

# Corporate social responsibility in temporary agency work – restaurant work in focus

19.08.2021

**Niko Cajander, Arto Reiman, Riitta Kärkkäinen and Kati Ylikarhi**



Vipuvoimaa  
EU:lta  
2014–2020

Euroopan unioni  
Euroopan sosiaalirahasto



## Sustainable Gig Work



## Introduction

- Temporary agency work (TAW) has established itself at various business branches, and many actors have entered the industry, not all of them strive to act responsibly.
- An expanding market easily attracts irresponsible activities in the hopes of making big profits.
- TAW has been criticized for delegating decision-making power between an employee and an employer to an intermediary.
- Research from various countries have reported of unfair treatment and even exploited situation of people working in TAW .
- The arguments for and against TAW are manifold depending on the viewpoint.

Sources: Forde & Slater, 2005; Felfe, Schmook, Schyns, & Six, 2008 Knox, 2018.



# Introduction

PDR model

Economic and Reward Pressures	Disorganization	Regulatory Failure
Insecure jobs (fear of losing job)	Short tenure, inexperience	Poor knowledge of legal rights, obligations
Contingent, irregular payment	Poor induction, training and supervision	Limited access to OHS, workers' compensation rights
Long or irregular work hours	Ineffective procedures and communication	Fractured or disputed legal obligations
Multiple jobholding	Ineffective OHSMS / inability to organize	Non-compliance and regulatory oversight (stretched resources)

- This study aims to address mentioned shortcomings by approaching the corporate social responsibility (CSR) and TAW in a context typical to TAW, namely in restaurant environments.
- **Framework: *Pressures-Disorganization-Regulatory Failure (PDR) model.*** (Bohle, Quinlan, McNamara, Pitts & Willaby, 2015; Bohle, Knox, Noone, Mc Namara, Rafalski & Quinlan, 2017; Strauss-Raats, 2019)
- **RQ1: How is CSR realized in temporary agency work in the restaurant context where TAW is constantly utilized when examined from the PDR model perspective?**
- **RQ2: In the light of this PDR model-oriented examination, what kind of challenges and opportunities can be identified from the perspectives of the workers', agencies' and user companies' involved in TAW at restaurants?**



# Corporate social responsibility in sustainable work



- CSR is a globally understood strategic initiative that seeks to cover the *social*, environmental, and economic dimensions of sustainability.
- CSR is a philanthropic and voluntary activity by its nature, but it is usually designed to improve consumer perceptions of a company.
- Some companies view the CSR activities as an unnecessary burden because of the costs and the complex nature of the potential benefits.
- Social dimension, including well-being at work might be of minor importance.

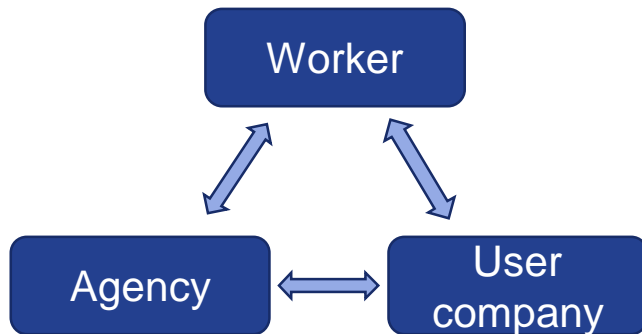
#### Sources:

- Malik, 2015; López-Pérez et al., 2017; Dellve, & Eriksson, 2017; Fostervold et al., 2018; Macke & Genari, 2019). Rodriguez-Gomez et al., 2020; ILO, 2020;

Picture:  
Jernsittiparsert, Kittisak & Siam, Mohammed & Issa, Mustafa & Ahmed, Umair & Pahi, Munwar. (2019). Do consumers expect companies to be socially responsible? The impact of corporate social responsibility on buying behavior.



# Temporary agency work and its regulation



- Employment relationship includes three parties: the user company that uses the workforce, the temporary work agency that supplies the workforce and is the worker's official employer, and the worker who performs the work tasks
- TAW is used for many reasons from filling positions during labour shortages to short-term pressure to lower labour costs.
- The human resources (HR) challenges posed using agency work remain significant.
- During the past few years European countries and organizations have sought to implement regulatory requirements to restrict or impose conditions on the use of agency work.
- The measures have had only limited effects and agency workers are still vulnerable to exploitation.
- As a latest development, user companies have been criticized on their attempts to avoid paying employee benefits by hiring workers under commercial contracts instead as employees.
- Sources: Knox, 2018; McNamara, Bohle & Quinlan, 2011; Forde & Slater, 2016; Hünefeld, Gerstenberg & Hüffmeier, 2020



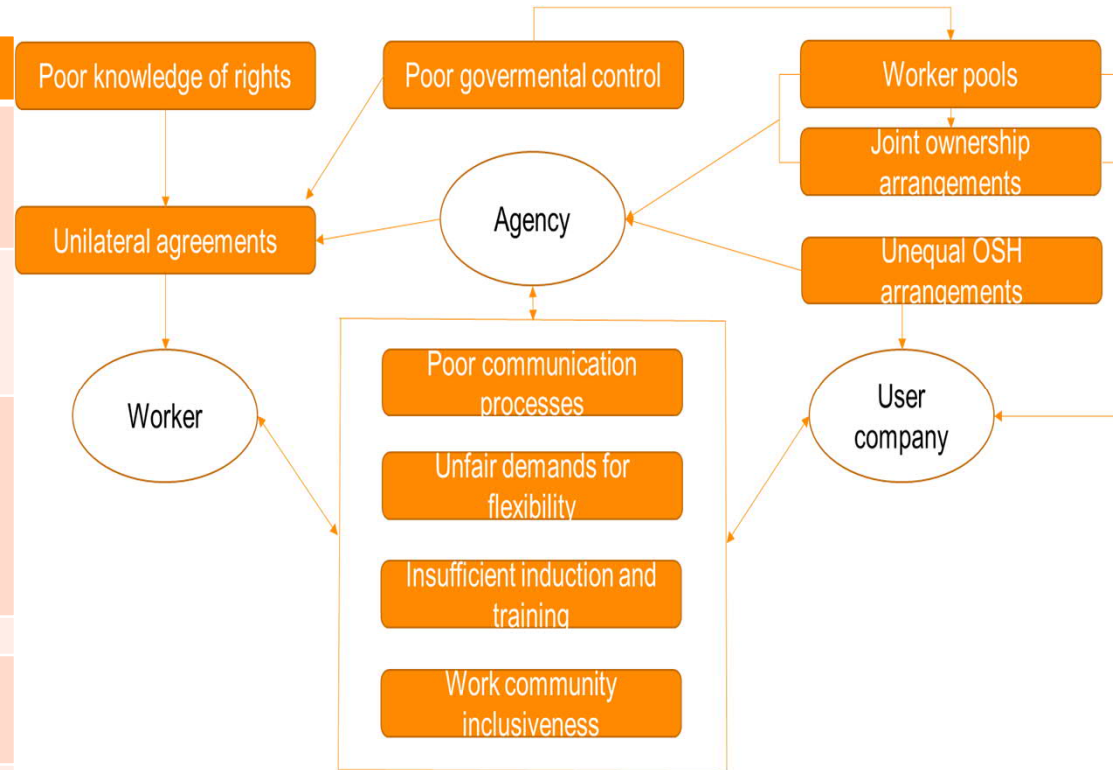
## Methods & material

- Qualitative study.
- Empirical data was collected through semi-structured theme interviews in January – February 2021, with questions based on widely used Conditions for Work Effectiveness Questionnaire-II, or **CWEQ-II**.
- 29 people were interviewed. The interviewees represented restaurant managers (n=5), restaurant agency workers (n=7), and experts in area of TAW (n=17). (15 agency managers, 1 labour union, 1 pension insurer).
- **Method: directed content analysis.**
- Sources: Almost & Spence Laschinger, 2002; Spence Laschinger, Finegan, Shamian & Wilk, 2001

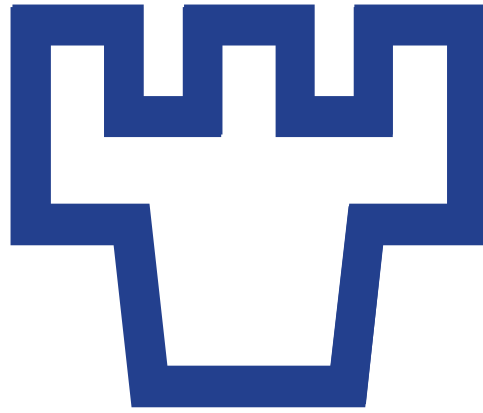


# Results

Actor	Challenges	Future research areas
<b>Worker</b>	Lack of decision-making power and support, Discrimination inside the work community	How agency workers can be integrated better in user companies and how to increase workers autonomy.
<b>User company</b>	Poor worker treatment, indifference to responsibility, Reluctance to rectify the situation	Motivation of user companies to use agency workers beyond economic factors (social value creation).
<b>Agency</b>	Unfair competition, Responsibility transferring to other actors, Threshold to enter business is low. Reluctance to rectify the situation	Define criteria of professionalism for agencies from the CSR perspective. Find ways to reduce unfair competition.
<b>Opportunities</b>		
<b>Worker</b>	The real flexibility, Versatile training. Maintenance of skills and work ability.	Develop model and practices management of time in matching work and work seeking.
<b>User company</b>	Partnerships, Sharing worker training with others. Managing costs.	Increase CSR and functionality of worker pools.
<b>Agency</b>	Pressuring other actors for good conduct, Growth of the reputation of the whole industry.	Inter organization communication development.



\* Based on a unpublished article manuscript – Please do not distribute or share



**OULUN  
YLIOPISTO**