

Pro's and Con's of Temporary vs Permanent Employment Contracts for Project Managers^{1, 2}

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ABSTRACT

In a labour market characterized by search and matching frictions, it is difficult to make a choice of employment contracts. There is also a major problem existing regarding the failure of temporary contract even though a new economy of Gig workers is in the uprise and hence this paper will focus on finding the best alternative solution for failing temporary contracts. For this paper, the author initially picks out and analyses the various employment contracts and then makes a comparative study using the MADM methodology and summarizes the various Pros and Cons of temporary and permanent contract. Then with the help of attributes and selection criteria, each contract is ranked, and the best possible alternative is found out. This alternative can well-structure the way people are going to work in future.

Keywords: Advantages, Disadvantages, Temporary Contract, Permanent Contract, Employment contracts, Gig Economy

INTRODUCTION

A contract is not just a piece of paper. Just as a single word is the skin of a living thought, so is a contract evidence of a vital, ongoing relationship between human beings. An at-will employee is not merely performing an existing contract; he is constantly remaking that contract.³ “There seems to be an upcoming transition in the way people are going to work in the near future, an era of Work-Life 3.0, where more people will be working on a Temporary contract basis rather than permanent ones characterized by less commitment between employer and employee coupled with increasingly portable employee skills.”⁴ Many of these claims can be summed up

¹ Editor's note: This paper was prepared for the course “International Contract Management” facilitated by Dr Paul D. Giammalvo of PT Mitratata Citragraha, Jakarta, Indonesia as an Adjunct Professor under contract to SKEMA Business School for the program Master of Science in Project and Programme Management and Business Development. <http://www.skema.edu/programmes/masters-of-science>. For more information on this global program (Lille and Paris in France; Belo Horizonte in Brazil), contact Dr Paul Gardiner, Global Programme Director, at paul.gardiner@skema.edu.

² How to cite this paper: Sakunthala, V. (2018). Pro's and Con's of Temporary vs Permanent Employment Contracts for Project Managers, *PM World Journal*, Vol. VII, Issue XII (December).

³ Bird, R. C., Saunders, K., Cahoy, D., Newberg, J., Lester, T., Sullivan, C., & Arnow-, R. (2004). The Relational Theory of Contract, 95(2000), 94–95.

⁴ Bollier, D. (2016). The future of work: issues at stake and policy recommendations from the employment industry, 1–39.

as a move from strong internal labour markets to a system where outcomes are more closely related to those in the external labour market.

“It is widely believed that labour law is currently undergoing a ‘crisis’ of core concepts. This is exemplified, above all, by the growing number of labour relationships which fall outside the scope of protection provided by the concept of the contract of employment.”⁵ The existence of two-tiered labour markets in which workers are segmented by contracts and the degree of job protection they enjoy is typical in many OECD countries.

A Permanent Contract is the type of Employment contract whereby an employee is employed by the company until the employer or the employee no longer wish to work there while a Temporary contract is one in which where an employee is expected to remain in a position only for a certain period. But the question lies in whether it is feasible enough to work on a temporary contract basis. Temporary contracts provide high flexibility in the labour market, but temporary workers can be laid off without incurring rightful payments or restrictions imposed by employment rights legislation. “In Britain, about 7% of male employees and 10% of female employees are in temporary jobs.”⁶ While temporary contracts can avoid some labour market inflexibilities - (see for example Bentolila and Bertola (1990), Bentolila and Saint-Paul (1994) and Booth (1997) - there are potential costs. “Temporary contract-based employment possesses lack of opportunities for career advancement or quality of work”.⁷

Here we have done a Root cause analysis on temporary contract failures in OECD Countries. Based on the analysis, it is found that almost 70% of the temporary contract failure happens due to major factors such as lack of Job Security, Wages and overall satisfaction of the job. Lack of Benefits and Working hours contribute to other 30% of failure factors. “Temporary contract workers tend to be less satisfied with their jobs than permanent contract, according to survey evidence on job satisfaction levels in 14 European countries.”⁸

⁴ Landscape, V. D., Cost, H., & Performance, L. (2018). Success in Disruptive Times.

⁴ Dolado, J. J. (2015). EU Dual Labour Markets: Consequences and Potential Reforms (*), (June), 1–35.

⁵ Deakin, S. (2005). the Comparative Evolution of the Employment Relationship. Labour, (317).

⁶ No, I. Z. A. D. P., Booth, A. L., & Francesconi, M. (2000). Temporary Jobs: Stepping Stones or Dead Ends? Temporary Job: Stepping Stones or Dead Ends?, (205).

⁷ OECD. (2002). Taking the measure of temporary employment. Employment Outlook. https://doi.org/10.1787/empl_outlook-2002-5-en

⁸ OECD. (2002). Taking the measure of temporary employment. Employment Outlook.

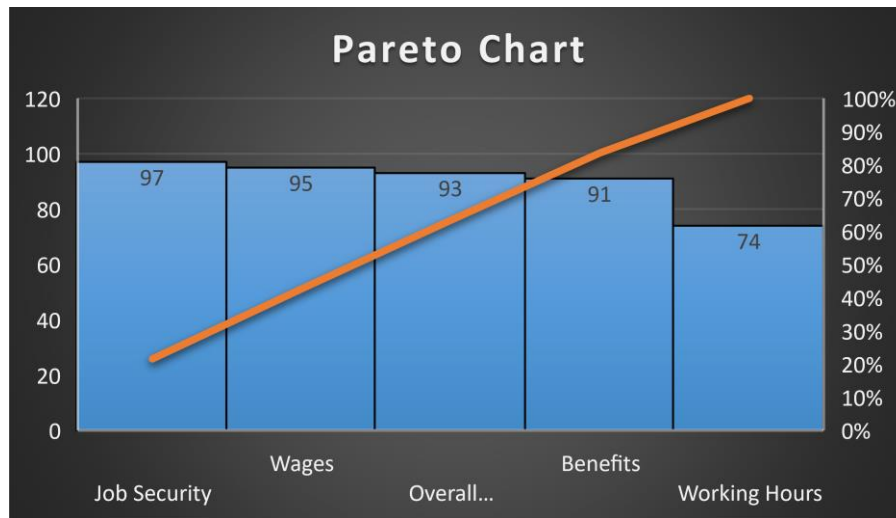


Figure 1: Root Cause Analysis⁹

Factors	Temporary Contract
Wages	95
Job Security	97
Benefits	91
Working Hours	74
Overall Satisfaction	93

Table 1: Pareto Chart¹⁰

But the Big Picture is that the Gig economy is growing and “it is one of most transformative economic trends currently seen”.¹¹ So here lies the question of how big is this Gig Economy? “The report found that 16.5 million people are working in contingent or alternative work arrangements. Nearly 6 million people, 3.8% of workers, held contingent jobs in the US and another 10.6 million were working as independent contractors, on-call workers, temporary help agency workers and for contract firms”.¹² “The gig economy which is also called ON-Demand employment”¹³ is growing at a rapid rate by supplying gig workers who provide their labour on a short-term basis via digital platforms. “Uber alone is an example for this which has nearly a half million drivers in its fleet”.¹⁴ Researchers estimate that “half of the U.S. workforce will be part of the gig economy by 2020 (compared to more than 33 percent in 2015),

⁹ By Author

¹⁰ OECD. (2002). Taking the measure of temporary employment. Employment Outlook.

¹¹ Landscape, V. D., Cost, H., & Performance, L. (2018). Success in Disruptive Times.

¹² <https://www.theguardian.com/business/2018/jun/07/america-gig-economy-work-bureau-labor-statistics>

¹³ LandingPage @ heinonline.org. (n.d.). Retrieved from <https://heinonline.org/HOL/LandingPage?handle=hein.journals/usflr51&div=6&id=&page=>

¹⁴ the-truth-about-how-ubers-app-manages-drivers @ hbr.org. (n.d.). Retrieved from <https://hbr.org/2016/04/the-truth-about-how-ubers-app-manages-driver>

according to entrepreneur services firm Spera.”¹⁵Hence the “New world of work is here, and it is going to reform the labour market and change the way people are going to work in near future”.¹⁶

“Project management is a methodological approach to achieving agreed-upon results within a specified time frame with defined resources. It involves applying knowledge, skills, tools, and techniques to a wide range of activities to meet the requirements of a project.”¹⁷ In a project, the project team members are one of the major Internal stakeholders and hence, they are the heart of any project, and the true engine of its work.¹⁸ That’s why bringing together the right people is extremely important. The study conducted by Bud Baker, William M. Solanker and Ann C. Wendt on 2,405 case files of Ohio Civil Rights commission has provided strong evidence on the fact that bias and discrimination exist towards employees in a project environment. In the 2,405 cases, they studied, “44% of the project management claimants reported the discharge of employment contracts, 12% reported lack of benefits and compensations in contracts, 6% claimed Lay-off.”¹⁹ So successful project managers who are the project champions must be fair while employing team members to the project team.

According to Guild of Project controls Compendium and Reference (CaR) in an “Owner organization there is a relationship existing between Asset manager, Operations manager and Project manager.”²⁰ The asset manager invests or allocates scarce or limited assets (resources) to the Operations Manager/Program Manager, who in turn is expected to generate a favourable return on those investments. Hence asset management plays an important role in managing and allocating the assets including the human resources of an organisation to develop a favourable Return on Assets (RoA), which is in line with program management which is responsible for specific profit or benefit center, especially the Return on Investments (RoI). Here project management plays a mid-level management role where he must push to get the projects done. In an owner organization, the asset manager manages the portfolio of Assets²¹ while the program manager has a portfolio of projects (Program) and hence when a project is selected from the program, the asset manager allocates the required human assets for the

¹⁵ [freelance-effect-no-shortcuts-short-term-hires-10748 @ www.pmi.org.](https://www.pmi.org/learning/library/freelance-effect-no-shortcuts-short-term-hires-10748) (n.d.).

<https://www.pmi.org/learning/library/freelance-effect-no-shortcuts-short-term-hires-10748>

¹⁵ <https://www.forbes.com/sites/brianscudamore/2018/05/09/how-the-gig-economy-is-fueling-a-new-type-of-entrepreneur/#41ac7be56e11>

¹⁶ Dwyer, C. J. (2018). The State of Contingent Workforce Management 2017-2018: The Convergence of Talent, Technology, and the Future of Work Underwritten by: (October 2017).

¹⁷ Ohlendorf @ www.umsl.edu. (n.d.).

¹⁸ [five-critical-roles-in-project-management @ hbr.org.](https://www.hbr.org) (n.d.).

¹⁹ Baker, B., Slonaker, W. M., & Wendt, A. C. (1994). Employment discrimination: another challenge for the project manager. *Project Management Journal*, 25(4), 22–25.

²⁰ Giammalvo, Paul D (2015) Adapted from Wideman, Max. Contributed Under Creative Commons License BY v 4.0. Figure 2- Asset, Operations and Project Management in an Owner’s Organization. [introduction-to-managing-project-controls @ www.planningplanet.com.](https://www.planningplanet.com) (n.d.).

²¹ Giammalvo, Paul D (2015) Course Materials. Contributed Under Creative Commons License BY v 4.0 Figure 4- The Portfolio of Assets. [introduction-to-managing-project-controls @ www.planningplanet.com.](https://www.planningplanet.com) (n.d.).

project according to requirements of the project manager. Hence bringing together the right assets flows down into project, program and portfolio management of an organization. So, this paper will provide an insight into employment contracts, its advantages and disadvantages and which is the best-suited contract after a comparative analysis and study, so that it can be beneficial while maintaining the portfolio of assets and allocating the assets to a project team from the portfolio of projects (Program).

Hence the objectives of this paper are to:

- Analyze the advantages and disadvantages of both contracts
- Compare temporary contracts to permanent ones in terms of
 - Wages
 - Estimate how satisfied temporary workers are with their jobs in the current working scenario
 - How much training they receive
 - Estimate how long it takes temporary contract workers to move into permanent contract
 - Compare wage profiles of workers over time in both contracts
 - How well knowledge and skills are imparted

The analysis distinguishes between Temporary contracts (where the nature of the job is temporary) and permanent contracts (Where the job is held on a permanent basis) using quantitative analysis methods.

METHODOLOGY

The paper aims to create an analysis of different contracts based on various attributes of contracts and then make a comparative study of permanent and temporary contracts based on the analysis. The analysis will be quantitative and is performed following the MADM (Multiple Attribute Decision-Making methodology). The author aims to find the best alternative solution for failing temporary employment contracts and arrive at a conclusion of the best employment contract to take up in future Gig workers based labour market.

❖ Step 1: Problem Statement:

According to the root cause analysis done on the temporary contract failures in OECD countries, it was found that 70% of the contract failures happened due to lack of Job Security, Wages and overall job satisfaction. Remaining 30% constituted due to lack of Benefits and Working hours. These are the major factors that are the catalyst to the failure of temporary contracts. The intent of this paper is to analyse and compare the temporary contract with the permanent contract and then elaborate upon the following questions,

- What are the advantages and disadvantages of Temporary Contracts?

- What are the advantages and disadvantages of Permanent Contracts?
- Which is the best feasible solution to avoid the failure of temporary contracts?

With answers to these questions and the results from analysis and comparison, the documents aim to conclude that the Temporary contract workers are going to revolutionize the way people are going to work in future and Gig Economy will be the next economic transformation trend.

1. Step 2: Identification of feasible alternatives:

1.1. Alternative solutions:²²

There are several alternate employment contracts in use today. The paper aims at choosing and comparing the most effective of all the alternatives.

- Permanent/Full-Time Contracts²³
- Fixed-Term Contracts²⁴
- Casual Contracts²⁵
- Independent Contracts²⁶

1.2. Attributes to asses each alternative:²⁷

²² Bernhard-Oettel, C., Sverke, M., & De Witte, H. (2005). Comparing three alternative types of employment with permanent full-time work: How do employment contract and perceived job conditions relate to health complaints? *Work and Stress*, 19(4), 301–318. <https://doi.org/10.1080/02678370500408723>

²² understanding-alternatives-temporary-labour @ www.procurious.com. (n.d.).

<https://www.procurious.com/procurement-news/understanding-alternatives-temporary-labour>

²² casual-employees-what-are-they-good-for-2 @ hrassured.com.au. (n.d.). Retrieved from

<https://hrassured.com.au/news/workplace-management/casual-employees-what-are-they-good-for-2>

²³ Conway, N., & Briner, R. B. (2002). Full-time versus part-time employees: Understanding the links between work status, the psychological contract, and attitudes. *Journal of Vocational Behavior*, 61(2), 279–301.

²⁴ Society, R. E., & Journal, T. E. (2018). TEMPORARY EMPLOYMENT, JOB FLOWS AND PRODUCTIVITY: A TALE OF TWO REFORMS Author (s): Lorenzo Cappellari, Carlo Dell' Aringa and Marco Leonardi Source: The Economic Journal, Vol. 122, No. 562, FEATURES (AUGUST 2012), pp. F188-F215 Published by: Wiley on behalf of the Royal Economic Society.

²⁵ Unit, E. R. (2017). EMPLOYER'S GUIDE NO. 9 A GUIDE TO THE LAW ON A GUIDE TO THE LAW ON, (9).

²⁶ Davis-blake, A. (2018). Determinants of Employment Externalization: A Study of Temporary Workers and Independent Contractors Author (s): Alison Davis-Blake and Brian Uzzi Source: Administrative Science Quarterly, Vol. 38, No. 2 (Jun., 1993), pp. 195-223 Published by: Sage Publications, Inc. on behalf of the Johnson Graduate School of Management, Cornell University

²⁷ Krausz, M., & Stainvartz, N. (2005). Employment Contracts and Psychological Contracts in Israel. *Employment Contracts and Well-Being among European Workers*, 103–117.

²⁷ Characteristic, J., Macleod, W. B., & Parent, D. (1997). Contract, 13–28.

²⁷ Dalgleish, T., Williams, J. M. G., Golden, A.-M. J., Perkins, N., Barrett, L. F., Barnard, P. J., ... Watkins, E. (2007). [No Title]. *Journal of Experimental Psychology: General*, 136(1), 23–42.

²⁷ Economica, S., Series, N., & October, N. (2018). The Suntory and Toyota International Centres for Economics and Related Disciplines Measuring the Utility Cost of Temporary Employment Contracts Before Adaptation: A Conjoint Analysis Approach Published by: Wiley on behalf of The London School of Economics and Political Science and The Suntory and Toyota International Centres for Economics and Related Disciplines.

²⁷ Davis-blake, A. (2018). Determinants of Employment Externalization: A Study of Temporary Workers and Independent Contractors Author (s): Alison Davis-Blake and Brian Uzzi Source: Administrative Science Quarterly, Vol. 38, No. 2 (Jun., 1993), pp. 195-223 Published by: Sage Publications, Inc. on behalf of the Johnson Graduate School of Management, Cornell University.

- **Pay Basis:** It is the basis on which a worker is given his payment, either on the hourly, weekly or monthly basis.²⁸
- **Flexibility of Schedule:** “It is the people whose hours or days of work are dictated by a company.”²⁹
- **Job Security:** It is the assurance employer provides to the workers regarding the continuity of his work.³⁰
- **Autonomy:** It is the degree or level of freedom and discretion given to the workers over his job.³¹
- **Job Training:** It is any kind of training that is provided to the workers, to perform work in a certain way.³²
- **Benefits:** “These are the indirect, non-cash or cash compensation paid to a worker above and beyond regular salary or wages.”³³
- **Knowledge & Skills:** It is the knowledge and skills that you can freelance while managing to make transitions through jobs.³⁴

2. Step 3: MADM Analysis:

Selection Criteria	Permanent Contract	Fixed Term Contract	Casual Contract	Independent Contract
Pay Basis	Good	Average	Poor	Excellent
Flexibility of Schedule	Good	Good	Average	Excellent
Job Security	Excellent	Average	Poor	Poor
Autonomy	Poor	Average	Poor	Excellent
Job Training	Excellent	Good	Average	Poor
Benefits	Excellent	Good	Poor	Poor
Knowledge & Skills	Poor	Average	Poor	Excellent

Table 2: MADM Analysis³⁵

²⁸ Macleod, W. B., & Parent, D. (1998). Série Scientifique Scientific Series Job Characteristics , Wages and the Employment Contract. *Contract*. Retrieved from <https://www.cirano.qc.ca/files/publications/98s-37.pdf>

²⁹ No Title. (n.d.), 1–12.

<https://www.oregon.gov/ODA/shared/Documents/Publications/NaturalResources/20FactorTestforIndependentContractors.pdf>

³⁰ Hogan, S., Ragan, C., Hogan, S., & Ragan, C. (2018). Job Security and Labour Market Flexibility *, 21(2), 174–186.

³¹ autonomy @ www.businessdictionary.com. (n.d.). Retrieved from

<http://www.businessdictionary.com/definition/autonomy.html>

³² No Title. (n.d.), 1–12.

<https://www.oregon.gov/ODA/shared/Documents/Publications/NaturalResources/20FactorTestforIndependentContractors.pdf>

³³ small-business-101-the-definition-of-employee-benefits. <https://www.peoplekeep.com/blog/small-business-101-the-definition-of-employee-benefits>

³⁴ <https://www.cmswire.com/digital-workplace/knowledge-commerce-and-the-gig-economy/>

³⁵ Graham, M., Lehdonvirta, V., Wood, A., Barnard, H., Hjorth, I., & Simon, D. P. (n.d.). Online LBN Gig Work At Global Margins. Retrieved from https://ora.ox.ac.uk/catalog/uuid:8c791d5a-e3a5-4a59-9b93-fbabea881554/download_file?file_format=pdf&safe_filename=Risk%2Band%2BRewards%2Bof%2BOnline%2BGig%2BWork.pdf&type_of_work=Report

³⁵ independent-contractors-made-up-6-point-9-percent-of-employment-in-may-2017 @ www.bls.gov. (n.d.).

<https://www.bls.gov/opub/ted/2018/independent-contractors-made-up-6-point-9-percent-of-employment-in-may-2017.htm>

3. Step 4: Selection Criteria of feasible alternatives:

Now that we have done an MADM analysis, we will now perform a pairwise comparison of attributes to give ordinal rankings to the attributes and hence based on those rankings we can classify the most important and the least important attributes to be considered while selecting the best feasible alternative solution.

Attributes	Pay Basis (A)	Flexibility of Schedule (B)	Job Security (C)	Autonomy (D)	Job Training (E)	Benefits (F)	Knowledge & Skills (G)	Ordinal Ranking
Pay Basis (A)	x	A	A	A	A	A	A	1
Flexibility of Schedule (B)	x	x	B	D	B	B	G	4
Job Security (C)	x	x	X	D	C	C	G	5
Autonomy (D)	x	x	X	x	D	D	D	2
Job Training (E)	x	x	X	x	x	F	G	7
Benefits (F)	x	x	X	x	x	x	G	6
Knowledge & Skills (G)	x	x	X	x	x	x	x	3

Table 3: Selection Criteria³⁶

FINDINGS

❖ **Step 5: Analysis and comparison of preferred alternatives:**

Now that we have a comparison, we add value for each attribute to attain a total and compare the possible alternative solution.

Quality	Score
Excellent	4
Good	3
Average	2
Poor	1

Table 4: Scorecard³⁷

Using the scorecard given above, we modify the MADM table to provide total scores for the alternatives. The score ranges from 1 to 4. Hence the MADM table is now changed to,

³⁵ OECD. (2002). Taking the measure of temporary employment. Employment Outlook.

³⁵ <https://elliswhittam.com/blog/fixed-term-contracts-pros-cons/>

³⁵ Services, N. D. (2015). A GUIDE TO EMPLOYING PERSON-CENTRED ENVIRONMENT, (April).

³⁶ By Author

³⁷ By Author

Selection Criteria	Permanent Contract	Fixed Term Contract	Casual Contract	Independent Contract
Pay Basis	3	2	1	4
Flexibility of Schedule	3	3	2	4
Job Security	4	2	1	1
Autonomy	1	2	1	4
Job Training	4	3	2	1
Benefits	4	3	1	1
Knowledge & Skills	1	2	1	4
Total	20	17	9	19

Table 5: MADM Analysis³⁸

From the above table, it is evident that there is only a narrow difference in scores between our preferred alternatives, which indicates that each alternative has its own advantages and disadvantages. Hence it is very difficult to scale down a better alternative with respect to these scores. We will now perform a general comparative study on the advantages and disadvantages of permanent and temporary contracts based on the above quantitative analysis and its results.

Permanent Contract:

PRO'S	CON'S
In Permanent contract, workers have high job security and can continue in their jobs as long as they wish to be.	In Permanent contract, workers are paid monthly as their fixed salaries.
They have given more training at work to accomplish the work as directed by the employer.	They have very less degree of freedom or discretion at their job.
They are given more benefits and compensation apart from their regular wages.	They are bound to do the job as instructed and hence are not allowed to freelance their varied skills & knowledge.
They can terminate their work for a company without any liability.	They cannot provide services to several companies simultaneously.
They have higher stability and job satisfaction.	The employer has control over discharge of the worker.

Table 6: Advantages & Disadvantages of Permanent Contract³⁹

³⁸ By Author

³⁹ OECD. (2002). Taking the measure of temporary employment. Employment Outlook.

³⁹ HR Consulting FAQ_ Permanent vs Fixed-Term Contracts – Which is Best_. (n.d.).

³⁹ Cao, S., Shao, E., & Silos, P. (2010a). Fixed-Term and Permanent Employment Contracts: Theory and Evidence. Ssrn. <https://doi.org/10.2139/ssrn.1679204>

³⁹ No Title. (n.d.), 1–12.

<https://www.oregon.gov/ODA/shared/Documents/Publications/NaturalResources/20FactorTestforIndependentContractors.pdf>

³⁹ Graham, M., Lehdonvirta, V., Wood, A., Barnard, H., Hjorth, I., & Simon, D. P. (n.d.). Online LBN Gig Work At Global Margins. Retrieved from <https://ora.ox.ac.uk/catalog/uuid:8c791d5a-e3a5-4a59-9b93->

Temporary Contract:

PRO'S	CON'S
In Temporary contract, workers are paid based on the hours and projects they have completed.	In Temporary contract, workers don't possess any job security, as they cannot continue with the job once the contract is finished.
They have a higher degree of autonomy at their job.	They are not provided with any on the job training to perform services in a particular manner.
The workers have less commitment to the employer.	They lack benefits and compensations unlike permanent contract workers
They can provide services to multiple companies simultaneously.	They cannot terminate their work until the end of their contract.
They can freelance their skills & knowledge without any restrictions.	They have a lack of work stability and job satisfaction.
They can have a financial stake in the work they perform.	They can never be included in labour- unions.

Table 7: Advantages & Disadvantages of Temporary Contract⁴⁰

❖ **Step 6: Selection of preferred alternatives:**

From the above-modified MADM table using the scorecard, it was difficult to make a final choice on the best alternative based on the final total scores. Hence, after performing the pairwise comparison of attributes in step 4, we have given ordinal ranking to each attribute and according to those rankings, we have identified the least and most important attributes. Based on that result and the scores from Table 5, we have ordered the feasible alternatives in a descending manner, with one with most preferred at first and of least preferred at the end.

Hence our best-preferred alternative according to our previous analyses will be Independent Contract. Even though the alternative does not lead in the final total scoring, when it came to the pair-wise comparison of attributes followed by prioritizing alternatives, the final best choice turned out to be Independent contract. It sticks to the fact that in the coming future,

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³⁹ Services, N. D. (2015). A GUIDE TO EMPLOYING PERSON-CENTRED ENVIRONMENT, (April).

⁴⁰ OECD. (2002). Taking the measure of temporary employment. Employment Outlook.

⁴⁰ No Title. (n.d.), 1–12.

<https://www.oregon.gov/ODA/shared/Documents/Publications/NaturalResources/20FactorTestforIndependentContractors.pdf>

⁴⁰ Graham, M., Lehdonvirta, V., Wood, A., Barnard, H., Hjorth, I., & Simon, D. P. (n.d.). Online LBN Gig Work At Global Margins. Retrieved from https://ora.ox.ac.uk/catalog/uuid:8c791d5a-e3a5-4a59-9b93-fbabea881554/download_file?file_format=pdf&safe_filename=Risk%2Band%2BRewards%2Bof%2BOnline%2BGig%2BWorK.pdf&type_of_work=Report

⁴⁰ Services, N. D. (2015). A GUIDE TO EMPLOYING PERSON-CENTRED ENVIRONMENT, (April).

⁴⁰ HR Consulting FAQ_ Permanent vs Fixed-Term Contracts – Which is Best_. (n.d.).

⁴⁰ Cao, S., Shao, E., & Silos, P. (2010a). Fixed-Term and Permanent Employment Contracts: Theory and Evidence. Ssrn.

³²Graham, M., Lehdonvirta, V., Wood, A., Barnard, H., Hjorth, I., & Simon, D. P. (n.d.). Online LBN Gig Work At Global Margins.

workers will be giving more priority to “Money, autonomy in the job, flexibility at work and the percentage to which they can freelance their knowledge & skills.”⁴¹

Ordinal Ranking		Relative Ranking of Contracts Based on the Attributes
1	Pay Basis	Independent Contract > Permanent Contract > Fixed Term Contract > Casual Contract
2	Autonomy	
3	Knowledge & Skills	
4	Flexibility of Schedule	
5	Job Security	
6	Benefits	
7	Job Training	

Table 8: Best Alternative Solution⁴²

❖ **Step 7: Performance monitoring and post evaluation:**

One of the initial problems we hoped to resolve is finding out the best alternative solution for failing temporary contracts that can resolve a lot of contractual conflicts related to temporary contract-based workers. After thorough study and analysis, we find that Independent contracts are the best-suited option. In near future, it can create a disruption in the labour market and it will be completely restructuring the way people will be going to work. “It can be regarded as one of the big stepping stones towards the Gig Economy.”⁴³ It will be the so called “Future of Work”⁴⁴ which dominates around the matrices such as:

- Innovative Talent Management
- Mobile-optimized work
- Flexible Workspace
- A blended workforce with shared objectives
- Artificial Intelligence & Robotics
- Transformative Mindset

⁴¹ Kazi, A. G., Yusoff, R., Khan, A., & Kazi, S. (2014). Sains Humanika The Freelancer : A Conceptual Review. *Sains Humanika*, 3, 1–7.

⁴² By Author

⁴³ Landscape, V. D., Cost, H., & Performance, L. (2018). Success in Disruptive Times.

⁴⁴ Dwyer, C. J. (2016). The State of Contingent Workforce Management 2016-2017: Adapting to a New World of Work: The State of Contingent Workforce Management 2016-2017: Adapting to a New World of Work REPORT SPONSORSHIP, (October 2016).

CONCLUSIONS

To conclude, the paper takes four different contracts and uses the MADM methodology to analyse and compare them. The comparative & quantitative analysis has been done with the help of attributes related to employment contracts and then scored with help of a scorecard and then performed a pair-wise comparison of attributes to prioritize each in terms of importance in selection criteria. Finally, after the comparative study and results from the analysis, the paper concludes by answering all the questions that have been raised in the introduction.

- It is found that the Independent Contract is the best-suited option for failing temporary contracts.
- We have studied & summarized the advantages and disadvantages of permanent contracts in terms of wages, Job satisfaction, Job training, Job continuity & related attributes.
- We have studied & summarized the advantages and disadvantages of temporary contracts in terms of wages, Job satisfaction, Job training, Job continuity & related attributes.

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