Paper 3:

Perceived employability and engagement among temporary versus permanent workers

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Objectives: Our main objectives are to investigate (1) perceived employability in relation to engagement, and (2) to account for contract type as a possible moderator. Perceived employability (PE) concerns the individual's perceived chance to get a job in the internal (i.e., internal PE) or the external labour market (i.e., external PE). PE is sometimes portrayed as a resource. In this respect, some authors have demonstrated a positive relationship between PE and well-being. However, few studies have distinguished between internal and external PE. Furthermore, PE has particular resonance in the context of temporary work research: temporary workers have to be employable in order to secure their labour market position, unlike permanent workers who can still rely on job security offered by the employer. This hints at the idea that employability is perhaps more predictive for temporary than for permanent workers' well-being. Accordingly, we test the hypothesis that the positive relationship between both internal and external PE is stronger among temporary compared with permanent workers.

Methods: We tested the hypothesis among a sample of 642 Peruvian workers from eight organisations and using moderated hierarchical regression analysis.

Results: The interaction term between internal PE and contract type contributed in explaining variance in engagement: internal PE was positively related to engagement, and this relationship was stronger among temporary compared with permanent workers. However, the interaction between external PE and contract type was not significant. Moreover, external PE related negatively to engagement.

Implications and conclusions: From this study, two implications stand out. First, internal PE may be a resource that is associated with higher engagement, particularly among temporary workers. The reason is that temporary workers may see internal PE as a stepping stone towards permanent employment in their current organisation. For many temporary workers, stepping stone motives are the most important consideration in accepting a temporary assignment. Second, external PE related negatively to engagement, meaning that external may not be a resource, rather to the contrary: when workers perceive other employment opportunities with another employer, they feel they can easily replicate the deal with the current employer elsewhere. This may have unfavourable consequences.