
PERMANENT VS. CONTRACT: UNCOVERING THE CRITICAL ROLE OF EMPLOYMENT TYPE IN DETERMINING EMPLOYEE ENGAGEMENT AND WORKPLACE EXPERIENCE AMONG IT PROFESSIONALS

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ABSTRACT

Different employment types, such as contract and permanent employment, can have varying impacts on employee engagement in organizations. Employee engagement is a critical factor for a company, as achieving its goals would be impossible without the constant and consistent efforts of its employees. The research problem is to study how employee engagement is influenced by different types of employment, which depend on various factors like salary, benefits, work environment, welfare measures, work-life balance, fairness, etc. The study population consists of permanent and contract employees of selected IT sector companies in Bangalore. Employee data is acquired using convenience sampling and primary data via a questionnaire. Exploratory and confirmatory factor analysis, correlation, t-test and structural equation modeling are carried out to achieve the objectives. The results indicated that the workplace challenges explain 92% of the variation in employee engagement among both permanent and contract employees. The comparative study between contract and permanent employees depicted that the contract employees did not receive many benefits, for example, car allowance, transportation facilities, etc., that permanent employees received. The study's findings are significant for improving employee engagement and, consequently, the organizational effectiveness of IT sector organizations.

KEYWORDS: *Permanent Employees, Contract Employees, Employee Engagement, It Sector Companies, Employee Welfare.*

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