gain a clear perspective. What is more, the results contradict each other. Research in the US shows that employees with short-term contracts are focused more on maximising their income in the short term than on training for as yet unknown future jobs (Delsen, 1998; de Vries, 1995). De Feyter et al. (2001) observe that permanent employees participate more in job-oriented training than temporary employees. They find no difference between temporary and permanent employees in the extent to which general training takes place. One possible explanation might be that general training is less often financed by the employer. Permanent employees therefore may give up more quickly while temporary employees have more of a tendency to finance their general training themselves. De Feyter et al., however, do not draw any distinction in terms of the financing of training. Delsen (1998) observes that participation in training overall is lower for employees with a flexible contract of employment. He also refers to a survey carried out by Jonker et al. (1997) which shows that participation in training by permanent employees is more often

paid for by the employer (78%) than participation in training by temporary employees (47%). 41% of temporary employees pay for their training completely themselves. In the case of permanent employees this proportion is only 18%. Results from Steunpunt WAV (2000) show, surprisingly, that the likelihood of participation in training in Flanders is greater for temporary employees than it is for permanent employees. The authors suppose that this often involves new employees who are taken on with a temporary (trial) contract and immediately take part in initial company training.

We start from the hypothesis that temporary employees generally participate in training less because they receive less training opportunities from their employer. We also suspect that temporary employees who receive training invest more time and money in their training than permanent employees who participate in training. We would also like to find out whether temporary employees invest mainly in general training that will reinforce their position in the labour market.

Hypothesis 3: Temporary employees participate in training less than permanent employees.

Hypothesis 4: Those temporary employees who participate in training invest more in their training themselves than permanent employees.

Hypothesis 5: The investment in training by temporary employees is mainly focused on general training that will reinforce their position in the labour market.

We will test these hypotheses below by means of a few statistical analyses. First we will look at the extent to which temporary and permanent employees participate in training. We will then investigate who finances the training. Finally we will then look at the content and the purpose of the training. In this way we can investigate the motives of employers and temporary and permanent employees in investing in training.

RESULTS

Participation in Training

De Grip et al. (1998; 1999) see the willingness and ability to participate in training as two important indicators of employability. They define the willingness and ability to train as the willingness and ability of employees to devote time and energy to their training and development to promote their own employability. In table 2 we look at the willingness and ability to train of the respondents. We only have a limited number of indicators that will point to their ability to train. These indicators show the amount of training that a person has already received in the past. The amount of training received may be an indication of the ability to train, but it is certainly not comprehensive. The data does not, however, include any supplementary indicators of the ability to train. In this discussion we will therefore look solely at past training.

We make a comparison between various groups of employees. First of all we look at differences between those employees with permanent contracts (permanent employees) and those with temporary contracts (employees with fixed-term contracts and temporary agency workers). We also find out whether there are differences within the group of

temporary employees and we compare the employees with fixed-term contracts with the temporary agency workers. In addition we investigate whether the prospect of a permanent job with the current employer has an influence. In the survey the temporary employees were asked what they thought their chances were of getting a permanent contract with their present employer. The possible answers were on a scale from 1 (very good) to 5 (very poor or non-existent). On the basis of these variables we divided the temporary employees into two groups. We differentiate between those who consider that the likelihood of a permanent job with their current employer is high (answer categories 'very good' (1) to 'good' (2)) and the others (answer categories 'neither good nor bad' (3) to 'very poor or non-existent' (5))

The results in table 2 show that both temporary and permanent employees are certainly not negative towards training courses. About 90% are willing to engage in extra training. Of course this is only an intention. Whether they will actually do what they say when the opportunity arises is a question we must leave aside for now. The proportion of employees who do not expect a permanent contract with their present employers and who are willing to take extra training is slightly smaller. Nevertheless they still make up 87.5% of the group.

It was also found that approximately one-third of the temporary employees have actually taken training courses during the past year which are relevant to their career. Among permanent employees the percentage is higher at 43.5%. We do not find any significant differences within the group of temporary employees.

Table 2. Descriptive Statistics (percentages). Participation in Training.

	Permanent work	Temporary work	p	Fixed-term contract	Agency work	p	High likelihood of a permanent job	Lower likelihood of a permanent job-	p
Are willing to receive extra training if they get the opportunity	89.9	89.8	ns	89.3	90.5	ns	94.4	87.5	*
Received training (during the last year) that was relevant for their career (on the internal and external labour market)	43.5	33.8	*	36.6	30.2	ns	36.7	32.0	ns
n	177	517		292	225		179	132	

* p < .05
 ** p < .01
 *** p < .001

In order to gain a better view of the factors that determine who takes part in training we use a number of variables and incorporate them in a logistic regression model. The variable to be explained is a binary variable with a value of 0 (has not been on a training course during the past year) and 1 (has been on a training course during the past year). In order to ascertain whether the nature of the employment relationship (permanent versus temporary) influences the participation in training, it is necessary to control for the differences in biographical characteristics between the two groups. We have therefore included sex and age as control variables. It is often assumed that a number of 'disadvantaged' groups in the labour market are still able to find work through temporary employment. As well as women and young people, these are often thought to include 'new household types' such as single people and single parent families (Steunpunt WAV, 2000). We have therefore distinguished single people from married or cohabiting people in this model. Table 1 shows that the educational level does not differ much between the permanent and temporary employees. We have therefore chosen to use a check based on the job level rather than the educational level ¹⁽¹⁾. The classification by job level does differ (table 3). The group of permanent employees contains less white-collar workers (or mental workers) but more professionals and executives. This distribution corresponds to population figures (Peeters, 1999).

Table 3. Descriptive Statistics (percentages). The Job Level of Permanent and Temporary Employees.

	Permanent work	Fixed-term Contract	Agency work
Unskilled blue-collar worker	16.7	13.8	16.5
Skilled blue-collar worker	23.6	20.4	40.2
White-collar worker	34.5	52.4	39.3
Professional	16.1	13.5	4.0
Executive	9.2	0.0	0.0
n	174	275	224

Cramer's V= 0.292***

- * p< .05
- ** p< .01
- *** p< .001

The results of the logistic regression (table 4) show that the likelihood of an employee participating in training grows the higher his job level. The odds ratio indicates that the

¹ We also ran the analyses based on educational level as an independent variable, but we found that educational level had no significant impact on the various dependent variables.

odds for executives are 10 times higher than the odds for poorly educated blue-collar workers. The odds point to the likelihood of a person participating in training versus the likelihood of their not participating in training. We cannot find any significant difference between the likelihood of training for permanent and temporary workers. If we check by job level, age, sex and family situation, temporary workers have the same likelihood of participating in training as permanent employees. This is a remarkable observation, which contradicts the expectations of the Human Capital Theory. Hypothesis 3 is not confirmed. Temporary employees, all other things being equal, do not participate in training any less than permanent employees. If we carry out the regression only on the group of temporary employees we do not find any significant differences between employees with a fixed-term contract and temporary agency workers. There is also no significant difference to be seen between employees expecting a permanent job and those not expecting such a job.

Table 4. Results of Logistic Regression Analysis Examining the Impact of the Employment Contract on Participation in Training^a.

	Participation in Training
Man	1.19
Skilled blue-collar worker	2.08 *
White collar worker	5.66 ***
Professional	7.79 ***
Executive	10.92 ***
< 25 yrs.	.66
> 45 yrs.	.77
Single	.91
Permanent contract	1.24
n	657

^a Entries are odds ratio's

* p < .05
 ** p < .01
 *** p < .001

In addition to participation in training, we also looked at the amount of training taken (table 5). One initial indicator is the number of hours of training during the past year. The median for permanent employees is 40 hours or approximately one working week. Among temporary employees the figure is twice as high. Jonker et al. (1997) made a similar observation. The spread in terms of the number of hours of training is rather higher for employees with fixed-term contracts than for temporary agency workers. We did not find any statistically significant differences between employees expecting a permanent job and those not expecting such a job.

We then considered how many different types of training were received. We made a distinction between three types: internal 'on the job' training, internal 'off the job' training and external training. Half the permanent employees had received more than

one type of training. The majority of temporary employees, on the other hand, have received only one type of training. The division into various types of training demonstrates that mainly external training was involved here. It is noticeable that temporary agency staff received more 'on the job' training than employees with fixed-term contracts. One possible explanation for this may be the difference in composition between the two groups. The group of temporary agency staff includes more blue-collar workers (56.5%) than the group of employees with fixed-term contracts (34.2%). It is still questionable, of course, whether blue-collar workers and white-collar workers receive different types of training. In order to test this we investigated the correlation between job level and the type of training. We cannot find any statistically significant correlation at all. The difference in job level therefore does not offer any explanation for the fact that temporary agency staff receive more 'on the job' training than employees with fixed term contracts. 'On the job' training is often (sometimes wrongly) equated with company-specific training (Tharenou, 1997). It is argued from the Human Capital Theory that company-specific training is only profitable if the duration of the employment relationship is long enough. The fact that temporary agency staff have a greater chance of a permanent contract than employees with temporary contracts may be an alternative explanation for the observation that more temporary agency workers receive 'on the job' training. We also, however, cannot find any statistically significant correlation between receiving 'on the job' training and the expectation of a permanent job.

The results of the analyses above show that, all other things being equal, temporary and permanent employees participate in training to the same extent. Temporary employees receive a larger number of hours of training, on average. Permanent employees more often participate in more different types of training. Half of those permanent employees who have received training, received more than one type of training. Among temporary employees the figure was approximately one-third. In addition to external training, permanent employees also more often receive 'on the job' training and internal 'off the job' training. This reinforces the supposition that training for permanent employees is more often paid for by the employer. In the next section we study the financing of training.

Table 5. Descriptive Statistics. The Amount of Training.

	Permanent work	Temporary work	p	Fixed-term contract	Agency-work	p	High likelihood of permanent work	Lower likelihood of permanent work	p
How many hours of training followed during the past year?									
Average number of hours	69	157	***	161	148	ns	165	151	ns
Median (hours)	40	80		80.5	80		75.5	96	
Did you follow this type of training?									
On the job training (%)	47.8	28.7	**	20.0	41.9	**	35.5	25.5	ns
Internal off the job training (%)	50.0	36.5	*	38.3	33.9	ns	32.1	39.2	ns
External training (%)	78.6	77.0	ns	80.6	71.4	ns	83.3	73.5	ns
Number of types of training followed:									
1 type of training (%)	50.0	66.9		69.2	63.3		61.1	69.2	
2 types of training (%)	32.3	24.5		25.3	23.3		27.8	23.4	
3 types of training (%)	17.7	8.6		5.5	13.3		11.1	7.4	
n	77	175		107	68		66	104	

* p < .05
 ** p < .01
 *** p < .001

Financing of Training

In table 6 we illustrate what proportion of the training received is financed by the employees themselves and what proportion is financed by the employer.

More than half of all permanent employees have not invested in the training that they received themselves. Only about a quarter of the permanent employees financed (almost) everything themselves. Among temporary employees approximately half paid for almost everything themselves. Just over 40% of temporary employees did not invest anything themselves in the training they received. These observations are in accordance with the results of the study by Jonker et al. (1997). We can therefore conclude that temporary employees who do go on training courses invest in their training more frequently than permanent employees. Hypothesis 4 is confirmed.

We also look at the extent to which employers finance training for permanent and temporary employees. It is important to point out that this data comes from an employee survey. When we talk about 'the employer' this is not the same for all employees. We are not comparing groups of employees within the same company. The results in table 6 support hypothesis 1. Temporary employees are less likely to have their training financed by their employer than permanent employees. For 73% of permanent employees, the training was partly financed by their present employer. Among temporary employees the figure was only about one-third. One possible explanation may be that a majority of the temporary employees have not yet been working for their present employer for one year. If we add financing by previous employers, however, nothing much changes in the ratios. 67.7% of temporary employees did not receive any financing for training from their previous or their current employers during the past year.

We do not find any significant differences between employees with fixed-term contracts and temporary agency workers as regards the extent to which they receive financing for training from their employers. The results also indicate that only just over 30% of employees who are expecting a permanent job received financing for (part of) their training from their present employer. This is a rather larger proportion than the group of employees with a lower estimate of their chances of a permanent job. The difference, however, is not significant. In accordance with the Human Capital Theory it would be expected that the first group would have a significantly greater chance of having their training financed by the employer. That is because the duration of the employment relationship is expected to be longer for this group. Here, however, we have only measured the employee's perception of the likelihood of a permanent contract. This perception may be different from the real likelihood of a permanent contract.

Table 6. Descriptive Statistics (percentages). Financing of Training of Temporary and Permanent Employees.

	Permanent work	Temporary work	p	Fixed-term contract	Agency-work	p	High likelihood of permanent contract	Lower likelihood of permanent contract	p
<u>% financed by the employee:</u>			**			*			ns
0%	56.5	42.1		34.7	54.1		50.0	37.5	
< 25%	14.5	6.3		8.1	3.3		6.9	6.3	
25% - 75%	1.4	3.8		6.1	0.0		1.7	3.1	
> 75%	27.5	47.8		51.0	42.6		41.4	53.1	
<u>% financed by the employer:</u>			***			ns			ns
0%	26.8	66.9		69.8	62.9		63.8	69.3	
< 25%	5.6	3.4		2.3	4.8		5.2	2.3	
25% - 75%	9.9	4.7		3.5	6.5		6.8	6.8	
> 75%	57.7	25.0		24.4	25.8		29.3	21.6	
n	71	148		86	62		58	88	

* p < .05
 ** p < .01
 *** p < .001

In order to gain a better view of the factors that determine who finances training, we use a number of variables in two logistic regression models. In the first model the variable to be explained is a binary variable with values of 0 (the employee has not invested in the training) and 1 (the employee has financed more than 75% of the training). In the second model the variable to be explained is a binary variable which measures whether the employer has financed none (0) or more than 75% of the training (1). The results are set out in table 7.

Table 7. Results of Logistic Regression Analysis Examining the Impact of the Employment Contract on Financing of Training^a.

	Financing by the employee	Financing by the employer
Man	1.33	1.37
Skilled blue-collar worker	5.21	1.37
White collar worker	5.95 *	1.52
Professional	9.23 *	1.87
Executive	3.18	6.42
< 25 yrs.	1.22	1.28
> 45 yrs.	1.34	1.10
Single	1.06	.68
Permanent contract	.39 *	3.94 ***
n	187	185

^aEntries are odds ratio's

* p < .05

** p < .01

*** p < .001

The results show that the likelihood of employees financing their own training is lower for permanent employees than for temporary ones. The odds ratio (.3925) indicates that the odds are lower by 61% ((1-.3925) x 100) for permanent employees as compared with temporary employees. Hence even if sex, age, job level and family situation are checked, hypothesis 4 is still confirmed. Temporary employees who receive training invest more in their own training than permanent employees. If we look at the model of the likelihood that the employer will finance the training as an independent variable, we notice that, all other things being equal, permanent employees are almost four times as likely to have their training financed by their present employer as temporary employees (odds ratio = 3.94). Employers are more inclined to invest in training for their permanent employees than in training for temporary employees. We do not find that the job level has any significant effect on the likelihood that the employer will finance the training. We do find that the job level has a significant effect when we look at the financing of training by the employee. The likelihood that white-collar employees will

invest in training is greater than for unskilled blue-collar workers. What is more, blue-collar workers participate in training less than white-collar employees. Blue-collar workers mainly participate in training if it is paid for by the employer. White-collar employees invest in training more frequently themselves.

We carried out the analysis separately for the temporary employees. The results are shown in table 8.

Table 8. Results of Logistic Regression Analysis Examining the Financing of Training of Temporary Employees^a.

	Employee	Employer
Man	1.95	.91
Skilled blue-collar worker	5.72	1.95
White-collar worker	8.13 *	1.49
Professional	22.50 **	1.67
< 25 yrs.	2.08	1.48
> 45 yrs.	1.04	.00
Single	1.42	.27
Temporary work is free choice	1.48	.32
More than 6 months of company tenure	.55	8.67 **
Contract between 6 months and 1 year	.45	2.37
Contract for more than 1 year	.10 ***	11.04 ***
Agency worker	.82	.60
High likelihood of a permanent job	.27 *	3.11
Interaction between tenure and likelihood of a permanent job	5.01	.29
n	118	114

^a Entries are odds ratio's

* p < .05

** p < .01

*** p < .001

remark. Because the group of temporary workers didn't count any executives who did not include this job level in the analysis.

The results from model 1 (financing by employee) and model 2 (financing by employer) in table 8 are partly a mirror image of each other. Where the odds in the first model are less than 1, they are often greater than 1 in this second model. This gives rise to the supposition that those who receive financing for training from their employer are less likely to invest in training themselves. Hence the results show that the likelihood of the employer financing the training is greater for employees on a contract for more than 1 year than for employees with a contract for less than six months. The likelihood of the

employees financing their training, however, is lower for employees with a contract for more than one year than for employees with a contract for less than six months.

If we look at the job level, we notice a different phenomenon. The observations are in line with the results from table 7. We once again find that the job level does not have a significant effect on the likelihood of the employer financing the training. When we consider the likelihood that the employee will finance the training, we do notice a significant effect. The likelihood of unskilled blue-collar workers financing their own training is again significantly lower than among the other job groups. Hence the odds for professionals are 22 times higher than the odds for unskilled blue-collar workers. The results show that more senior job groups also finance supplementary training themselves, in addition to the training financed by their employer.

Another remarkable observation is that those employees expecting a permanent job are less inclined to invest in training themselves than employees not expecting a permanent job. The likelihood of the employer financing training for employees expecting a permanent contract is also higher. This correlation is not significant, however ($p = 0.09$). We have already emphasised that the expectation of a permanent job is the employees' perception. The employee's perception and that of the employer concerning the likelihood of a permanent job may differ. This may explain why the correlation between the likelihood of a permanent contract and the likelihood of training being financed by the employer is not very pronounced. Time in service with the company and the duration of the contract are objective factors which reveal the duration of the employment relationship. More time in service and a contract for a longer period both have a positive impact on the likelihood that the employer will finance the training. These results demonstrate that the duration of the employment relationship increases the likelihood of the employer financing employees' training.

In the next section we will study the reasons why employers and employees finance training. We look at the content and the purpose of the training that is received.

Content of the training that is received

In table 9 we correlate the way in which training is financed and the purpose of the training. The 'Financing by the employee' group covers those employees who have financed more than 75% of their training themselves. The same criterion has been used for 'Financing by the employer'. This brings us to a few interesting findings.

Table 9. Descriptive Statistics (percentages). Content of the Training according to the Investment Source.

	Financing by the employee	Financing by the employer	p	Financing by the employee			Financing by the employer		
				Permanent	Temporary	p	Permanent	Temporary	p
What was the purpose of the training?									
1. To get started in my current job	13.7	33.3	**	5.3	15.8	ns	12.2	56.8	***
2. To maintain the necessary skills for my current job	23.2	48.7	***	21.1	23.7	ns	46.3	51.4	ns
3. To develop new skills that are necessary for my current job	41.1	69.2	***	47.4	39.5	ns	68.3	70.3	ns
4. To be prepared for future jobs	50.5	25.6	**	31.6	55.3	*	24.4	27.0	ns
5. In general, to develop new skills	71.6	38.5	***	94.7	65.8	*	46.3	29.7	ns
6. To strengthen my position on the labour market	57.9	16.7	***	42.1	61.8	ns	9.8	24.3	ns
n	95	78		19	76		41	37	

* p < .05
 ** p < .01
 *** p < .001

The results in table 9 show that employers invest in training for different reasons than employees. The investment in training by employers is mainly focused on job-oriented training (reasons 2 and 3). When the employee invests in training, the training is more often for a purpose that transcends the job (reasons 4, 5 and 6). The investment by permanent employees is mainly focused on training aimed at personal development (reason 5). Among temporary employees more labour-market oriented reasons for receiving training are important (reasons 4 and 6). Of course training intended to develop new skills in general can contribute towards a better position in the labour market. The data does, however, mainly show that the reasons for taking and financing training among permanent employees are less directly focused on career opportunities than among temporary employees. Hypothesis 5 is confirmed. The investment in training by temporary employees is mainly focused on general training intended to reinforce their position in the labour market.

When we look at those employees whose employers have financed the training, we do not notice many significant differences between temporary and permanent employees. Temporary employees more often receive training in order to get started in their present job. The results also show that for both permanent and temporary employees the investment by their employer is mainly aimed at job-related training. We cannot directly deduce from this, however, that employers only invest in company-specific training. Job-related training does not necessarily have to be company-specific. The results also indicate that employers are not completely negative about investing in general training. Hence the situation is less extreme than the Human Capital Theory presupposes. Permanent employees receive rather more training in the development of new skills in general than temporary employees. Contrary to the assertions of the Human Capital Theory, employers are therefore willing to invest in general training. There is less of a tendency to do this where temporary employees are involved. The difference, however, is not significant. The results strengthen the belief that hypotheses 2a and 2b are true. Nevertheless we cannot completely prove these statements.

CONCLUSION

In this essay we have sought to answer the question of whether temporary employment relationships discourage the promotion of employability rather than encouraging it. The observation that employees who have less job security are also less participating in employability enhancing activities could point to the accumulation of risks. We have looked at one important employability enhancing activity, namely training. We do not claim to have executed an all-encompassing comparison of the employability of temporary and permanent employees. The emphasis has been on two research questions.

1. Do temporary and permanent employees receive the same opportunities from their employers to promote their employability through training?

The results show that training for permanent employees is more frequently financed by employers than training for temporary employees. Hypothesis 1 is confirmed. Temporary employees are less likely to receive training from their employers than permanent employees. Since temporary employees therefore get fewer opportunities to

reinforce their position in the labour market, this could give rise to an increasing duality in the labour market. This must be put in perspective, however.

The results show that company training is mainly job-oriented and is less directly intended to reinforce employees' position in the labour market. This applies both to temporary and to permanent employees. Employers' training policy therefore does not contribute much towards 'life-long learning' for either temporary or permanent employees. Previous research (Sels et al, 2000) has already shown that company training in Flanders mainly functions as a lubricant to counteract the friction between the educational system and the labour market or between the internal and external labour markets. Company training policy is sometimes portrayed too enthusiastically as an instrument of 'life-long learning'. Hence we would rush to conclusions by claiming that there is clear duality between permanent and temporary employees. The training policy for both temporary and permanent employees does not contribute much towards the ideal of 'lifelong learning'.

2. Are there differences in the extent to which temporary and permanent employees devote time and energy to their training and development to promote their own employability?

The results show that temporary employees take a high level of responsibility for their own employability in the labour market. A larger proportion of temporary employees than permanent employees invest in training themselves. What is involved here is often training intended to reinforce their position in the labour market or to improve their chances of making further progress. When permanent employees invest in training themselves this is not as often done directly with a view to better career opportunities. This shows that temporary employees do make an effort to enhance their employability in the labour market.

Further analyses of the data, however, show that the search for greater job security with one employer is still a priority for temporary employees (Forrier et al, 2001). The traditional career model in which someone can have a career with the same employer and enjoy job security is not yet outdated. Those who work in temporary employment do so mainly in the absence of anything better rather than on the basis of a new vision of their career. All the efforts of temporary employees to improve their position in the labour market are mainly based on their desire for greater job security. They have not necessarily appropriated the 'employability idea' themselves. We can conclude that those who need a high level of employability on the external labour market do not get as many opportunities from their employers to develop it. Those who fall into the 'temporary work' trap, so to speak, have to get out of it themselves. In the 'new' psychological contract, relationships have got out of balance (Thunnissen & de Lange, 2000). Although temporary employees do largely take responsibility for their own training and careers, we cannot conclude from this that temporary employment relationships and employability go harmoniously together. The opposite is true. Those with less job security are to some extent discriminated against when it comes to the promotion of employability. 'Life-time employability' therefore cannot be put forward as an ideal alternative to 'life-time employment'. For many people 'life time employment' is still the ideal career model, especially perhaps for those for whom it remains a distant dream.

Some lessons can be drawn from these results in relation to 'lifelong learning'. In the 2000-2004 Policy Note from Flemish Minister for Employment Landuyt, the right to 'lifelong learning' is put forward as a basic right of citizens. The memorandum states that the policy of the government should be expressed, among other things, through greater attention being devoted to the individual. This study shows that this is necessary. The training needs of individual employees are not, by definition, bound to their company. Certainly not when employees are not associated with a company for so long and when they build their careers with multiple employers. The results indicate that temporary employees do participate in training but that to a large extent they have to finance it themselves. If employees have to take responsibility for their own professional training and career planning, they must have the same resources at their disposal. Some assistance, such as a training voucher, may offer a solution here. A financial contribution may provide a reward for those who are already working on their own employability and a stimulus for those who are not yet doing so. The policy memorandum itself puts forward three instruments: the provision of careers advice, the organisation of skills assessment and creating opportunities for a career break in order to pursue training. These instruments will encourage individuals to take responsibility for their own careers. This study certainly shows that temporary employees are the priority target group for these actions.

The findings of this study also feed into the 'flexicurity' debate. The word 'flexicurity' brings together the ideas of flexibility and security and points to efforts to achieve a new balance between the interests of employers and employees in industrial relations. On the one hand initiatives aimed at 'flexicurity' must encourage flexible company management for employers, and on the other hand they are also intended to achieve greater job and income security for flexible employees. A number of initiatives have already been introduced in this area in the Netherlands. On 1 January 1999 the new Flexibility and Security Act came into force in the Netherlands. The Flexibility and Security Act shows that combined forms of contractual flexibility and security are possible. The development of new forms of 'flexicurity' may also help temporary employees to develop their careers according to their wishes. The question still remains whether Flanders and Belgium should follow the Netherlands in this. The fact that Dutch society guarantees flexibility through intervention in the contractual domain is inherent in the choices made in designing the framework of industrial law in the past. The Flemish (Belgian) economy seeks to achieve flexibility through different, functionally equivalent structures such as "temporary unemployment" (Sels and Van Hootegem, 2001). Efforts to find a combination of flexibility and security within the framework created by the regulation of working time and production time may also result in a valid alternative to the Dutch construction.

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