Contingent Worker, Permanent Loser?—How Perceived Trust Shapes Communication between Contingent Workers and Standard Workers in Knowledge-based Organizations

Xiaoke (Chuck) Yang, M.A.
Ph.D. Student
Department of Communication
University at Albany-State University of New York
USA

Abstract
Perceived trust between organizational members influences worker relationship and group productivity in an implicit and unconventional way. In this study, we investigated how perceived trust within organization influences communication among workers with different employment status. Data collected through direct observation and structured interviews in a public sector, knowledge-based research organization suggested that perceived trust is a central characteristic of workplace relationships. Knowledge sharing, performance evaluation, and task distribution, among other organizational routines where communication commonly occur, are shaped by the perceived trust between contingent and standard workers. Low level of perceived trust accounts for the reluctance of standard workers sharing key knowledge with contingent workers. It also explains the unwillingness of contingent workers expressing discontent about management to the standards workers. Specific recommendations were made to foster trust among contingent workers and standard workers and alleviate potential tensions in a hybrid organization.

Key Words: Contingent Worker, Standard Worker, Perceived Trust, Knowledge Sharing, Knowledge-based Organization, Intra-organizational Communication

Introduction
In the past two decades, scholars with specialization in labor management and managers in nearly all industries have witnessed a steady increase of the integration of "Non-standard workers" into the labor force, predominantly through the direct or broker hiring of workers on a temporary and/or contingent basis (Broschak et al., 2008). As organizations consistently seek to increase flexibility and reduce costs, the incorporation of temporary/contingent work force has contributed significantly in keeping employers competitive in the industry. According to the statistics from the American Staffing Association in 2005, there were more than 2.5 million temporary and contingent workers employed by 90% of large U.S. companies that use temporary work force (Berchem, 2005). It is worth pointing out that the statistics only apply to individuals who are directly employed by corporations. Millions more are employed and staffed through temporary-employment agencies. Today, there are 15,000 agencies contracting with more than 11 million Americans each year to support contingent employment requests (Berchem, 2005). Some scholars assert that the growth of new jobs filled through contingent work arrangements has outpaced the growth of jobs in standard work arrangements (Befort, 2003).

Workforce Mixture Influencing Worker Relations
The consistent growth in the use of contingent workers (Polivka & Nardone, 1989) raises questions for researchers and practitioners about the influences of this trend to organizations. In particular, it is crucial to understand whether the differences in work arrangements lead to differences in work attitudes and work-related behaviors. Furthermore, it is essential to explore how the integration of workers in different employment status might influence worker relations. Managerial concerns were raised when studies showed that a blended workforce could “affect exit, commitment, loyalty among standard employees” (Davis-Blake et al., 2003, p. 475). The influence of contingent workers and standard workers relationships was also of concern with respect to worker satisfaction and retention (Biggs & Swailes, 2005). Increasing organizational problems caused by or related to the integration of contingent workers have prompted researchers to seek solutions using different perspectives. Kraimer and her colleagues discussed the interactions between contingent workers and standard workers from a psychological perspective.
Kraimer et al. (2005) explained that “the standard workers’ perceptions that workforce mixture is beneficial” are positively related to their “perceived trust in contingent workers” (p. 389). Perceived trust in this context is a reflexive term and can be reflected on many different dimensions. From the standard workers’ perspective, their perceived trust in the contingent workers are largely determined by their perceived threat of job security; from the contingent workers’ perspective, their perceived trust in the standard workers is largely determined by their perceived fairness in the workplace, which entails whether their work performances be fairly recognized by the standard workers and whether the extension of their employment be fairly determined based on work accomplishments.

Standing on Kraimer’s conclusions, we want to further the discussion of how perceived trust in the organization serves as a major factor in shaping worker relations. More specifically, we suspect that perceived trust can have a significant influence on the communication patterns between contingent workers, standard workers and managers in the context of various organizational activities such as task distribution, knowledge sharing and casual conversations. Through direct observation and intensive interview, routine communication activities in this organization are recorded and we will evaluate on what level is organizational trust an implicit factor that helps shape the patterns of these communication activities.

Nevertheless, to define or “operationalize” organizational trust can be complicated and problematic as there could be many organizational activities displaying some characteristics of trust. In this research, we have selected the communication activities surrounding task distribution as one of the major focuses as we believe that task distribution is a decision making process closely attached to organizational trust. Taken together, the researcher suggests the following question:

**Research Question 1:** Do contingent workers and standard workers differ on the frequency of communication with managers on current and prospective task distribution?

**Research Question 2:** Do managers show trace of concerns regarding the retention of contingent workers when they communicate with contingent workers and/or standard workers about task distribution?

Trust is a psychological and dyadic concept that involves two parties—the trustor and the trustee. The two research questions above addresses to trusting issues mainly from the managerial viewpoint. In most scenarios, organizational members in the higher hierarchy, i.e. the managers are perceived as the trustor while members in the lower hierarchy are holding the role as the trustees. In the existing literatures on this topic, we also notice the preference of studying trust in a unilateral manner. However, we propose that organizational trust is a bilateral and interactive mechanism that coexists between superiors and subordinates. In this research, we hypothesize that not only standard workers and managers tend to impose trust into a variety of decision-making activities related to contingent workers, but also contingent employees will have a trusting issue with the standard workers and managers.

When organizational members in the lower hierarchy are perceived as the trustors, one of their major concerns is fairness (Moorman, 1991). Within the context of a mixed workforce, fairness perceived by the contingent workers entails whether they trust their superiors that they will be treated fairly, if not equally, comparing to the standard workers on job performances. However, previous researches showed that contingent workers is the group whose voice are mostly unheard in the organization (Twiname et al., 2006). With fairness as a sensitive issue, it is more unlikely that contingent workers will make explicit claim about this in daily communication. Meanwhile, we are interested in finding if contingent workers are more comfortable exchanging opinions among each other privately. The above literature review suggests the following research question:

**Research Question 3:** Do contingent workers disclose concerns about fairness by management in daily communication activities?

In emphasizing trust as a “perception-laden” concept that is difficult to be materlized, previous researchers have raised intelligent ideas to capture and display trust in organizations with a mixture of contingent and standard workers. The willingness for knowledge and information sharing is a concrete activity that has been widely used to study organizational trust. While cost and flexibility are important considerations, some organizations use the services of contingent workers to benefit from their specialized knowledge. In fact, Galup et al. (1997) suggest that a significant amount of knowledge is transferred from contingent workers to standard workers.
On the other side, researchers noticed a lower level of willingness for the standard workers to share knowledge with contingent workers, due to concerns that knowledge sharing will result in a leakage of proprietary knowledge into the public domain (Connelly, 2004). What Connelly and other researchers did not examine, is whether the concerns of job security would influence the level of willingness for knowledge sharing which we wish to discover in this research. In this research, we aim to explore whether the concerns of job security make standard workers hesitant to share their knowledge with contingent workers. Such hesitation may also be present among the contingent workers themselves. We speculate that due to their concerns about future employment, contingent workers may purposely avoid sharing any valuable or rare knowledge with their counterparts, in order to encourage their employers to extend their services for a longer period of time instead of other contingent workers. With that, we raise the following questions:

Research Question 4: Do contingent workers and standard workers differ in the amount of information they share between each other?

Research Question 5: Are contingent workers more willing to share information among each other?

Research Method
Participants

We focused on workers in a public sector governmental agency who are on “short-term” employment contracts (1 year) with the extension of their contract on a contingent basis. Five contingent employees were recruited in the research and treated as primary research objects, among which three workers are registered with a temporary staffing agency serving the region where many public sector agencies are situations. Another two contingent workers are student interns registered with a large public university. It is noteworthy that the state agency recruited these contingent workers through the organizations these individuals are registered or affiliated with. This means that the state agency did not contact the contingent workers directly but rather use the temporary staffing agency and the university as the medium for the job posting and preliminary scanning for candidates. Nevertheless, the hiring decisions are solely made by the management at the state agency. Five standard workers who work closely with the contingent workers stated above are also recruited as research objects for the study, among whom three workers hold clerical and assistant position while two workers hold research scientist/statistician positions.

In considering the deficiencies of previous researches on this topic that displayed “failure to consider both the trusting party and the party to be trusted” (Mayer, et al., 1995, p. 709), in this research we seek to provide a more comprehensive and unbiased picture of the organization. As a result, the perspectives of the standard workers in managerial positions were also studied and factored into the discussions. Two managers working as the direct supervisors of the contingent workers in the workplace were interviewed to describe their interactions with the contingent workers, perceptions of contingent workers, principles they follow in utilizing the contingent workers, strategies of integrating contingent workers, and concerns of the integration of contingent workers into the organization.

Procedures

Research was conducted through a mixed method of participant observation and interview. According to Ellis and Flaherty (1992), the purpose of participant observation is “to arrive at an understanding of lived experience that is rigorous—based on systematic observation and imaginative—based on expressive insight” (p. 5). Researchers who engage in participant observation are immersed in the experience, collapsing the traditional separation between the subject and object of study. Lofland and Lofland (1984) suggested that a good first step in participant observation is to “start where you are” (p,3). During the entire time of the study, I was a student intern who shares an office with 3 other contingent workers. This work setting enabled me to gain unique access to private, backstage interactions between these contingent workers through participant observation. As a contingent worker myself, I shared the fate of those I was studying and therefore was totally immersed in the process. Beyond participant observation, intensive interviews are conducted to obtain input from all parties in order to provide a comprehensive picture of the communication behaviors in routine activities. All interviews were tape-recorded and coded by schemes in corresponded to the research questions.
Data Analysis

To make sense of the data and gradually approach the focus of the research questions, a categorical coding scheme was employed to extract useful information from the field-notes and interview transcripts. As we read along the transcripts, we look for repetitive acts or issues, plus we pay close attention to the stories the interviewees told that disclose psychological reasoning or concerns. Two themes that clearly emerged were the concerns for job security and the perceptions of organizational fairness. Although a wide variety of subjects associated with worker interactions were mentioned during the interviews, we focused our analyses on the communication activities in which the traits of organizational trust were mostly identified. These activities occur mostly in the context of task distribution, information sharing, and discussions on fairness.

Results and Interpretation

Task Distribution

The stereotype that contingent workers do not engage in long-term services with one organization does not apply to the workplace being studied. The most senior contingent worker in the office has been working for the agency for more than 5 years, which is longer than several standard workers in the unit. Nevertheless, the communication pattern between this worker and her supervisor on task distribution remains rigid and routine ever since her first day. Contingent workers receive tasks on a daily basis and they are mandated to report to their supervisors (most standard workers in managerial positions) every morning to discuss the task distribution of the day. Even under the circumstances that contingent workers are working on an ongoing project with fixed schedule, it is still an obligation for them to “check in” with the managers and find out whether they are entitled to continue with their current tasks. From the interviews, contingent workers disclose that it happens quite frequently that they are suddenly relieved of their current obligation and asked to work on a more “urgent” task. However, contingent workers believe that these issues are usually “menial and arduous work that professional staffs are unwilling to do”.

“We (temps) are given basically all types of jobs at this place. Sometimes they (managers) do give us some intelligent work to do, but there is also lots of ‘dirty work’ nobody wants. When you want those things done, give them to the temps!”

From the managers’ perspectives, to “touch base” with contingent workers on a regular basis helps keeping good control of the utility of contingent labor and avoids redundant labor cost. Through the direct observation and interactions with the managers, we also notice a sense of insecurity or concern managers occasionally disclose in regards to the prospects of contingent workers’ retention. Such worries sprout from two major threats: one being the sudden exit of contingent workers for a different position, the other being the abrupt termination of the employment of contingent workers due to financial changes. The realities in the workplace being studied help validate the above contentions. Even though the contingent workers sign a contract with the state agency through a temporary-employment service, there are no limits in the contract in restraints of the commitment to the organization. Therefore, if a contingent worker finds a better job, s/he is entitled to leave the current position immediately without advanced notice and further liability.

On the other hand, the employment could also terminate without an advanced notice to the contingent workers when there are changes to the staffing availability, usually related to organizational budget. Regardless of the causes for employment termination, the fundamental concerns of the management rest on the risks of forced termination resulting in the disruption of organizational practices. As a result, it is not surprising that contingent workers are given more trivial, low profile tasks that cost less time to complete and the managers would communicate more frequently to contingent workers on task distribution as they are given on a short-term basis. Plus, it is likely that there will not be as much discussion on prospective tasks and planning between managers and contingent workers comparing to that between managers and standard workers.

“During these days, we really try everything we can to keep them (the contingent workers)...What we really want is the continuity of their services, especially when some of them are part of a project, it will be hard to find another person to fill the vacancy once somebody leaves because it takes time and training to get used to the job.”

When the risks of organizational practices disrupted by the sudden exit of contingent workers become compelling, managers enforce tighter and stricter monitor which manifests untrusting characteristics.
First of all, contingent workers report relatively high frequency of communication with managers on task distribution related topics. For contingent workers, to report their work progress frequently to the managers and exchange ideas with managers on work progress has become an unwritten rule in the workplace. Secondly, the contingent workers reported frequent intervention and interruption from the managers on their current duty, primarily for the account that a more emergent task is due to be completed. On the other hand, standard workers do not report frequent conversations on task distribution when they are inquired about their common activities with the managers. As to the standard workers, in most cases, they are given a specific list of tasks at the beginning of the month highlighting the timeline and goals the management wishes them to follow. After that, the standard workers work independently and freely unless they encounter a problem or question that has to be brought to the management’s attention. Comparing to the contingent workers, the standard workers work with significantly less supervision and scrutiny.

Although "risk" is perceived as a primary indicator when defining trust in the organizational setting, it does not preclude other factors from playing a significant role in identifying trust. For instance, the consideration of "cost-benefit" relationship also plays an important role in deciding task distribution and on-job training. From the management's perspective, it might not be worth the time and resources to train contingent employees to make them become qualified for tasks that are more demanding and/or require more specific skills due to the deliberation that the investment on training is more likely to outweigh the benefits of productivity on a short term basis. We can assume that the trust from managers towards the contingent workers is more likely to come from the aspect that whether the contingent workers have the capacity to contribute their skills to the organization in the long term rather than the trust on their qualifications and work performances.

An interesting arrangement of interaction related to task distribution is when standard workers distribute tasks to the contingent workers. When needed assistance, standard workers are sometimes given permission by the managers to delegate tasks to the contingent workers. Contingent workers report that they feel “more comfortable” receiving tasks from standard workers instead of the managers because they are “given more space for autonomy”. From the perspectives of the standard workers, despite of the sporadic concerns about the contingent workers’ capabilities in completing the tasks, the standard workers will mostly give contingent workers more flexibility in finishing the tasks instead of constantly checking on the progress like the managers usually do. Through the comparison, we conclude that standard workers have little sensitivity on the continuous availability of contingent workers but rather some trust issues on their capacities and skills.

**Fairness**

In general, contingent workers did disclose their concerns on fairness in daily communication activities. Such activities are mainly grounded and observed in the face-to-face interactions within the group of contingent workers. It is intuitively understandable that most these interactions happen “behind closed doors” among contingent because a lot of the communication activities involve discontent and complaints about their superiors. The primary bearing of the concerns, however, focuses on whether the management can fairly recognize the work performance of the contingent workers and progresses the contingent workforce as a whole has contributed to the agency. With the extension of employment closely related to one’s work performances, a contingent worker is utterly concerned that his/her efforts might not be fairly credited and recognized by the managers, particularly in a group project where there are both standard workers and other contingent workers. During the interviews, a strong sentiment of unfairness was disclosed by some contingent workers, implying that standard workers are being rewarded and accredited more after a project is completed, even when contingent workers were actively involved in the project as well.

“Sometimes you really feel that it’s unfair, you know...When they (standard workers) are promoted or rewarded for their work, we are left behind worrying about if I can still have a paycheck tomorrow?! Even if we will be gone tomorrow we would still appreciate a ‘Thank You’ from them (the management)”. 

Although there is no clear evidence from the interview transcripts showing that the managers would act intentionally unfair in terms of worker compensation, previous studies suggested managers’ rationales of being “biased” in evaluating the work contributions of standard workers and contingent workers. From the management’s perspective, offering more lucrative compensation to the standards workers is a necessary mean to alleviate the pressure and tension they feel when contingent workers are introduced to the workplace and also an effective tool to enhance standard workers’ loyalty.
Researches done in the past have suggested that core workers may sometimes be negatively affected by the use of contingent workers. A study by Davis-Blake, Broschak and George (2003) found that the “blending” of standard and contingent workers had the dysfunctional impact of worsening relations between managers and core employees. Davis-Blake et al. also found that the mixture of the workforce is also more likely to create tension and pressure in the workplace which could result in lower level of loyalty among standard employees as well as an increased interest in leaving the organization. In addition to that, the standard workers’ negative perceptions tend to be more pronounced when they work closely with contingent workers as a group rather than separately.

Taken from the literature, we can only suppose that it is rational and logical for the managers to enforce appropriate managing strategies to balance the pros and cons of the integration of contingent workers, for instance, the strategy of showing preference to the standard workers over the contingent workers. These strategies advocate the use of contingent workforce to its maximum capacity for the advantage of increased work performance and enhanced staffing flexibility, while at the same time they also serve as the buffer to protect worker morale and lessen the negative effects of the mixture to the standard workers, who remain the core workforce in the organization. As stated above, in this study we did not capture patent support from the data showing that the managers are acting unfair to the contingent workers. Yet, from what was directly observed by the researcher, when managers give addresses and presentations during meetings, we can still feel that the recognition of work achievements by the contingent workers was much less mentioned than the achievements by the standard workers. It is noteworthy that some standard workers reveal that they would send out personal “thank you” notes via emails to the contingent workers to express their appreciation. Such behaviors could be considered a gesture to compensate the contingent workers for receiving fewer appraisals from management than they deserve.

**Information Sharing**

Information sharing is the most common and prevalent communication activities that occur in an organizational setting. As technology for information access improves, people have more opportunities to share information. However, previous studies have shown that there are psychological costs when engaging in information sharing, particularly through face-to-face interactions. When one person asks a colleague for information, s/he is making a partial admission of the intellectual superiority of that colleague (Dewhirst, 1971). Since intellectual competence is a primary basis of the status of workers in the organization being studied, it can prove difficult for some individuals, especially standard workers to admit their lack of knowledge. According to Dewhirst, however, if the colleague in any way discourages the information seeker, for instance, shows impatience or reluctance, then the psychological cost for the person asking for information may become relatively high. On the other hand, favorable experiences and the development of personal trust tend to reduce the perceived psychological costs and encourage the information sharing activities.

The individual’s attitude is another decisive variable influencing the pattern and outcomes of information sharing. According to Constant, et al. (1994), greater self interest reduces support of sharing, but a belief in organizational ownership of work encourages and mediates attitudes favoring sharing. While analyzing the information sharing behaviors in the organization being studied, we notice a strong sense of awareness and concern on job security—a manifestation of self interest—expressed by both contingent workers and standard workers. For one obvious reason, when standard workers are concerned about their job security, they would selectively disclose information and share knowledge with contingent workers whom they perceive as “unthreatening” or they would deliberatively reduce the communication with contingent workers to maintain informative advantage which put them in a more “irreplaceable” position.

Lack of confidence in job security will prompt contingent workers to intentionally avoid sharing any valuable or rare knowledge with their fellow colleagues, in order to encourage employers to engage their services for a longer period of time. During economic downtime, the workers’ desire to conceal information is only intensified, driven by the motives to seize the knowledge advantage that helps them keep their jobs. When the concerns of job security spring up and become the upmost guideline, we notice the overwhelming reluctance of information sharing, not only between contingent workers and standards but also among contingent workers themselves. With this particular type of organizational culture salient in the workplace, it is not surprising to see obstacles towards information sharing between workers.
“In this place, people really believe that if I am the only person who knows how to do this, I will never be fired’. So if you want to learn something, you will better off figuring it out yourself than asking around.”

Since contingent workers usually have a lower expectation on salaries and benefits, it is intuitively understandable for the standard workers to be concerned about their jobs being taken away by the “temps” in an increasingly turbulent and competitive job market. Consequently, we notice that standard workers are being protective of the core knowledge and skills they possess, particularly in the work environment where a specific skill that is technology-laden or training-intensive could be extremely valued by the management. From the interview data, standard workers who are active members of the survey project reported a heavy work load during the beginning phase of data cleaning and analysis. In spite of the overwhelming work load, when being asked if they would delegate some technical work to the contingent workers, many standard workers infer their unwillingness because they need to teach the contingent workers the necessary skills to complete the tasks, which can be “time-consuming”. However, we speculate that the reluctance of work delegation is associated with the standard workers’ constant awareness of protecting their expertise. We further hypothesize that technical expertise belongs to a special category of information that is part of people's identity in an organization, although future studies are needed to validate this proposal.

As mentioned in the beginning of this section, Constant et al. (1994) conducted some experiments whose results not only suggested that greater self interests could impede the smooth process of information sharing but also pointed out that a belief of organizational ownership could encourage information sharing. Unfortunately, it would be difficult to establish the perception of organizational ownership when employees are worried about securing their jobs. It would be even more difficult to foster the belongingness to the organization among contingent workers due to the uncertainty of the continuation of their employment as well as their “lack-of-status” identity in the organization. Being at the lowest hierarchy of an organization for most of the occasions, contingent workers tend to be less emotionally or psychologically attached to an organization to prevent the negative repercussion shall a sudden termination of employment occur. Even when some contingent workers are committed and enthusiastic to knowledge sharing, they may face difficulty in establishing their credibility and having their knowledge accepted by standard workers because they are not deemed “official” members of the organization.

Discussion

Contingent workers have been long marked with the stigmatization of being the “permanent loser”. It is an awkward situation for most of the contingent workers in a hybrid workforce as they find themselves not only struggle with the physical and technical aspect of the job, but also need to adjust to the psychological labor associated with trust gaining. In addition, the inferred competition among contingent workers and between standard workers for limited job positions can sometimes create a hostile tension within the organization that further hinders the establishment of a harmonious and collaborative atmosphere.

If we put more consideration in task distribution, the managers can control the frequency and intensity of interactions between contingent workers and standards workers. Since the level of interactions and cooperation between contingent workers and standard workers is usually “contingent” on the task distribution, technically managers have the control over strengthening and mediating relationships between the two work groups. However, the aforementioned issues of fairness, work performance recognition and the essential concerns on job security could complicate the situation. Based on the direction observation, interviews and the results of the analysis, two major recommendations are raised for change and enhancement of the status quo:

1. Promote Work Social Programs

Holding work social events can help reduce the barriers between colleagues and promote a friendly and soothing working environment. These events also provide the opportunities for workers to communicate with each other within the workplace while outside the work context, which creates a more relaxing setting for works to exchange information with each other. As the concept of organizational hierarchy is less apparent during the work socials, these events benefit contingent workers integrating into the organization by offering them the opportunity to interact other organizational members on all different levels thus intensify their sense of belongingness to the group.
In terms of the organization being studied in this research, managers occasionally initiate workplace social events after the completion of a major project as an avenue of recognizing and rewarding workers. However, during these events, there is clear segregation between the contingent workers and standard workers as they are seated apart from each other in two groups and there is very limited communication with the two groups. As we realize that segregating workers according to employment status may hinder workers’ motivation of interacting and collaborating with each other, which may decrease their trust toward each other, it is vital for managers to use their authority and help break the ice between the two groups.

2. **Specify Contingent Workers’ Duties and Offer Systematic Training**

Contingent workers in the organization being studied are mostly recruited with a relatively broad job description. Although a vague job description is convenient for the managers to delegate various emergent tasks to the contingent, it is not beneficiary and sustainable strategy for the utilization contingent workforce on the long run. As stated in the analysis section, contingent workers sometimes feel that they are not entrusted for serious projects and are only give menial, arduous work. The reality could be that the contingent workers are assigned to both major project and trivial work however the psychological animosity against the trivial work and the lack of clarity in their job descriptions propels them to feel that they are being treated unfairly. If the managers’ can include more specified duties of the contingent workers and make them emotionally prepared for the “dirty work” they are about to bear, supposedly it will create much less repercussion among the contingent workers.

Once the job arrangements are specified, the managers can offer systematic and purposeful trainings to the recruited contingent workers. The trainings will help the contingent workers get more adept in the expertise required for the job and learn new skills if necessary. When the contingent workers are properly trained upon the start of their employment, it will reduce the likelihood of the contingent workers demanding information from the standard workers when they are first introduced into the organization. Otherwise, the abrupt request for information or knowledge sharing from the contingent workers might immediately prompt the standard workers to become non-responding and guarding. As proven by previous studies, organization with highly competitive climates internally is less likely to see much knowledge sharing between organizational members (Connelly & Kelloway, 2003). To avoid such dilemma, systematic training is the key to prepare the contingent workers for their position while creating the time and space for the contingent and standard workers to bond with each other and gradually release the tension.
References


