

An Evaluation of The Effect of Contract Employment to The Socio-Economic Welfare of The Contract Employees Under The Current Economic Conditions In South Africa

L E Jowah

Faculty of Business and Management Studies, Cape Peninsula University of Technology, Cape Town in South Africa.

Corresponding author:

Dr. L E Jowah, Department of Management and Project Management, Faculty of Business and Management Studies, Cape Peninsula University of Technology, Cape Town in South Africa.

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Abstract

The purpose of this study was to identify the conditions under-which the fixed term contract employees operate in comparison to the permanent employees. The study also looked at the perceived job insecurity and how this would affect the attitude towards working and fulfilling their roles. Job satisfaction, motivation, performance and turnover intentions were looked at with a focus on motivation for performance, special reference was made to reasons why the fixed term contract employee would perform. Data was collected from 50 employees fixed term contract employees of the university and the results came up with these findings. The findings point out to interesting –performance coming from fear of reprisals and accusation of underperformance leading to refusal by the employer to renew the contract. Much concern was shown around the difference in attitude towards work with the permanent employees taking their jobs for granted. The fixed term contract employs had low job satisfaction, felt that they were under a form of slavery and felt that they were unfairly treated. There was a strong commitment to wanting to improve themselves with others considering the age as serious threat to their desire to develop themselves. Generally, their aspirations were towards getting a permanent job so that they can be able to feed their children and dependents.

Introduction

A fixed term contract employee is an individual hired for a short period of time, generally with a specific job to be done as may be stipulated in the contract. Such an employee may not have access to many other benefits that permanent employees have in the same organization and too often for the same time of job [1]. Such an employee is not considered as part of the staff complement but will be expected to be in the organization for the duration of the employment or the contract. that employees make psychological contracts outside of the legal contract they make with the employer [2]. The psychological contracting entered into by the individuals' impacts on the motivation of the employee and impacts on how they will plan to perform. If the employee thinks that there may be opportunities of getting permanent employment, they may position themselves to be seen as hardworking. The psychological effect of the contract therefore may need to be understood as the underlying reason for the performance of the contract employee or the lack thereof given the employee's circumstances. [3] provide a simplified explanation of psychological contracting as the 'exchange relationship between employee and employer.' Many

organisations in South Africa have opted to use contract employees in place of permanent employees supposedly to cut down on operational costs (Hermanz, 2000:) since contract employees do not have the same benefits as permanent employees. This may be seen as a way of going around the stipulates of the Industrial Relations Act's requirements.

Background

The use of contract workers has created space for another economic monster for the unemployed in South Africa; labour broking. In labour broking the contract employee is employed temporarily by an outside organization and the employee is loaned to the organization in need of a service for the duration of the task. These employees are taken up as casual employees taken up on a day-to-day basis, meaning they can be dispensed with without notice [4]. Labour broking is essentially the outsourcing of all administrative work including managing the labour, hiring the labour, paying the labour and ultimately responsible for the rest of the administration (this includes interviewing, recruiting, selecting, payroll admin, etc) relating to the casual employee. The statutory definition of

labour broker under South African law states that; a labour broker is "any natural person who conducts or carries on any business whereby such person for reward provides a client of such business with other persons to render a service or perform work for such client, or procures such other persons for the client, for which services or work such other persons are remunerated by such person".

The labour broker is definitely in business and have overheads to pay and profits to make, the recipient of the services of the labour broker presumably wants to save money, and hence they avoid employing anyone directly. It goes to reason therefore that the labour broker tenders at a price considered to be beneficial to the recipient of the services, buys the services of the desperate job seeker at a lower cost (no one knows how low), and makes profit from the transaction.

The better version of labour broking will be for the recipient to employ labour on contract directly. This is then referred to as fixed-term-contract employment, but commonly referred to as contract employment. It should be pointed out that the duration of the contract also has much to do with the position and the possible benefits accruing. The university under study has different types of contract employment, and the structures are illustrated in the table 1 below.

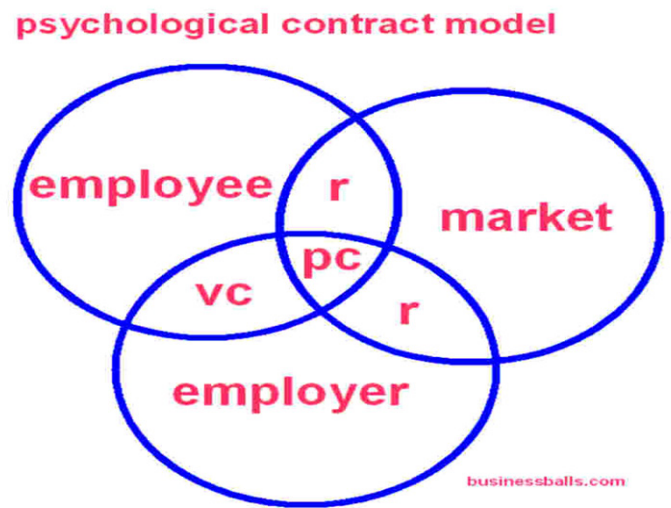
Table 1. Types of fixed term contracts in the universities

DURATION	CONDITIONS	LEVEL OF EMPLOYEE
3 months	No benefits whatsoever	Administrators
6 months	No benefits	Admin and lecturers
12 months	No benefits	Admin and lecturers
36 months	Partial benefits	Lecturers
60 months	Full benefits	Managers & senior managers

A fixed term contract offers or creates a relationship for a specified period, and it is expected that the basic employment requirements are met. But, all employees 12 months and below are generally excluded from basic conditions of employment like; annual leave, bonuses, medical aid and study bursary, benefits of which are provided to permanent staff. Of particular concern is the fact that these contracts have been renewed for years on end, which is continued employment of an individual without benefits than other people doing the same job enjoy.

In view of the increase in the casualization of labour, it is evident that the 'Psychological Contract' will be increasingly relevant to the workplace relationships and employee behavior. posit that the psychological contract primarily focuses on the employee and employer expectations of each other outside of the hard copies signed as contracts [5]. The feelings of the employee may border on perceived unfairness in terms of people doing the same duties but remunerated differently. On the other hand it may be perceived as "helping" the employee if the employee is desperate for a job. Figure 1 below illustrates the conceptual psychological model on the basis on which the employees operate in an organization.

Figure 1: Psychological contract model



Source: businessballs.com

The venn diagram above illustrates the overlaps between the employer's expectations of the employee in the context of the market, the employee's expectations of the employer in the context of the market, and the market demands on both the two parties contracting. VC stands for visible contract, pc stands for psychological contract, and r is the dynamic between the employer and the market as well as the employee and the market.

The dynamic is changed because of the type of employee in question. A fixed term employee has a different attitude to the work environment, and these may be;

1. they are always looking for a new job since their job is short term,
2. they do not focus on self-development since they do not have perks,
3. are generally despondent because they feel they are not treated fairly,
4. may work hard to impress with the hope of re-appointment where possible,
5. may produce just enough to take them to the end of the contract period,
6. may show a 'resigned attitude' if they have lost hope in getting a job,
7. may show resilience if the market promises better opportunities

Problem Statement

The dilemma of the contract employees in the institutions of higher learning cannot be assumed to be uniform, it differs from person to person. Some employees are in this work place or contract position because they have no other means of survival creating a work or perish situation. On the other hand some employees merely supplement what is available at home, the psychological contracts would therefore differ given their different circumstances. Together with this may be those who are eager to advance with their studies, but may not have enough money for their studies. These are contrasted with those that would not study even if they had opportunities to advance. This research sought to try and un-

Understand the disparities of remuneration between the permanent and contract employees and how this impacts on the performance of the contract employees. Whilst the study may be relevant to other institutions in general, this is specifically for institutions of higher learning because of the type of benefits.

Research Methodology

A research instrument was constructed based on the information from interacting with the staff in the institution. A small pilot run was done involving 12 questionnaires, the questionnaire was reconstructed to include comments that had come from the pilot project. Contract employees in the various faculties and departments of the university under study were approached randomly, and they were requested to fill in the questionnaires. The response rate was high, no single individual who was on contract refused to fill in the questionnaire, an indication that they were concerned about their state. Before giving the questionnaire for the respondents to fill in, the interviewers always confirmed the status of the interviewees, or those on contract where pointed out to the interviewers by permanent staff.

Data Collection

Data collected was cleaned and edited to check for errors, but because the process had been closely supervised, and the contract employees were fairly well knowledgeable, there were no spoiled questionnaires. The data was then coded and captured on an excel spreadsheet, from which graphs, bar charts, histograms and tables were constructed. These data was then interpreted in the form of a report on a question by question basis with each question followed by the response in diagram and or table form.

Findings

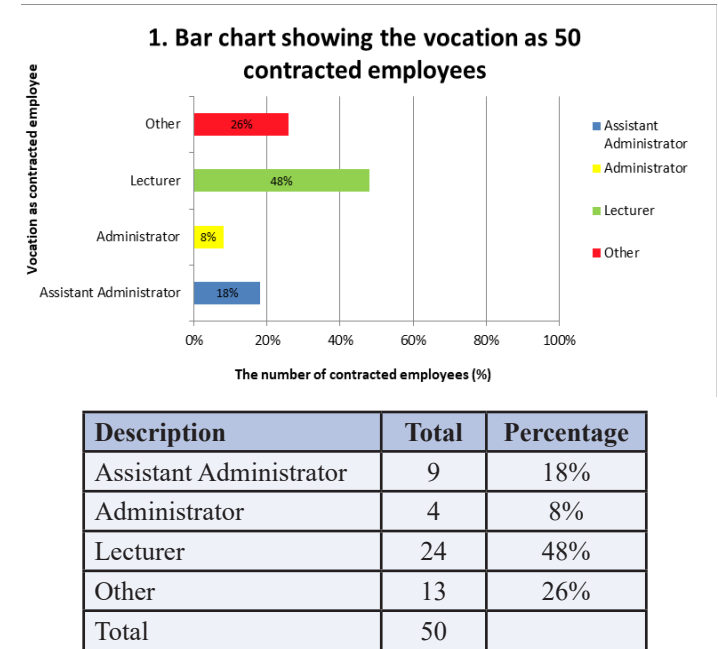
The responses are recorded following the sequence of the questions as in the instrument used to collect the data. Every question asked is discussed here with the data interpreted, analysed and explained. The questionnaire was divided into three sections, the biography, the content section and the open-ended questions section.

Section A: Biography

QUESTION 1. What is your position in the institute? This question intended to identify the type of employees that would go generally under fixed term contract employment. By implication this would identify the category of people who would be impacted

on socio-economically by the non-permanent nature of their jobs. 50 respondents were interviewed and the answers are illustrated in figure 2 below.

Figure 2: Distribution of contract workers in the organisations

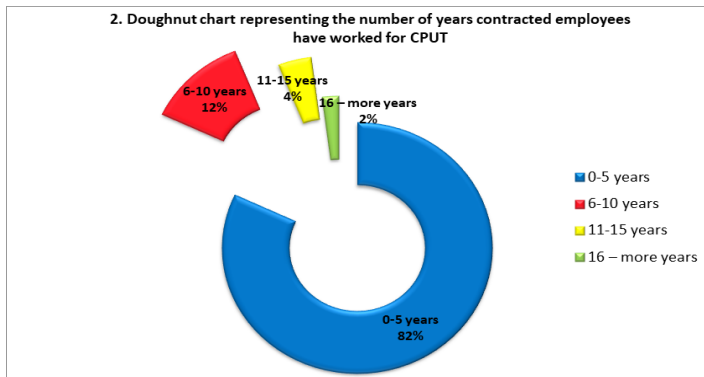


Source: Results from interviews during the research

The distribution of the respondents was 18% assistant administrators, 8% administrators, 48% lecturers and 26% of others. Others comprised of research assistants, technicians, IT support, teaching assistant and junior lecturers. Of particular concern was the fact that the majority of contracted staff were lecturers in an organisation where the core business is lecturing to the students.

QUESTION 2: How long have you worked for CPUT as a fixed term contract employee? It was deemed important to understand the length of time respondents had worked under these conditions at the institute to establish why it may have been necessary for the university to use contract staff. The distribution is illustrated in figure 3 below.

Figure 3: Number of years worked by the contract employees



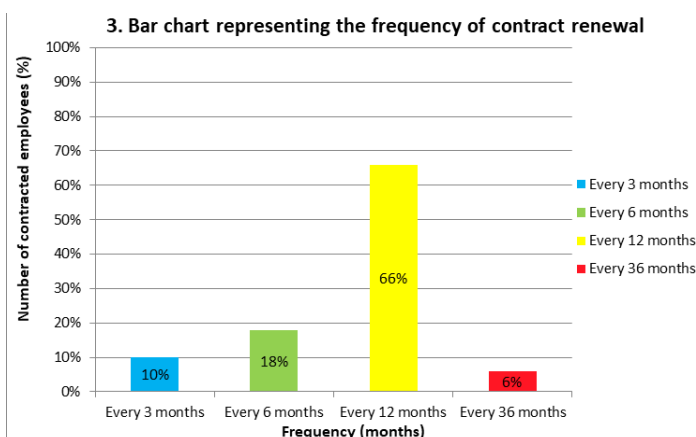
Description	Total	Percentage
0-5 years	41	82%
6-10 years	6	12%
11-15 years	2	4%
16 – more years	1	2%
TOTAL	50	

Source: Analysis of data collected from research

82% of the respondents had worked for periods not exceeding 5 years, even though this could not specifically say what period exactly. 12% had worked for periods between 6-10 years, this also created the question as to why the university would employ someone on contract up to 10 years. Only senior management gets 5 year performance based fixed term contracts. The respondents did not include senior management. The question is; why would an administrator or lecturer go on fixed term contract for up to 10 years? 4% have been on contract for 11-15 years and 2% have been on contract for 16 years plus.

QUESTION: What is the length of your contract? This question wanted to establish the duration of the different contracts to determine why the university may have opted for contract employment instead of permanent placement. Figure 4 below provides an answer to the question.

Figure 4: Length of contracts issued to the contract employees



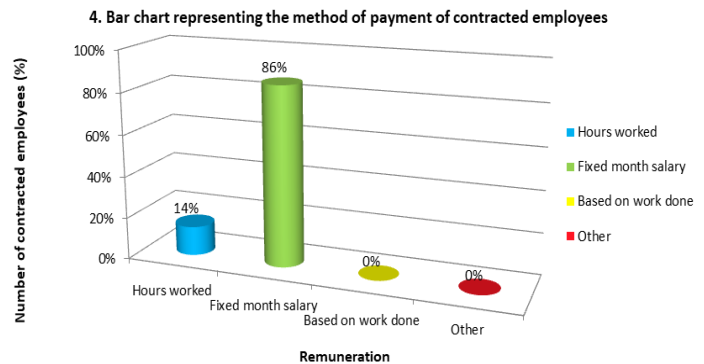
Description	Total	Percentage
0-5 years	41	82%
6-10 years	6	12%
11-15 years	2	4%
16 – more years	1	2%
TOTAL	50	

Source: Analysis of data collected from research

From the figure above, 10% of the respondents were on 3 months contract cycle, 18% were on 6 months, 66% were on 12 months with 3% on a 36 months contract length. 48% of the contract employees are lecturers according to the results in figure 2, it may stand to reason therefore that the bulk of the 66% on 12 months may be lecturers. This brings up the question again why people involved in the core business of the university would be employed on yearly contracts.

QUESTION: Are you paid based on a monthly salary or per hours worked? There is no uniformity in the way lecturers are paid, in that some contracts depend largely on the number of hours worked, meaning, the employee has to submit a claim at the end of every month. Ironically, they are not remunerated for the preparation of the lecture nor the marking of the scripts, but for the hours spent in the class. Figure 5 below displays what the respondents said.

Figure 5: Methods of payment for the contract employee

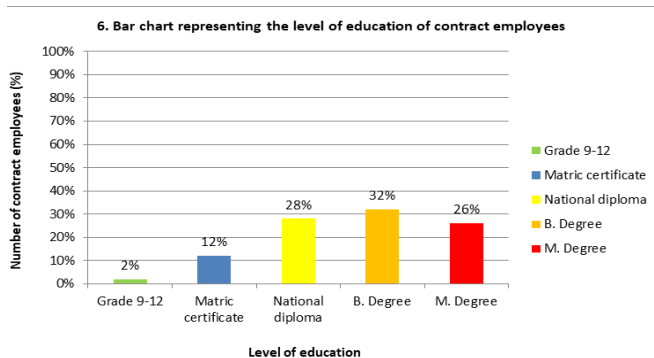


Source: Analysed data from research

7% of the respondents are paid on the actual hours worked and not on a flat monthly salary as would be common of the office employees. 86% are paid on a monthly salary based on the number of days worked, no respondents filled in the other two sections.

QUESTION: What is your level of education? This question was intended to understand the level of education which would further assist in identifying possible grades at which they are employed. The levels of education of the respondents are illustrated in figure 6 below.

Figure 6: Level of education for the contract employees



Source: Analysis of research data

Description	Total	Percentage
Grade 9-12	1	2%
Matric certificate	6	12%
National diploma	14	28%
B. Degree	16	32%
M. Degree	13	26%
Total	50	

Only one respondent (2%) indicated that they had a qualification rated as between Grade 9-12, 12% had matric certificate, 28% had National Diploma, 32% were at B. Tech level and with the remainder (26%) having a masters degree. In figure 1, 48% were reported to be lecturers on contract, the total percentage of B. Techs and Masters degree holders (33+26 = 58%) may mean that there could be 10% (5 people) who may hold a B. Tech or Masters and work as administrators, IT support personnel, etc who are not lecturing. It was identified from the questionnaires that there is a contract employee working as a secretary but who has an M. Tech qualification.

QUESTION: How old are you? This question sought to identify the age range of the people employed as this would assist in identifying university perception of the need for providing experience to youth. The older the employee the more the need for the institution to realise the importance of its role to the community and in eradicating poverty in the society.

Figure 6: Age of contract employees



Description	Total	Percentage
20-25 years	12	24%
26-30 years	15	30%
31-35 years	9	18%
36 years+	14	28%
TOTAL	50	

Source: Analysis of data collected during research

24% were from the age group 20 – 25 years which is general the job entry age soon after university, 30% are age group 26 – 30 years, the age at which people start families – they are supposed to be having an average of 5 years working experience, This is one third (1/3) of the sample still employed as contract employees. Of particular concern is that 31-35 years (18%) and 36 years plus (28%) are employed as contract employees. This means that 76% (30% + 18% + 28% = 76%), which is three quarters (¾) of the contract employees are 26 years and above. At this crucial stage of their lives these employees go without essentials like medical aid, bonus, no leave days (those below 12 months contract) and do not get bursaries regardless of the length of service at the university.

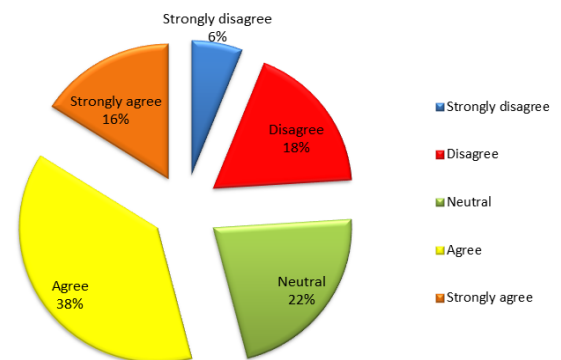
Section B Working Conditions / Environment

The statements below were meant to measure or evaluate the perception of the respondents to the environment in which they find themselves. The idea was to try and understand what their thinking is about the way they perceive the relationship with the employer – the psychological contract.

QUESTION: I am given equal treatment; the perceptions that people have become their reality, and in the work environment this may impact on employees' attitude towards their work. Since the psychological contract speaks to the 'unwritten relationship' between the employer and the employees, the way the employee perceives the environment and work conditions becomes a way of defining the relationship. Figure 7 below illustrates the responses on this matter.

Figure 7: Contract employees' perceptions about fairness

1. I am given equal appreciation on the work we do



Source: Data analysed from research

The respondents agreeing with the statement (38% agree and 16% strongly agree) together make up 54% with 22% ambivalent. This means a lot to the performance of such a large part of the contract workforce, it is important to note also that the percentage of ambivalence is high. It can be generalised therefore that the majority of the contract employees feel that they are not discriminated against.

QUESTION: I am given opportunities to develop myself. This question meant to establish the relationship between being a contract employee and being allowed to develop oneself. Because this is an institution of higher education, the expectation would be that everyone or at least most people working in the institution would aspire to grow in their career. The response is illustrated in figure 8 below.

Figure 8: Opportunities for contract employees to develop themselves



1.I am given opportunities to develop myself/career					
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	8	11	11	12	8
%	16%	22%	22%	24%	16%

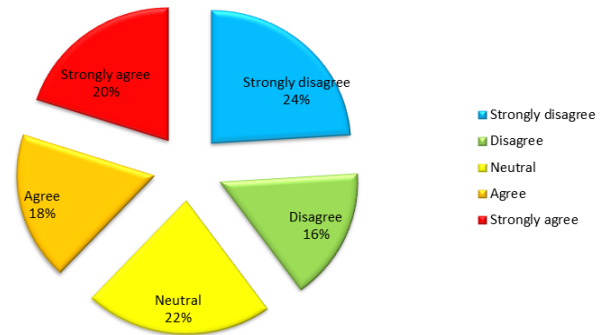
Source: Data collected from the research

16% and 22% of the respondents disagreed (strongly disagreed and disagreed respectively) totalling 38%, with neutral respondents at 22%, this leaves those agreeing (24%) and strongly agreeing (16%) at a total of 40%. As it appears, there is no generalisation that can be made, this may mean that the respondents are not clear if they will be helped with opportunities to develop themselves.

QUESTION: I have equal access to information as permanent employees. This question can be more relevant to administration staff, specifically those in the ITS programmes where university data is kept. Either because temporary staff may not be able to access information by virtue of their unpredictable nature of their working conditions, or purely because they may not be senior enough. See figure 9 below.

Figure 9: Access to information by contract staff

4. I have equal access to information as permanent employees



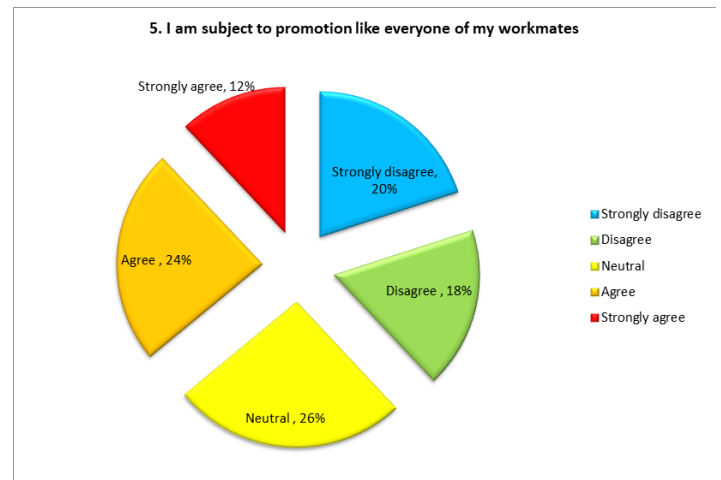
2. I have equal access to information as permanent employees					
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	12	8	11	9	10
%	24%	16%	22%	18%	20%

Source: Data Analysed from The Research

Strongly disagreeing (24%) and disagreeing (16%) totalled 40%, agreeing and strongly agreeing together totalled 38% (18% agreeing and 20% strongly agreeing), and again the two positions are equal to each other with a margin of statistical insignificance. Neutrality has remained at a high of 22% consistently throughout the results. No generalisation can be made, except to say that it may not argue well for operations with no clear majority on was is the truth or acceptable perceptions.

QUESTION; I am subject to promotion like anyone in the unit I work in; it should be understood that the universities do not have a standing policy on promotion since all jobs have to be advertised. It has however been possible on occasion for certain people to have been promoted without going through these other processes. Figure 10 below shows what the respondents said.

Figure 10: Promotion opportunities for the contract employee



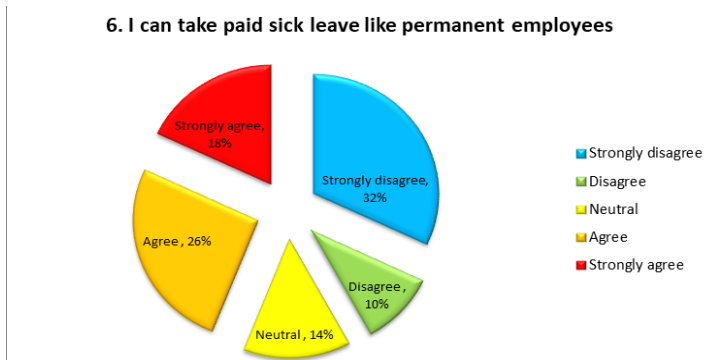
	3. I am subject to promotion like every one of my work-mates				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	10	9	13	12	6
%	20%	18%	26%	24%	12%

Source: Analysed Data Sourced from The Research

The responses show a significant increase in the neutral respondents to 26% from the 22% previously reported. Again there is no outright position taken by the respondents 20% strongly disagree, 18% agree totalling 38%. Those agreeing scored a 36% with 24% agreeing and 12% strongly agreeing. No generalisation can be made from these statistics. It was expected that the majority would strongly disagree since they may not be promoted unless if they were employed permanently.

QUESTION: I can take paid leave like permanent employees; this section sought to evaluate the employer’s adherence to THE Basic Conditions of Employment Act (BCEA). The response to this was of particular interest and is illustrated below in figure 11.

Figure 11: Access to paid sick leave by contract employees



	4. I can take paid sick leave like permanent employees				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	16	5	7	13	9
%	32%	10%	14%	26%	18%

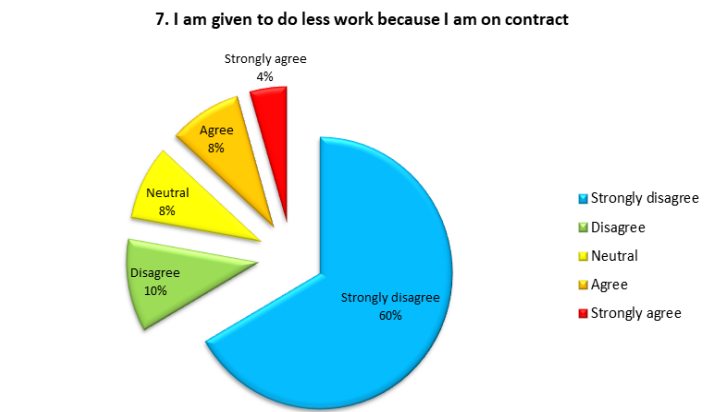
Source: Data from the research

Again there is no generalisation, this may be left more to the managers of the employees than it is to do with the company policies. But the university allows 1 day paid sick leave per every month, it would appear that the contract employees do not know their working conditions. It is surprising that 42% of them in total do not know that they have access to paid sick leave days. 44% of them know about their sick leave conditions.

QUESTION: I am given to do less work because I am on contract; this is a follow up to previous questions asked albeit differently. The response was as expected, it was never expected that

less work would be given to an employee merely because they are not permanent. Figure 12 below illustrates the responses.

Figure 12: Difference in work between contract and permanent staff



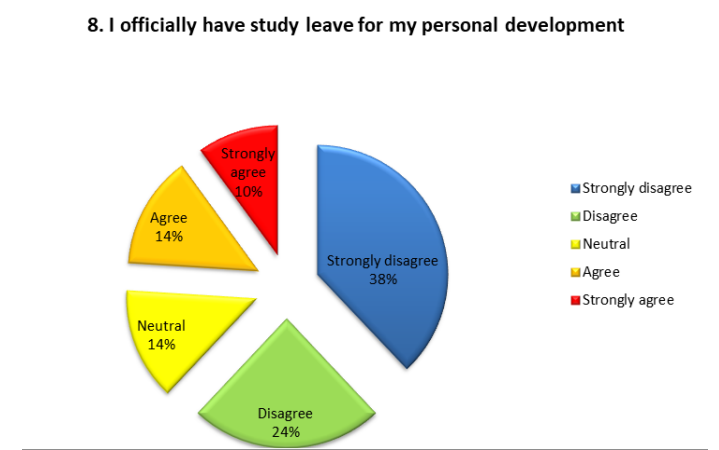
	5. I am given less work to do because I am on contract				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	30	10	4	4	2
%	60%	20%	8%	8%	4%

Source: Analysis of data from respondents

The number of respondents showing ambivalence is at an all-time low at 8%, and the respondents disagreeing (disagreeing – 20% and strongly disagreeing – 60%) is at an all-time high of 80%. It can be generalised that contract workers are never given less work to do than their permanent counterparts.

QUESTION: I have access to PAID study leave; this question meant to measure the extent to which the university may promote academic advancement even though they may not provide financial assistance to the contract workers. The figure 13 below illustrates the response from the interviewees.

Figure 13: Paid leave days for self-career-development of contract employees



	6. I officially have study leave for my personal development				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	19	12	7	7	5
%	38%	24%	14%	14%	10%

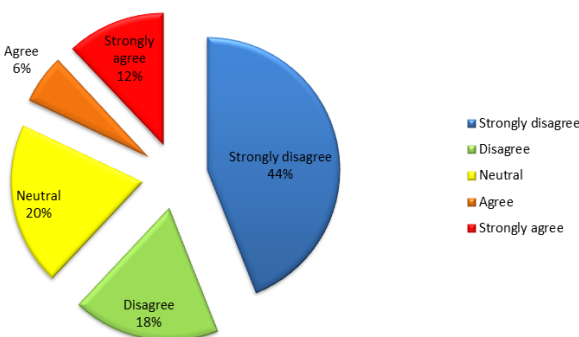
Source: Data from respondent to the research

The majority of 38% of contract employees strongly disagree and 24% disagree (totalling 62%) that they don't get paid study leave. That percentage is high enough for scientific generalisation. The remainder comprise of 14% neutral, 14% agree and 10% strongly agree, though the employees had indicated that they are discriminated against, this is a clear indication of a policy that is not staff development oriented.

QUESTION: I get bonus like other permanent employees; understandably bonus is not compulsory on the part of the employer, but the idea of people doing the same work throughout the year and some getting "thanked" and others not getting "thanked" must be demotivating. The following (figure 14) is the response from the interviewees over the bonus issue.

Figure 14: Bonus payment between permanent and contract staff

9. I get bonus like the permanent employees I work with



	7. I get a bonus like the permanent employees I work with				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	22	9	10	3	6
%	44%	18%	20%	6%	12%

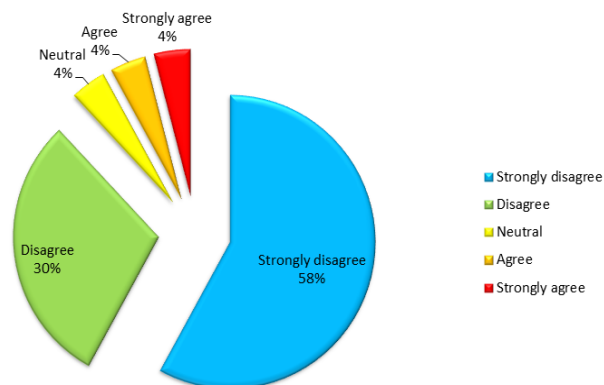
Source: Data collected during the research

A majority of 44% strongly disagree with another 18% disagreeing (totalling 62%), this compared to 18% (6% agree and 12% strongly disagree) clearly shows that we can generalise that the bulk of the respondents do not get bonus. Even then it is surprising why some people would not be sure whether or not they are paid bonus. It is hypothesised that people who are on 36 months contracts (they have same working conditions with permanent staff) may be responsible for the difference between 62% and the 100%.

QUESTION: I get a higher salary than the permanent employees; this question would be difficult for anyone to answer with certainty, but the response is so loud there would be no room to doubt. The results are shown in the figure 14 below.

Figure 15: Salary differences between permanent and contract staff

10. I get paid more for the work I do than the permanent employee



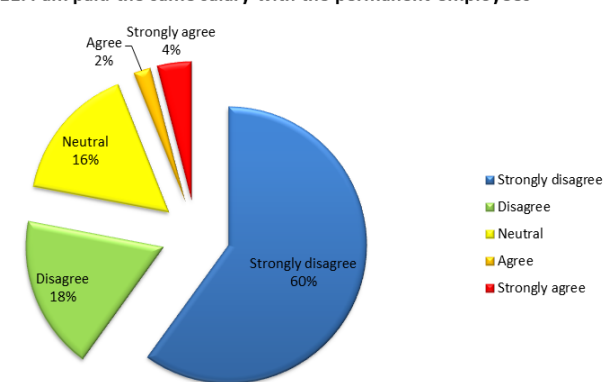
Source: Research work from respondents

A large proportion of the respondents clearly rejected the statement as falls, the total between the strongly disagree and disagree is 88%. There is therefore a justification for stating and generalising that the contract employees are not paid any better than the permanent staff.

QUESTION: I am paid the same salary with the permanent employees; again as stated earlier, salaries have been kept a secret, and this may result in unfair pay structures amongst people doing the same work. However, the employees have their own ways of understand salary disparities, mostly through communication with counterparts or by straying into someone else's payslip. The response is shown below in figure 15.

Figure 16: Salary similarities between contract and permanent staff

11. I am paid the same salary with the permanent employees



	8. I am paid the same salary with the permanent employees				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	30	9	8	1	2
%	60%	18%	16%	2%	4%

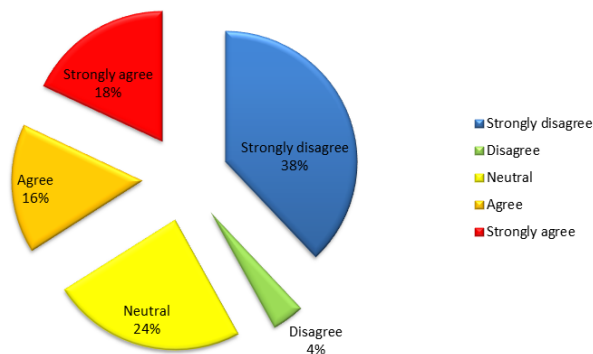
Source: Data gathered during the research

Majority of 60% strongly disagree, 18% disagree, 16% are neutral, 2% agree and 4% strongly agree. It can be generalised that the contract employees at 86% believes that they are not paid the same salary with the permanent staff. This should be understood as the reality they live by, and this may be demotivating to contract employees.

QUESTION: I am paid less salary than my permanent counterparts; this is the third question in a row around the salary paid by to the contract employees. The following results have some degree of self-contradiction, but this may serve to confirm the fact that there is no clarity on what the other people are earning. The response is illustrated in figure 17 below

Figure 17: Contract employee paid less salary

12. I am paid less salary than permanently employed colleagues



	9. I am paid less than permanently employed colleagues				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	19	2	12	8	9
%	38%	4%	24%	16%	18%

Source: information gathered for this research

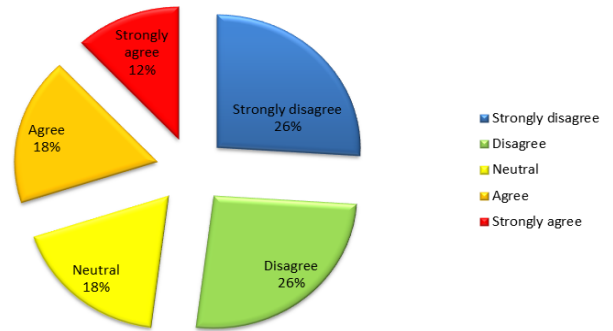
57% of the respondents in total disagree that they are paid less than their counterparts, suggesting that they believe there is equality in the remuneration given to both groups. The neutral group sits at 24%, but it can be generalised that the contract employees believe they have the same remuneration with the permanent staff.

QUESTION: I have annual leave days like my colleagues; an-

nual leave is part of the Basic Conditions of Employment Act, but employees and employees may negotiate other conditions outside of the BCEA. Whether this is practised or not, it may be difficult to ascertain, safe to say most employers “cut corners.” The figure 18 below illustrates the findings from the research.

Figure 18: Annual leave days as perceived by contract employees

13. I have annual leave like my permanent colleagues



	10. I have annual leave like my permanent colleagues				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	13	13	9	9	6
%	26%	26%	18%	18%	12%

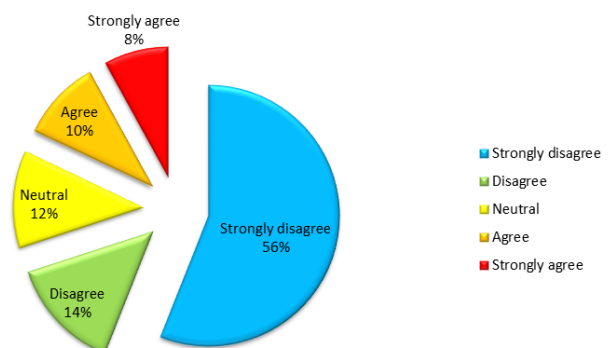
Source: Data collected from research

As per pie chart above, a majority of 26% of contracted employees strongly disagree and 26% who disagree that they have annual leave like permanent colleagues. The remainder of the recordings as per table consist of 18% who are neutral, 18% agree and 12% who strongly agree.

QUESTION; the university contributes towards my pension every month; pension contributions are a way of investing into the future, and everyone is expected to contribute towards their retirement. The disparities here may be a result of ignorance or because these people have different lengths of contracts which have different conditions. Figure 19 below illustrates that.

Figure 19: Pension fund contributions by the university

15. The university contributes towards my pension monthly



	11. The university contributes towards my pension monthly				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	28	7	6	5	4
%	56%	14%	12%	10%	8%

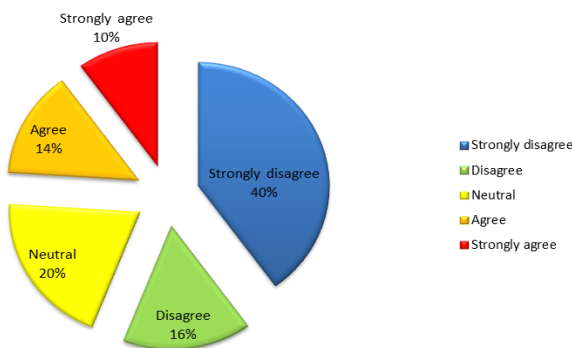
Source: from the research findings

58% strongly disagree and 14% disagree adding up to 70%, 12% are neutral, 10% agree and 8% strongly agree. It is therefore evident, with a combined 70% of contract employees who strongly disagree and disagree, that contracted employees receive no financial assistance from the university towards their pension.

QUESTION: I have access to university bursaries for my studies: every permanent employee has access to financial assistance by the university if they qualify to register and want to study. Not everyone though would necessarily study as evidenced by the time it has taken many permanent staff members to read for higher qualifications. The response is displayed in figure 20 below.

Figure 20: Availability of bursaries for further studies at the university

16. I have access to university bursaries for my studies



	12. I have access to university bursaries for my studies				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	20	8	10	7	5
%	40%	16%	10%	20%	10%

Source: Responses from the interviews of contract employees

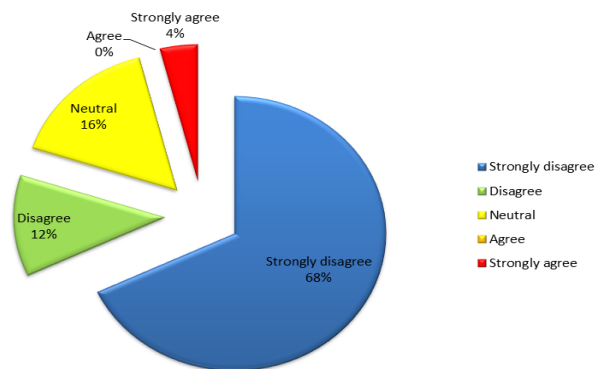
56% of the employees (40% strongly disagree and 16% disagree) that they have access to bursaries, 10% are neutral, 20% agree and 10% strongly agree. The benefit for bursaries is provided as a fringe benefit, and contract employees do not have that benefit as part of their agreement.

QUESTION: My children have financial assistance from the university: full time employees of the university have their children covered for studies at the university as a benefit. This question sought to establish the extent to which contract employees

may get assistance for their children. Figure 21 below will assist in explaining the responses.

Figure 21: Financial assistance for children of contract employees

18. My children have financial assistance from the university



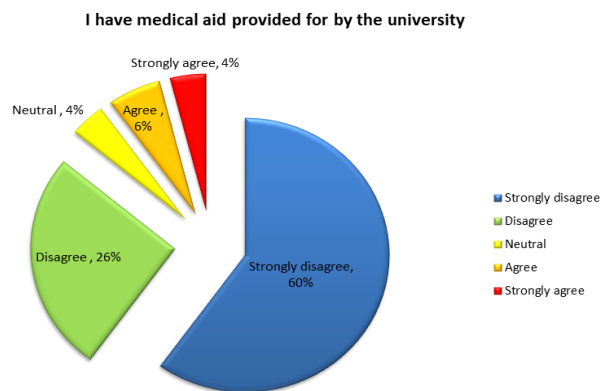
	13. My children have financial assistance from the university				
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	34	6	8	0	2
%	68%	12%	16%	0%	4%

Source: Report from survey on contract employees

As per pie chart shown above, it is evident that a majority of the 50 contracted employees, 86% strongly disagree and therefore their children do not have financial assistance from the university. 12% of the contract employees disagree, 16% is neutral, 0% agrees and 4% strongly agree.

QUESTION: Medical aid as a benefit from the university: medical aid benefit is a critical employer benefit to help improve and maintain the wellness of the employees in an organisation. Labour hours lost in sick days by employees are a great loss to the company, hence the organisations' willingness to provide assistance to its employees. Figure 21 translates the results from the survey diagrammatically.

Figure 22: Medical aid benefit for contract employees



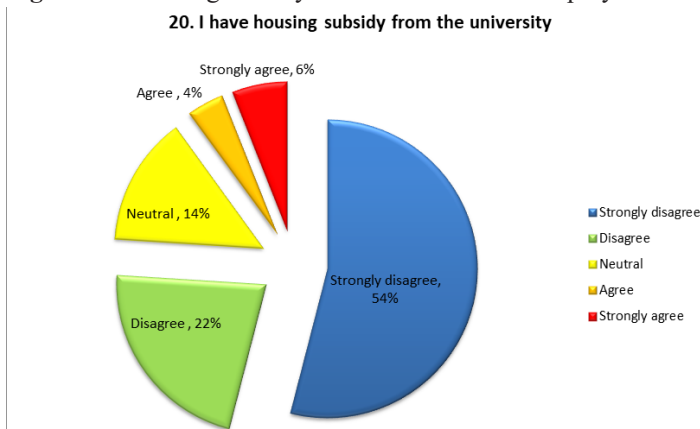
14. I have medical aid provided for by the university					
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	30	13	2	3	2
%	60%	26%	4%	6%	4%

Source: Respondents' data during the survey

60% strongly disagree and 26% disagree (86%), 4% are neutral, 6% agree and 4% strongly agree that they have medical aid provided for by the university. The 86% is large enough for generalisation that contract employees do not get this essentially benefit. Should they become sick and fail to afford hospital fees and treatment, they may be laid off not out of self-desire, but because they simply cannot afford.

QUESTION: I have housing subsidy from the university: apart from all the other benefits, permanent staff are entitled to housing subsidy paid monthly. This is paid out as cash together with the monthly salary of the employee, is this available to the contract employee? The responses are in figure 23 below.

Figure 23: Housing subsidy benefits for contract employees



15. I have housing subsidy from the university					
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
No.	27	11	7	2	3
%	54%	22%	14%	4%	6%

Source: data analysed from the research

76% overall (54% strongly disagree and 22% disagree) disagreed with the the assertion above, thereby clearly indicating that the contract employees have no housing subsidy from the university. It can be generalised without further explaining anything, that the majority of the fixed term contract employees do not have housing subsidy as a benefit from the university.

Open Ended Questions

This section was opened for the respondents to say whatever else they may have wanted to say which may not have been included

in the questionnaire. The statements provided by the respondents have been summarised in the table below for easy utilisation. Some of the information repeated here had earlier been responded to during the interviews, an indication of their importance to the respondents.

Table 2: Summary of open ended section of the questionnaire

FACTORS	DESCRIPTION
Lack of benefits	No medical aid and buying medicine is expensive
	No paid leave so they have no time for family
	No pension fund and no money when fired
	No housing subsidy /houses are expensive
	No financial assistance to further studies
Job insecurity	No definite/guaranteed job in the future
	Stress regarding income for future periods
	Cant plan for future / renewal not predictable
Unequal treatment	Contracted works feel they are more:loyal, efficient, hard workers
	Unfair job selection as new applicants are rewarded positions over contract employees
	Perception of racial discrimination in terms of job selection/ receiving job positions
	Lack of support from top management when faced with an issue or need an issue addressed.
	There is a high sense of insecurity and they fear to lose their contracts if they don't perform
	Lack of communication in terms of departmental meetings/faculty meetings.
Communication	Lack of communication in terms of new job positions available

Source: List of concerns by contract employees responding to interviews

The items above were summarised from a long list of issues raised by the respondents, the top ten frequently stated problems were condensed into what is in the table above. These were therefore put into categories for ease of communication and to improve on readability. Numerous other points were listed which though they did not have a high frequency, the researcher felt that they were profound.

1. There is a fear amongst them that you may not have an opposing view to that of the manager because the contract may not be renewed.
2. We work like slaves and we cannot be innovative fearing to make mistakes which may end up with negative consequences.
3. Too often we are forced to do things that permanent staff refuse to do and we have to be flexible for the sake of our contracts.
4. We love working here, but every day we look up new jobs

because of our uncertain conditions here, jobs are scarce that's why we stick here.

Conclusion

76% of people working as contract employees at the university are above the age of 26 years, which is generally a prime age in starting family life. 66% of the respondents have national diploma and higher, and 48% of these are lecturers without benefits. These people may never be able to advance with their education because education is generally expensive for such people who are generally first generation graduates in their families. With 61.7% poverty in South Africa, these people have families to feed from the little earnings they have in a country with an ever increasing cost of living. The universities, and the country at large complain about a shortage of person-power and yet the institutions have no developmental programs to help those who are in the system. The fixed-term contracts (FTCs) are a money saving operation will simply help entrench poverty amongst those who are previously disadvantaged. Given the levels of poverty, unemployment, and of cause the unemployability of many South African citizens, FTCs simply worsen the levels of poverty. Of paramount importance is the fact that people have worked as contract employment, exploited as it were for a periods of up to ten years. This is a clear indication that there are permanent positions that have not been filled in for reasons not known [6-10].

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