THE EFFECTS OF SHORT TERM EMPLOYMENT CONTRACT ON AN ORGANIZATION: A CASE OF KENYA FOREST SERVICE.

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ABSTRACT

The use of temporary workers is growing rapidly. It has spread across industries—from manufacturing to services and other occupations, including construction workers, registered nurses, bankers, information technologists. The number of companies using temporary workers was on the increase as global competition increased and the urge to cut down on costs of undertaking businesses in order to remain competitive rises.

The purpose of this study was to examine the effects arising from use of short term contractual employees by employers / organizations. The study used Kenya Forest Service, which had considerable large numbers of employees on short term contracts, as a case. The main objective of this study was to determine the effects of hiring staff on short term employment to an organization.

On research methodology, the research was descriptive and utilized a case study approach to achieve the research objectives. The target population was permanent and temporary staff working in Kenya Forest Service. A sample of 51 temporary and permanent staff, representing 30% of all staff working in KFS Head Office was picked for the study. The research utilized both primary and secondary data. Primary data was collected through administration of questionnaire while secondary data was collected from in house text books, reports, journals, newspapers and company's website and publications. The data collected was analyzed using the spread sheets Windows 2007 and Statistical Package for Social Sciences (SPSS). The data was presented in tables, figures, charts, pie charts and graphs.

The study found out that short term employment results to: unscheduled turnover in an organization, low staff morale and low productivity. Short-term employment affected productivity of staff in the organization since a lot of time and effort was used in training new employees as their turnover was high. The research also noted that the very nature of temporary employment increases feelings of divided allegiance on the part of temporary workers. This reduces their level of commitment and hence their productivity.

To cope with the challenges of short term employment, the study found that Kenya Forest Service was implementing the following measures: gradually absorbing the temporary employees to permanent employment whenever suitable openings arose, provided on job

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trainings to short-term employees to equip them with skills so that they could be more productive and frequently reviewed the compensation and benefits terms for staff under short term contracts.

Further recommendations were made for adaptation of short term employment contracts in times of economic difficulties; organizations implement proper human asset management practices by integrating temporary workers into the firms and that Companies offer induction and investment in skills by training in order to increase productivity and enhance employees' commitment to work.

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