



Title: A Critical Review of "Contractor Performance: How Good Are Contingent Workers at the Professional Level"

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Abstract: A paper titled "Contractor Performance: How Good Are Contingent Workers at the Professional Level" is critically reviewed in this individual report.

**A Critical Review of
“Contractor Performance:
How Good Are Contingent
Workers at the Professional Level”**

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SUMMARY

The IEEE paper, "Contractor Performance; How Good Are Contingent Workers at the Professional Level?" is an exploratory effort to determine if American professional contractors perform as well as conventional employees. The parameters used to define the professional contractor were: having a bachelors or a masters degree but not a Ph.D., receiving some direction from client employees, assignment duration of an uncertain duration and with termination possible with little or no notice, and to be performing in a technical occupation, typically at the clients location.

METHODOLOGY

Two hypothesis were presented by the authors: 1. Buffering, average time in work place, or their interactions would have a significant effect on overall perceived contractor performance. 2. Managers on the whole would feel that contractors would perform worst then comparable employees performance. In an effort to support the hypothesis, a questionnaire with thirty questions was developed and fifty companies were contacted and asked if they would participate, only six agreed to participate. These companies were classified as high tech and leaders in their industries. There were no standard approach for how these companies treated contingent workers. With the data collected from the questionnaire, the authors performed a two way analysis to determine the effects of buffering and how time in the workplace effected the perceived performance of contractor personnel. Perceived performance was measured based on an index developed to measure overall perceived performance. Neither hypothesis were supported by the information gathered in the survey.

In addition to the field survey, a literature research was performed with minimal data found to be applicable based on the narrow definition of a professional contingent worker. What information was available, applied to a broader definition of contractor, including positions such as clerical, manual labor, and other non-professional positions. The need for further investigations based on the authors definition of a contractor became apparent as supporting evidence indicated the increasing usage of the contractors by high tech enterprises, augmenting their staff as needed.

OTHER RESEARCH PUBLICATIONS

I found little supporting research publications based on the parameters set in the paper. However, there was speculation that by the year 2000, over 50% of all workers would be contingent, and that virtual employment would become the norm. Why contingent workers were used included the assumption that they were less expensive then regular employees, however little or no cost analysis was typically done to support this argument. But most companies agreed they use contingent workers because they needed the flexibility that is not available with regular employees [1].

Availability of the professional contractor employees increased in the 1980's during the recession. Upper and middle managers were available and became one of the fastest growing areas for temporary help. This availability enabled companies to make quick changes to market conditions. According to the National Association of Temporary Services, contracted professional employees represented 21% of the temporary work force. This statistic was not just for technical positions, but for all "professional" positions such as nurses, executives, designers, engineers, doctors, accountants etc.. Typical applications of these people included working on special assignments, used them to reduce the work loads of others, and to cover for vacationing staff. According to the Bureau of National Affairs, 74% of firms that hire contractors do so to fill professional and technical positions [2].

INTERVIEW PERSPECTIVE

I have the good fortune to know an individual who is the President and Chief Operating Officer for North American Contract Employee Services (NACES), located in Tigard, OR. Mr. Jake Hardy has filled this position for ten years, and the company has been supplying contingent professional employees throughout the United States for over fourteen years. Primary industries that utilize Mr. Hardy's employees are the electrical utilities industry, power generation facilities, and high tech industries. Mr. Hardy was kind enough to give me some information with regard to how his company evaluates their employees internally and how clients are solicited for feedback on contracted employees that have been supplied to them.

According to Mr. Hardy, NACES not only solicits formal feedback (see the attached North American Contract Employee Services Customer Evaluation form), but the regional sales person is responsible for frequent contact with the client, by phone or in person, to confirm the individual supplied by NACES is performing to meet or exceed the client's expectations and requirements. It is his experience that most clients utilize a contractor service as a pre-screening effort to hire reliable qualified professionals. NACES typically has contractual clauses that does set limits on their employees hiring direct to a client, however there is some turn over. In his opinion, Mr. Hardy viewed this as positive reinforcement with regard to the quality and degree of professionalism NACES has to offer their clients.

In the research paper there was discussion of clients having to "dummy down" task so contractors could perform adequately. This has not typically been experienced by NACES employees according to Mr. Hardy. Contracted employees retained by NACES are typically highly self motivated individuals that can hit the deck running and perform to the clients expectations within a relatively short period of time.

PERSONAL EXPERIENCE

My own experience as a professional contracted employee lead me to select this article. Had I been aware of the limited supporting research publications available I might have chosen differently. It has been my personal experience that long term contract employees (long term with a service that provides contracted persons) are individuals that get board with routines and thrive on high profile fast track projects. As a contracted employee, I was always "on" and enjoyed the challenge of getting the job done right. However, as projects would wind down, I'd begin to get board would start shopping in house for my next project. Certainly, one of the motivations to perform well as a contract employee was the management style my company maintained. While Industrial Design Corporation (IDC) wasn't called a "Virtual Contract Organization", I recognized Dr. Shins definition immediately from his lecture 10/19/98. I was very surprised how strong the reaction was against the VCO management style, it is extremely prevalent in companies that supply design/build, construction management to high tech organizations.

STRENGTHS & WEAKNESSES

I felt this paper had a rather poor responses from the companies solicited. Out of fifty companies contacted, only six participated in completing the questionnaire. While the information collected is a start, it did not support the hypothesis proposed. The hypothesis were derived by anticipated responds verses a pre-defined hypothesis based on previous research. Perhaps with a better responds rate, the information would have supported the arguments presented by the authors. This paper indicates to me a need to further explore the role of the professional contingent worker as defined in the paper.

CONCLUSIONS

The paper concluded by rejecting the hypothesis and stating the research performed was just exploratory and called for further research to be performed. Based on my own research, I agree that additional research should be performed using the narrow definition of the professional contingent/contracted employee.

FUTURE RESEARCH IDEAS

I believe field research should be conducted in the following directions:

1. Additional surveys of companies using professional contract employees.
2. Define and conduct research using the companies that supply professional contract employees.

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