

Psychological contract profiles among permanent and temporary agency workers

Psychological
contract
profiles

79

Maria J. Chambel

Faculty of Psychology, University of Lisbon, Lisbon, Portugal

Laura Lorente

Universitat de València, Valencia, Spain

Vânia Carvalho

Faculty of Psychology, University of Lisbon, Lisbon, Portugal, and

Isabel Maria Martinez

Department of Psychology, Universitat Jaume I, Castellón, Spain

Received 19 February 2014

Revised 22 June 2014

30 October 2014

Accepted 1 December 2014

Abstract

Purpose – Based on the psychological contract (PC) theory, the purpose of this paper is to identify PC profiles, differentiating between permanent and temporary agency workers (TAW). Moreover, the authors analyzed whether different profiles presented different levels of work engagement.

Design/methodology/approach – A cross-sectional survey data analysis of 2,867 workers, of whom 1,046 were TAW, was analyzed using latent profile analyses.

Findings – Four PC profiles were identified, which differed quantitatively in terms of the overall dimension levels (i.e. balanced, relational and transactional) for PC (i.e. content and fulfillment). ANCOVAs showed that the relational/balanced dominant and transactional dominant profiles presented similar engagement levels for TAW, but for permanent workers the former profile showed higher engagement than the latter. However, for both permanent and TAW the fulfillment profile showed higher engagement than the unfulfillment profile.

Research limitations/implications – The cross-sectional design and the reliance on self-report measures are the limitations of this study, although no causality was claimed and method biases were controlled.

Practical implications – Actions that increase PC fulfillment positively affect the employment relationship of TAW with the client organization.

Originality/value – Few studies have addressed PC typologies. Furthermore, most studies have focussed on temporary workers, but not on TAW and their contract with the client organization. Finally, this study emphasizes the crucial role played by the PC in the levels of work engagement.

Keywords Temporary agency workers, Work engagement, Permanent workers, Psychological contract profiles

Paper type Research paper

Introduction

Over the past two decades, the use of temporary agency employment has increased in the European Union (CIETT, 2013). These workers are legally employed by temporary agencies, which provide the “labor contract” containing information on payments and

This study is part of a larger research project “Temporary agency workers’ transitions: motives, experiences and outcomes – PTDC/MHC-PSO/4399/2012” founded by the Foundation of Science and Technology from Portuguese Government. This grant is gratefully acknowledged. The authors are grateful to Lois Tetrick, René Schalk and two anonymous reviewers for their comments and suggestions on earlier drafts of this paper.



Journal of Managerial Psychology

Vol. 31 No. 1, 2016

pp. 79-94

© Emerald Group Publishing Limited

0268-3946

DOI 10.1108/JMP-02-2014-0070

working conditions, however, they work for the client organization. These client organizations use temporary agency workers (TAW) to temporarily replace permanent workers, to develop specific tasks or projects or to adjust staffing levels in response to changes in market demands.

The psychological contract (PC) theory (Shore and Tetrick, 1994) has been considered a solid basis for the assessment of emerging contingent employment relationships (De Cuyper *et al.*, 2008a). The PC refers to an individual's belief regarding the terms and conditions of a reciprocal exchange agreement between that focal person and the organization for which he or she works (Rousseau, 1995). Some authors have considered that TAW well-being, attitudes and behaviors are related not to their worker status but rather to their PC (Chambel and Castanheira, 2006; Guest, 2004).

Rousseau and Tijoriwala (1998) affirmed that in order to understand the variety of associated issues, it is helpful to differentiate content – the terms and interrelations of such terms – and evaluation – the fulfillment and change within the PC. On the other hand, the PC theory distinguishes four types of PC: transactional, relational, balanced and transitional (Rousseau, 1995). Therefore, any PC will contain these different dimensions, but to differing degrees.

Based on the above, this study aims to identify PC profiles, differentiating between permanent workers and TAW. We specifically differentiate PC content and PC fulfillment profiles. Furthermore, we analyze whether different profiles present different levels of work engagement. This variable was selected since it is affected by varying work and organizational resources in the worker-organization relationship.

The current research builds on the work of a previous study (De Cuyper *et al.*, 2008b), which was based on the construction of PC profiles. However, this study used samples that included different kinds of temporary employment, namely, fix-term (the majority), seasonal, TAW and probationary. Connelly and Gallagher (2004) suggested that part of the inconsistencies across studies with temporary workers might be related to sample characteristics, since they merge different temporary arrangements bearing different characteristics, which influence workers' outcomes. Our study has the advantage of using solely TAW in the temporary sample. The previous study analyzed the content and balance of the PC, however, our study has not only analyzed the content but also the fulfillment of the PC. Additionally, our study has been developed in Portugal, a country that has not been included in European studies on temporary workers' PC (De Cuyper *et al.*, 2005; Guest *et al.*, 2010). However, the PC is a subjective phenomenon shaped by different societal and cultural factors that need to be studied in different countries to better understand the generalizability and boundaries of our knowledge (Rousseau and Schalk, 2000).

PC typologies

The PC theory is part of the social exchange theory (Blau, 1964), which considers the existence of reciprocity due to the fact that the actions of a party (i.e. organization or worker) are contingent upon the reactions of the other party. The involvement of one part in relation to another forces mutuality, since both parties expect to maintain a balanced relationship, and this reciprocal relationship usually leads to a relatively similar exchange of resources. In the employment relationship, this theory differs between social exchange and economic exchange. In economic exchange, the obligations of each party are well specified and usually supported by a formal contract. On the contrary, in social exchange, obligations are non-specific and each party is

required to trust the other. Stemming from this differentiation, the PC theory has distinguished four types of PC: transactional, relational, balanced and transitional (Rousseau, 1995). Transactional PC includes tangible exchanged promises, with a focus on the economic. Moreover, terms and conditions tend to remain static during the period of time specified in the contract. It usually involves performance-based pay as the employer's obligation and the meeting of performance standards as the worker's obligation. According to Rousseau, those with transactional PC are characterized as having an absence of long-term commitment and the involvement of both sides tends to be limited. On the other hand, relational PC involves open-ended and long-term relationships and, potentially, considerable investment (socio-emotional as well as economic) both on the part of employees (company-specific skills and long-term employment) and employers (concern with employees' well-being and employment security). Balanced PC includes extensive mutual exchanges (of time, efforts, mutual contributions and development) that are dependent on the ability of the individual to provide adequate levels of performance, and on the organization's capacity to develop and utilize the individual's capacities. Finally, transitional PC reflects a breakdown or absence of an agreement in which commitments between the parties are eroded or do not exist, and consequently do not include organizational obligations. Thus, as in previous studies, this category was not included in our study.

Previous studies have primarily investigated individuals' perceptions of the employer's obligations (e.g. Conway and Briner, 2002; Lambert *et al.*, 2003), in line with the seminal work of Rousseau (1995), who regarded the employee's perceptions as being of central concern. In the specific context of temporary employment, where there is no direct contract between TAW and the client organization, we may expect TAW perceptions of client obligations to be different when compared with permanent workers' perceptions of the employer's obligations (Rousseau, 1995). This author argues that TAW have a more transactional PC, while permanent workers hold a more relational/balanced PC. TAW have a short-term contract which may be more transactional in nature, while long-term contracts or open-ended contracts may be more likely to develop a relational or balanced PC (De Cuyper *et al.*, 2008a). In fact, some studies have shown that the PC content of TAW tends to be narrower: they consider the company to have fewer obligations toward them (Guest, 2004), where most are transactional (Millward and Brewerton, 1999) and less are relational/balanced (Chambel and Alcover, 2011).

Furthermore, most authors have conceptualized the PC as simultaneously consisting of these different dimensions (e.g. Rousseau, 1995), indicating that the phenomenon is multidimensional. Most authors agree that all PCs are likely to have a strong economic focus, i.e., all will probably include transactional content. PC variations across employees are primarily found at the relational or balanced content level (Coyle-Shapiro and Kessler, 2000). More specifically, permanent workers may have a PC characterized by dominant relational and balanced content, whereas TAW may have PC with dominant transactional content:

- H1.* TAW are more likely to have PC with strong transactional PC in combination with weak balanced PC and relational PC (i.e. transactional PC dominant) than permanent workers, while they are less likely to have PC with strong balanced PC, strong relational PC in combination with weak transactional PC (i.e. balanced/relational PC dominant).

In line with earlier authors, we might distinguish between perceived obligations, which constitute the PC content and the fulfillment of these obligations (Coyle-Shapiro and Conway, 2005; Rousseau, 1995). Worker perception of breach has been defined as a cognitive appraisal of the extent to which the organization should or should not fulfill its obligations. As previously considered, as far as TAW are concerned, the organization has fewer obligations toward them, thus, fulfillment of their obligations is easier (De Cuyper and De Witte, 2008). Moreover, the PC of TAW is transactional dominant and since this content might be easier to monitor, it may also evoke less breach (Guest, 2004):

- H2. TAW are more likely to have PC with fulfillment of balanced PC, relational PC and transactional PC (i.e. fulfillment) than permanent workers, while they are less likely to have PC with unfulfillment of balanced PC, relational PC and transactional PC (i.e. unfulfillment).

Consequences of PC typologies: work engagement

Based on the norm of reciprocity, when workers perceive extended organizational obligations they feel obliged to reciprocate with extended involvement and, conversely, whenever they perceive narrow organizational obligations they restrict their involvement in this employment relationship.

This study analyzes the relationship between worker perception of organizational obligations and work engagement. Schaufeli *et al.* (2002, p. 74) defined this psychological state as “a motivational and positive state of mind related to work that is characterized by vigor, dedication and absorption.” High levels of energy and mental resilience, the willingness to invest effort and persistence, even in the face of difficulties, characterize vigor. Dedication is characterized by a sense of significance, enthusiasm, inspiration, pride and challenge. Absorption is characterized by being fully concentrated and happy in one’s work, with distortion of time and intrinsic enjoyment. However, this latter characteristic, absorption, has been viewed as the result of engagement, leaving vigor and dedication as the core dimensions of engagement (Salanova *et al.*, 2003). In fact, our assumption is that workers who perceive more organization relational and balanced obligations are those who reciprocate with more work energy and dedication, e.g., higher work engagement, whereas workers who perceive the organizational obligations as being restricted to the transactional conversely respond with narrow work involvement, e.g., lower work engagement. This assumption is in keeping with Portuguese cultural values which, as in Belgium, place emphasis on stability and job security (Sets *et al.*, 2000). In fact, the findings of a Portuguese study on work values (Chambel, 2013) showed that employees have high expectations in terms of job security and prefer high-job stability. However, a predominantly transactional PC goes against these principles of security and continuity of the employment relationship. Thus, lower engagement in workers with a PC that contradicts the Portuguese values of job security and stability may be expected than in workers with a PC that shapes these values. However, we argue that this relationship holds among permanent workers, but not among TAW. The reason is that the temporary agency is not a modality of preferred employment (CIETT, 2013; De Cuyper and De Witte, 2008; Lopes and Chambel, 2014) and most TAW worldwide, including those in Portugal, would prefer to have a permanent employment contract, and aspire to be hired by the company in which they perform their job. This desire suggests that TAW are highly vulnerable (De Jong and Schalk, 2010), as they avoid showing bad results since they depend on the

client organization to fulfill their desires (Chambel *et al.*, 2015). Thus, TAW might show engagement toward their work, regardless of their perception of the organization's obligations. Accordingly, we hypothesize the following:

- H3.* Contract type moderates the PC content profile and worker engagement relationship, so that the balanced/relational dominant profile has higher work engagement than the transactional dominant profile among permanent workers, however, this difference is not significant among TAW.

On the other hand, we may expect PC fulfillment to be related to work engagement. This psychological state is dependent on the resources the individual obtains in the work context (Demerouti *et al.*, 2001), namely, the resources with a high potential for promoting intrinsic motivation and well-being at work (Salanova and Schaufeli, 2008). In turn, the promises included in the PC are based on the assumption of an obligation to provide resources that will bring about such motivation. When the obligations on the part of the organization are fulfilled, the worker considers him/herself to be receiving available job resources that stimulate personal development and work motivation (Schaufeli and Bakker, 2004) and, consequently, shows his/her engagement (Demerouti *et al.*, 2001). Some studies have confirmed this relationship between PC fulfillment and engagement. For example, Bal *et al.* (2013) found that PC fulfillment was longitudinally related to higher work engagement and Chambel and Oliveira-Cruz (2010) found that PC unfulfillment longitudinally reduced engagement levels. Parzefall and Hakanen (2010) showed that the positive effects of perceived PC fulfillment occur through work engagement.

However, given that TAW regard temporary employment as a route toward obtaining the permanent employment they desire, we argue that the relationship between PC fulfillment and work engagement holds among permanent workers, but not among TAW:

- H4.* Contract type moderates the PC fulfillment profile and worker engagement relationship, so that the fulfillment profile has higher engagement than the unfulfillment profile among permanent workers, however, this difference is not significant among TAW.

Method

Participants and procedure

The research for this study was conducted with Portuguese workers. The sample included 2,867 full-time workers: 1,780 contact center workers (73.3 percent of the population) from two companies holding different employment statuses (permanent ($n = 1,105$) and TAW ($n = 675$)); 1,087 industry workers (78.8 percent of the population), who were manufacturing operators from three industrial electronic and two industrial food companies. It also included permanent ($n = 716$) and TAW ($n = 371$) workers. The sample from each company represented more than 70 percent of the population of its workers.

The TAW carried out their activities within the client company and worked in close proximity with permanent workers, developed similar tasks and were coordinated by the same supervisor. In both samples, the workers were predominantly female, the mean age was similar as was their level of schooling (Table I). We were not allowed to collect the tenure of workers so as to ensure anonymity and confidentiality. However, the questionnaire was only given to respondents who had worked in the company for a

minimum of three months. The research procedure was similar in both samples. The questionnaires were given to each respondent along with an envelope to enclose the completed survey. All the individuals participated voluntarily and all the respondents completed the survey anonymously. The results were reported directly to them as well as to their respective managers (survey feedback method).

Materials

PC content. The worker’s perception of the organization’s obligations was assessed using a Portuguese translation of the Rousseau scale (2000), which has been used in previous studies (Chambel and Alcover, 2011). This scale included nine items from a transactional dimension (e.g. “employment for a specific or limited time”), 11 items from a relational dimension (e.g. “to be responsive to employee concerns and well-being”) and 14 items from a balanced dimension (e.g. “potential job opportunities outside the company”). Items were answered on the basis of 0 = is not an obligation of the company and 1 = is an obligation of the company. High scores on this scale indicate high levels of transactional, balanced and relational obligations.

Cronbach α ’s for permanent workers and TAW were: balanced (0.85 and 0.84), relational (0.81 and 0.83) and transactional (0.70 and 0.72), respectively.

PC fulfillment. The same scale used to assess the PC content was used for PC fulfillment. If an individual responded 0 on the Rousseau scale, it meant that the item was not part of the PC content and was consequently excluded for the PC fulfillment measure (considered as a missing value). If the respondents believed the company to have a certain degree of obligation, they were asked to score, on a five-point Likert scale, the extent to which that obligation was being fulfilled (1 = has been fulfilling much less than what it promised and 5 = has been fulfilling much more than what it promised). Scores lower than 3 indicated unfulfillment obligations, scores of 3 indicated fulfillment of these obligations and scores higher than 3 indicated over-fulfillment of obligations. Cronbach α s for permanent workers and TAW were: balanced (0.93 and 0.92), relational (0.91 and 0.92) and transactional (0.80 and 0.81), respectively.

Work engagement. We measured the vigor and dedication dimensions of work engagement using a translation of the Utrecht Work Engagement Scale (UWES) (Schaufeli *et al.*, 2002) that has previously been used in Portugal (Salanova *et al.*, 2011), made up of five items for vigor (e.g. “At my work, I feel bursting with energy,” $\alpha = 0.86$ for permanent and $\alpha = 0.87$ for TAW) and five items for dedication (e.g. “I find the work that I do full of meaning and purpose,” $\alpha = 0.89$ for permanent and $\alpha = 0.87$ for TAW).

Table I.
Personal
characteristics: TAW
and permanent
workers

	TAW	Permanent workers
<i>Call center sample</i>		
Sex (% female)	64.5	65.0
Age (average age)	32.2	31.4
Schooling (% with school qualifications)	66.9	63.5
<i>Manufacturer sample</i>		
Sex (% female)	60.0	53.2
Age (average age)	31.4	37.9
Schooling (% with school qualifications)	31.3	38.2

The participants answered the questionnaire items using a seven-point Likert scale (0 = never/nothing and 6 = always, everyday).

Control variables. Age and gender may be related to PC (Turnley and Feldman, 2000). On this basis, we controlled these demographic variables (gender and age). Furthermore, in order to control for possible confounding effects, the sector was also controlled (contact center and manufacturer).

Results

Harman's single-factor test (Podsakoff *et al.*, 2012) was carried out for the variables in the study in order to test for bias due to common method variance. We cannot consider common method variance to be a deficiency. The hypothesized eight-factor model – relational PC content, balanced PC content, transactional PC content, relational PC fulfillment, balanced PC fulfillment, transactional PC fulfillment, vigor and dedication – revealed an acceptable fit (χ^2 (18) = 196.84, $p > 0.001$; SRMR = 0.08; CFI = 0.98; TLI = 0.96; RMSEA = 0.06). We compared this model with a single-factor model where all items loaded on a single latent variable (χ^2 (20) = 4,522.78, $p < 0.001$, SRMR = 0.15; CFI = 0.57, TLI = 0.22; RMSEA = 0.28). We verified that our theoretical model provided a better fit to the data ($\Delta\chi^2$ (2) = 4,325.93, $p < 0.001$).

Means, standard deviations and correlations among the study variables are presented in Table II. In order to find clusters of participants with similar PC profiles, we used latent profile analysis (LPA) by specifying a two-profile model and added successive profiles until we encountered non-convergence problems (Vermunt and Magidson, 2002). The LPA, a mixture model, is capable of unveiling unobserved heterogeneity in a specific population, finding significant groups with similarity in their responses to measured variables or growth trajectories (Muthén, 2004).

The optimal model included four profiles. Compared to a two and three-profile model, the four-profile model revealed the lowest sample-adjusted Bayesian information criterion (SABIC) in PC content and fulfillment (see Table III). The SABIC is used to select the model with the best fit and fewest parameters from a set of non-hierarchical models (Sclove, 1987).

Results in Figures 1 and 2 indicate that the number of cases in each profile group is sufficient to warrant retention. We also verified that the posterior probabilities indicated that the profiles in the four-profile model were distinguishable from one another. Finally, we present plots of the standard scores of contract types (i.e. balanced;

	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8	9	10	11
1. Gender	–	–	1										
2. Age	33.1	10.03	0.72**	1									
3. BalanCont	0.85	0.18	–0.42*	0.01	1								
4. RelatCont	0.91	0.16	–0.39*	0.03	0.57**	1							
5. TransCont	0.94	0.15	0.01	0.01	0.36**	0.47**	1						
6. FulfillBalan	2.59	0.64	0.00	0.02	0.11**	0.06**	–0.02	1					
7. FulfillRelat	2.54	0.75	0.03*	0.03	0.09**	0.06**	–0.03	0.76**	1				
8. FulfillTrans	2.75	0.64	0.05**	0.00	0.03	0.01	0.00	0.64**	0.71**	1			
9. Vigor	4.23	1.37	–0.03	0.20**	0.06**	0.03	0.00	0.39**	0.36**	0.29**	1		
10. Dedication	4.26	1.54	0.03	0.19**	0.89**	0.57**	0.00	0.47**	0.42**	0.31**	0.81**	1	

Notes: $n = 2,867$. * $p < 0.05$, ** $p < 0.01$

Table II.
Means, SD
and correlation

relational; transactional) for the PC (i.e. content and fulfillment) across the four-profile groups in Figures 1 and 2. These criteria are in accordance with Nylund *et al.* (2007) who suggested that the optimal solution should show the lowest SABIC, not contain profiles with a small number of individuals, show clearly defined profiles, indicated by a high probability that individuals actually belong to the profile to which they were assigned and a low probability of belonging to other profiles (i.e. as reflected in the posterior probability values).

The results of the ANOVAs showed significant differences among the content levels across profile groups in balanced ($F(3, 10.22) = 402.17, p < 0.00$), relational ($F(3, 19.09) = 2,884.96, p < 0.00$) and transactional ($F(3, 15.77) = 2,548.76, p < 0.00$) and also significant differences among the fulfillment levels across profile groups in balanced ($F(3, 355.49) = 1,962.60, p < 0.00$), relational ($F(3, 400.77) = 2,778.75, p < 0.00$) and transactional ($F(3, 262.20) = 1,872.85, p < 0.00$).

We used the results of the ANOVAs and *post-hoc* comparisons to name the profiles. With regard to the content profiles, as observed in Figure 1, profile 1 presented all PC content types with the highest values, and was thus labeled strong PC; profile 2 presented higher balanced and relational than transactional types, and was thus labeled balanced/relational PC dominant; profile 3 presented higher values in the transactional type than in the balanced and relational, and was thus labeled transactional PC dominant; profile 4 presented weak scores in all PC content types compared to the others profiles, and was thus labeled weak PC.

Table III.

Model fit statistics

SABIC	Content	Fulfillment
2 Clusters	-9,129.909	16,229.756
3 Clusters	-10,259.741	14,699.334
4 Clusters	-11,730.766	13,942.332
5 Clusters	-12,471.819	13,709.41

Note: SABIC, sample-adapted Bayesian information criterion

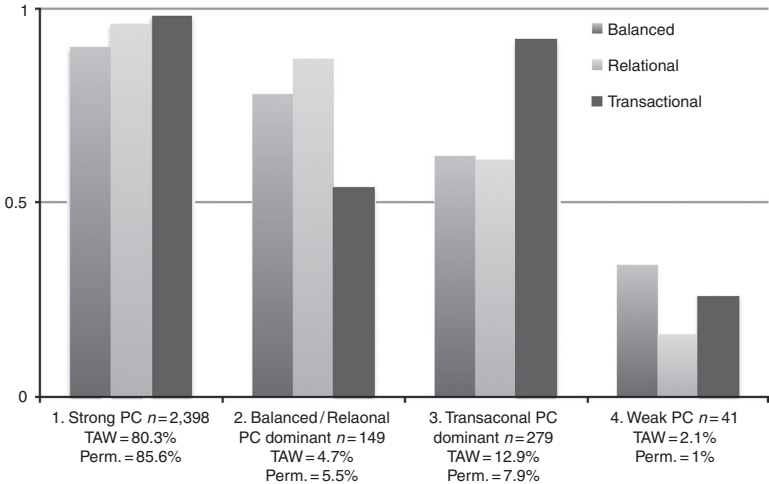
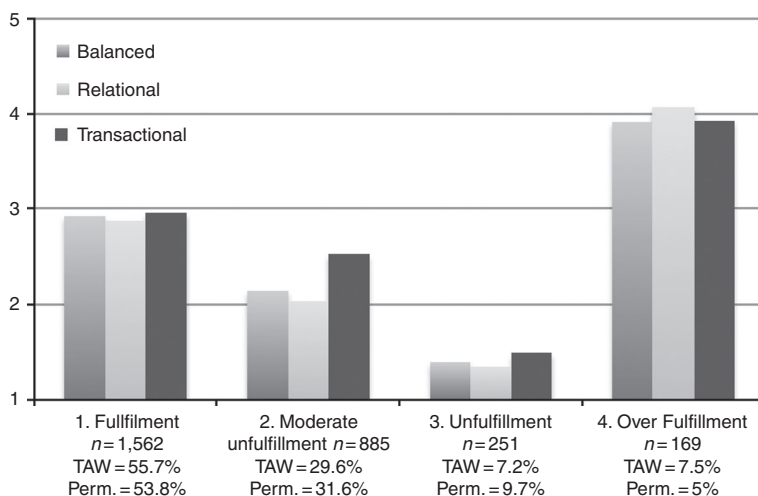


Figure 1.
Psychological
contract content



Psychological
contract
profiles

87

Figure 2.
Psychological
contract fulfillment

As postulated in *H1*, more TAW (12.9 percent) were allocated to the transactional PC dominant profile, compared to 7.9 percent of permanent workers and fewer TAW (4.7 percent) were also observed to be allocated to the balanced/relational PC dominant profile, compared to permanent workers (5.5 percent). These differences were significant ($\chi^2(3) = 25.30, p < 0.001$). Therefore, our *H1* was supported.

As far as the PC fulfillment profiles are concerned, as may be observed in Figure 2, profile 1 presented high scores for all the PC types, and was thus labeled fulfillment; profile 2 presented moderately low values for all the PC type scores, and was thus labeled moderate unfulfillment; profile 3 is the profile with the lowest values of PC types, and was thus labeled unfulfillment; profile 4 presented the highest scores in all the PC types, and was thus labeled over-fulfillment.

As postulated in *H2*, we observed that more TAW (55.7 percent) were allocated to the fulfillment profile, compared to 53.8 percent of permanent workers and fewer TAW (7.2 percent) were also observed to be allocated to the unfulfillment profile, compared to 9.7 percent of permanent workers. Moreover, more TAW (7.5 percent) were allocated to the over-fulfillment profile, compared to 5 percent of permanent workers and fewer TAW (29.6 percent) were allocated to the moderate unfulfillment profile, compared to 31.6 percent of permanent workers. These differences were significant ($\chi^2(3) = 12.83, p < 0.001$), thus supporting *H2*.

The correlations in Table II provided justification for controlling gender, age and sector in the tests of our hypotheses. Therefore, we chose to test our hypotheses using one-way ANCOVAs with profile membership as the independent variable and age, gender and sector as co-variables. The results revealed significant differences among the profiles for permanent workers and TAW with regard to: vigor for PC content ($F(3, 6.32) = 3.61, p < 0.05, F(3, 5.96) = 3.87, p < 0.05$); dedication for PC content ($F(3, 13.99) = 6.17, p < 0.001, F(3, 11.27) = 5.89, p < 0.05$); vigor for PC fulfillment ($F(3, 105.99) = 67.83, p < 0.001, F(3, 36.65) = 25.41, p < 0.001$); dedication for PC fulfillment ($F(3, 208.81) = 110.07, p < 0.001, F(3, 77.67) = 45.73, p < 0.001$). Bonferroni *post-hoc* tests comparisons were conducted (Table IV).

H3 was supported as the ANCOVAs did not produce significant differences for engagement among transactional PC dominant and balanced/relational dominant

Table IV.

Means associated
(SD) with the four-
profile model for
TAW and
permanent workers

Content	TAW		Permanent workers	
	Vigor	Dedication	Vigor	Dedication
1. Strong PC	4.43 (0.05)	4.49 (0.05)	4.19 (0.04)	4.25 (0.04)
2. Balanced/relational PC dominant	4.41 (0.20)	4.54 (0.22)	4.28 (0.16)	4.40 (0.18)
3. Transactional PC dominant	4.39 (0.12)	4.34 (0.13)	3.98 (0.11)	3.76 (0.13)
4. Weak PC	3.50 (0.27)	3.24 (0.30)	3.25 (0.34)	3.37 (0.39)
<i>F</i>	3.87**	5.89**	3.61**	6.17**
<i>Post-hoc</i> comparisons ^a	1,2,3 > 4	1,2,3 > 4	2 > 1,3 > 4	2,1 > 3,4
<i>Fulfillment</i>				
1. Fulfillment	4.60 (0.05)	4.76 (0.06)	4.46 (0.04)	4.68 (0.04)
2. Moderate unfulfillment	4.07 (0.07)	3.95 (0.08)	3.82 (0.05)	3.63 (0.06)
3. Unfulfillment	3.64 (0.15)	3.31 (0.16)	3.21 (0.11)	2.99 (0.12)
4. Over-fulfillment	4.94 (0.15)	5.10 (0.16)	5.04 (0.14)	5.14 (0.16)
<i>F</i>	25.41**	45.73**	67.83**	110.07**
<i>Post-hoc</i> comparisons ^a	4,1 > 2 > 3	4,1 > 2 > 3	4 > 1 > 2 > 3	4 > 1 > 3 > 2

Notes: ^a*Post-hoc* comparisons indicate which profile means differ significantly at $p < 0.05$. ** $p < 0.01$

profiles for TAW, however, regarding permanent workers, the balanced/relational dominant profile was found to present higher engagement scores compared with the transactional PC dominant profile.

Contrary to the expectations of *H4*, on comparing TAW and permanent workers, the fulfillment profile was found to present higher engagement than the unfulfillment profile for both. Therefore, our *H4* was refuted.

Discussion

This study showed that multiple profiles with distinct patterns of balanced PC, relational PC and transactional PC (content and fulfillment) existed within the permanent workers and TAW samples. As expected, more TAW were observed in the transactional PC dominant profile and fewer TAW in the relational/balanced PC dominant profile than permanent workers. Moreover, more TAW in fulfillment and over-fulfillment profiles and fewer TAW in unfulfillment and unfulfillment moderate profiles were also observed when compared with permanent workers. Regarding the moderation effect of workers' status in the relationship between the PC content profiles and engagement, we observed that, as expected, for TAW to be included in the balanced/relational dominant or transactional dominant profiles there were no implications in terms of their engagement, but among permanent workers who were in the balanced/relational dominant profile, higher engagement was observed than among those in the transactional dominant. However, no differences between permanent workers and TAW were observed in the relationship between PC fulfillment profiles and engagement. For both permanent workers and TAW, the fulfillment profile had higher work engagement than the unfulfillment profile.

In the transactional dominant profile more TAW were observed than permanent workers, which was similar to that of the previous study by De Cuyper *et al.* (2008b), and TAW were also found to be somewhat less likely to perceive mutual high obligations and somewhat more likely to engage in mutual low-obligation PC. These findings also replicate earlier evidence on dominant TAW perceptions of the transactional nature of employers' obligations toward them (Chambel and Alcover, 2011; De Cuyper and De Witte, 2006). Moreover, TAW were more represented in the

fulfillment profile and less present in the unfulfillment profile, thus supporting the assumption that the fulfillment of obligations is easier for companies (De Cuyper and De Witte, 2008) and these workers evoke less breach (Guest, 2004).

Theoretically, the balanced/relational dominant content profile is expected to be most beneficial in terms of workers' engagement, but only for permanent workers (*H3*). Our results supported this assumption and confirmed that TAW may be vulnerable workers (De Jong and Schalk, 2010), who show high motivation and well-being at work, regardless of their employment relationship. Even in cases where the company had few obligations toward them, TAW presented high engagement. Perhaps this result may be interpreted as a reflection of their desire to be hired by the company in which the job was performed, and their demonstration of high engagement was intended to increase the probability that this desire would be fulfilled.

However, both permanent workers and TAW were found to show lower engagement whenever they perceived unfulfillment than when they perceived fulfillment of the organization's obligations. We assume that this result may be due to the fact that PC unfulfillment/fulfillment is a significant workplace event that triggers the employee's affective reactions, (Zhao *et al.*, 2007), namely, workers' engagement. The key construct to predict workers' attitudes and behaviors is PC fulfillment and not its content (Coyle-Shapiro and Kessler, 2002; De Cuyper and De Witte, 2008). Thus, TAW disguised their reaction toward their perceptions of the company's obligations but they were unable to not exhibit their reciprocity toward the unfulfillment of these obligations.

We also verified that, in terms of PC content, the major prevalence of both TAW and permanent workers was in the profile that perceived a lot of the organization's balanced, relational and transactional obligations, while for PC fulfillment it was in fulfillment of the organization's PC. This result may be due to the fact that organizations developed similar human resource management practices for both temporary agency and permanent workers. As suggested by Rousseau and Wade-Benzoni (1994) the human resource management practices determine the nature and the state of the PC. Thus, a similar PC can result when workers with different statuses receive identical treatment in an organizational context. However, this hypothesis requires further research controlling for the effect of the human resource management practices because previous studies observed that temporary and permanent workers responded differently to these practices. For example, Chambel *et al.* (2014, on-line) confirmed that the relationship between workers' perception of the human resource practices system and affective commitment was stronger for TAW but the relationship between this perception and engagement was stronger for permanent workers than for TAW. Furthermore, Scheel *et al.* (2014) that analyzed the effect of training showed that this practice for temporary did not relate with performance but training for permanent related negatively with performance, particularly for the temporary workers.

Study limitations

Perhaps the most relevant limitation of this study is the type of analyzed information, since all the measures were self-reports. Some experts consider this kind of measure a significant limitation, as it may be affected by a number of other factors. In this sense, Podsakoff *et al.* (2012) indicate that although there is some disagreement about the way "method" and method "biases" are defined, the evidence shows that method biases can significantly influence item validities and reliabilities as well as co-variation between latent constructs. Therefore, researchers must be knowledgeable about the ways to

control method biases that might be present in their studies. Therefore, we used Harman's single-factor test and the results revealed that common method variance was not necessarily a serious deficiency in this data set. Moreover a cross-sectional rather than a longitudinal design was used, although no causality was claimed.

Future research

Future studies could be addressed to scan for PC profiles found in this study, but using larger samples and involving other countries. This study was conducted in Portugal, a country with a culture that emphasizes the values of stability and job security, which may not only have been related to workers' PC, but also to organizations' use of TAW (Sets *et al.*, 2000). In fact, this culture has shaped an excessively strict regulation of organizations' use of TAW, the majority of which, like those included in our study, resort to TAW as a means of buffering an uneven consumer demand for firm products and services (Abraham, 1990). These TAW are involved in the core production/service process and their employment relationship and attitudes are important in order to sustain both product quality and organizational reputation (Lautsch, 2002). However, in other countries, TAW are used as a cost-reduction strategy to perform peripheral tasks with lower investment, which can affect their PC (Rousseau, 1995). Thus, future studies should include countries that have different motives for using TAW that may be related to job conditions which, in turn, are related to their PC.

Final note

The significance of the present study lies in the fact that few studies have addressed PC typologies. Moreover, most studies have focussed on temporary workers, but not on TAW and their contract with the client organization. Finally, this study emphasizes the crucial role played by the PC in the levels of work engagement.

Our study has several practical implications for TAW management. It has shown that the PC fulfillment is as important for these workers as it is for permanent workers. Actions that increase its fulfillment positively affect the employment relationship of TAW with the client organization. This observation indicates that it is a good option for the organization to invest in clarifying obligations and presenting legitimate justifications when it is not possible to fulfill them. On the other hand, the agency is the TAW contractor; thus, employment agencies are responsible for ensuring that the client entails these practices.

Although our results have shown that engagement is less associated with the TAW employment relationship, this does not mean that the company should replace permanent workers with TAW. Indeed, our results show that practitioners should pay special attention to workers who are in a vulnerable position with regard to client obligations, probably due to a desire to attain a permanent position within the company.

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About the authors

Maria J. Chambel is an Associate Professor at the Faculty of Psychology, University of Lisbon in Lisbon (Portugal). She has a PhD in Social Psychology and Teaches in Work and Organizational Psychology. She coordinates the research group of Careers and Organizations. Her main research

interests include subjects such employment relations, temporary workers and stress and well-being at work. Maria J. Chambel is the corresponding author and can be contacted at: mjchambel@netvisao.pt

Laura Lorente is currently an Assistant Professor for Work and Organizational Psychology at the University of Valencia (Spain) and she is member of IDOCAL (Research Institute of Human Resources Psychology, Organizational Development and Quality of Working Life). She is member of European Association on Work and Organizational Psychology (EAWOP) and her research interests are mainly focussed on health and well-being at work.

Vânia Carvalho is currently a PhD Student at the Faculty of Psychology, University of Lisbon. She is currently studying the work-family relationship centered in an organizational and human resources perspective and in workers' well-being consequences.

Isabel Maria Martinez is currently an Associate Professor for Work and Organizational Psychology at the University Jaume I (Spain) and she is member of WONT_Work Organization Network Research Team at that University (www.wont.uji.es). Her research interests are focussed on the well-being of people in the work and cooperative work group. Her research is currently directed toward the positive aspects of work (engagement, flow, resilience) and "healthy and resilient organizations." She is member of European Association on Work and Organizational Psychology (EAWOP), International Association of Applied Psychology (IAAP) and Society for Occupational Health Psychology (SOHP).