

PRACTICE 2

Situation: You are employed by SMB Products, a large manufacturing company in your area. A year ago the company decided to employ a greater number of temporary staff (staff who are not on permanent contracts but who are employed for a fixed-term, usually a short term). It was agreed that this decision would be reviewed after a year. You have now been asked to carry out this review and produce a **report** for the company's Manager, Ms May Tin San. Make recommendations as to whether the policy should be continued.

You have spoken to the Human Resources Manager and to permanent and temporary staff to obtain their views. Your research has produced the following information:

Interview with Human Resource Manager

"We decided to use temporary staff because temporary working is very flexible. We can increase staff at busy times and reduce staff when we are slack. This saves us money, of course. I believe that we have reduced our wages bill by 3% over the year and this makes us very competitive.

A lot of workers don't want permanent contracts, of course. It fits many people's lifestyles to have temporary contracts; often younger people like to experience several different work environments.

However, I'm getting a feeling that temporary staff are not always as committed to the company as permanent staff, so we'll have to make sure that this does not affect the quality of our products."

From interviews with temporary staff

"I much prefer temporary working. I can move around and work in different places, meet new people, and even take time off when I want to."

"I'm only working on a temporary basis because there are no permanent vacancies at the moment. I feel very insecure and don't really feel part of the company. The permanent staff have regular 'nights out', but I am not invited."

"I've done a lot of temporary work. If you work for a reputable agency, they will make sure that you are given the right job in a company."

Summary of views of current staff on temporary contracts

"Do you prefer to have a temporary rather than a permanent contract?"

Yes	54%	No	44%	No View	2%
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"Would you like to be employed on a permanent basis by SMB Products?"

Yes	79%	No	21%
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Of those who wish to work on temporary contracts: "What is the main reason why you prefer to work on this basis?"

Flexibility – don't want to work all the time	64%
Want to experience different environments	31%
Can earn more money in the short term	3%
Other reasons	2%

Of those who would rather have a permanent contract: "What is the main reason for this?"

Security – you know you will continue to be employed	42%
Financial – earn more money in the year on permanent contract	26%
Don't feel part of the company on a temporary contract	21%
Career reasons – more likely to get promotion if permanent	10%
Other reasons	1%

From interviews with permanent staff

"The temporary staff are usually good workers. They want to make a good impression in the hope of being offered permanent work."

"I don't think we make our temporary staff as welcome as we could. We should involve them more in the company to make them feel more valued – like making sure they are invited to social events."

Your research indicates that the most successful temporary staff have been recruited through an employment agency, Meadowvale Staffing. Whilst this agency charges fairly high fees, they have a wide range of experienced and capable workers on their books.

Task

Write the report on temporary working. Make appropriate suggestions and recommendations based on your research.

(25 marks)