

**ANALYSIS OF THE DIFFERENCE BETWEEN PERMANENT EMPLOYEES AND
CONTRACTUAL EMPLOYEES' WELFARE POLICIES AT PT SALIM IVOMAS
PRATAMA TBK BITUNG, NORTH SULAWESI**

*ANALISIS PERBEDAAN KEBIJAKAN KESEJAHTERAAN KARYAWAN TETAP DAN KARYAWAN
KONTRAK PADA PT SALIM IVOMAS PRATAMA TBK BITUNG, SULAWESI UTARA*

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Abstract: This study aims to analyze the differences in welfare policies between permanent employees and contract employees at PT Salim Ivomas Pratama Tbk, Bitung, North Sulawesi. Employee welfare is an important factor that affects job satisfaction, productivity, and loyalty to the company. However, there are often significant differences in the welfare policies provided to permanent and contract employees, which can affect their motivation and performance. The population in this study were permanent employees and non-permanent employees at PT Salim Ivomas Pratama Tbk, Bitung, North Sulawesi, totaling 136 people, namely 104 permanent employees and 32 non-permanent employees. This type of research uses comparative research which aims to see differences in the variables to be tested using Independent Sample T-Test analysis. The results of this study indicate that there is no significant difference in the welfare policies of Permanent Employees and Non-Permanent Employees at PT Salim Ivomas Pratama Tbk, Bitung, North Sulawesi.

Keywords: Employee Welfare, Company Policy, Permanent Employees, Contractual Employees

Abstrak: Penelitian ini bertujuan untuk menganalisis perbedaan kebijakan kesejahteraan antara karyawan tetap dan karyawan kontrak di PT Salim Ivomas Pratama Tbk, Bitung, Sulawesi Utara. Kesejahteraan karyawan merupakan faktor penting yang mempengaruhi kepuasan kerja, produktivitas, dan loyalitas terhadap perusahaan. Namun, seringkali terdapat perbedaan signifikan dalam kebijakan kesejahteraan yang diberikan kepada karyawan tetap dan kontrak, yang dapat memengaruhi motivasi dan kinerja mereka. Populasi dalam penelitian ini adalah Pegawai Tetap dan Pegawai Tidak Tetap pada PT Salim Ivomas Pratama Tbk, Bitung, Sulawesi Utara, yang berjumlah 136 orang yaitu Pegawai Tetap 104 orang dan Pegawai Tidak Tetap 32 orang. Jenis Penelitian ini menggunakan penelitian komparatif yang bertujuan untuk melihat perbedaan dari variabel yang akan diuji dengan menggunakan analisis uji beda (Independent Sample T-Test). Hasil penelitian ini menunjukkan bahwa tidak terdapat perbedaan yang signifikan kebijakan kesejahteraan Pegawai Tetap dan Pegawai Tidak Tetap pada PT Salim Ivomas Pratama Tbk, Bitung, Sulawesi Utara.

Kata Kunci: Kesejahteraan Karyawan, Kebijakan Perusahaan, Karyawan Tetap, Karyawan Kontrak

INTRODUCTION

Research Background

Enhancing employees' life is the basic purpose of employee welfare. Employee behavior and organizational productivity are impacted by the employee welfare programs in place at the company. Employee welfare includes all of the amenities, services, and benefits that the company offers its employee. Welfare services are defined as everything that is done for an employee's comfort and advancement and is given in addition to their pay. The term "employee welfare" encompasses a wide range of services, resources, and conveniences offered to staff members in order to promote their well-being. It encompasses a wide range of ideas and implies a state of

health, fulfillment, contentment, and accumulation of human resources as well as an increase in employee motivation.

In the era of globalization and increasingly fierce business competition, the presence of employees and the importance of network in a company are no longer just a resource (Rumokoy et al., 2019), but also a strategic asset that can make a significant contribution to the company's success. In Indonesia, employees are generally divided into two main groups: permanent employees and contract employees. This difference in status not only affects tenure and job security, but also has different implications for employee welfare policies enforced by the company.

In companies, permanent employees and contract employees have distinct employee welfare policies according to their position. Benefits for permanent employees are typically more extensive. However, contract employees might only have restricted or no access to these kinds of benefits. However, it is crucial for enterprises to ensure that the rights and welfare of permanent employees and contract employees are handled fairly and in line with current laws and regulations. Permanent employees have more steady job security and more secure rights, but contract employees may face uncertainty in their jobs and may not have access to the same perks. These distinctions in employee status can produce discrepancies in the welfare policies pursued by company.

Connections at the board level, which provide access to resources and opportunities, significantly enhance a firm's competitive advantage (Rumokoy et al., 2024). In the realm of human resources management, these connections can be pivotal in establishing and enhancing welfare policies that cater to both permanent and contract employees. Analyzing the differences in welfare policies between these two groups, can provide deeper insights into how equitable access to resources and opportunities impacts employee satisfaction, retention, and overall organizational performance. Understanding these dynamics is crucial for developing strategies that ensure both permanent and contract employees are adequately supported, thereby fostering a more motivated and productive workforce.

In this increasing era of uncertainty (Rumokoy et al., 2023), companies in Indonesia, including PT Salim Ivomas Pratama Bitung, North Sulawesi, are inclined to adopt diverse employment policies. One of significant difference in employment policy is the treatment of permanent and contract employees. PT Salim Ivomas Pratama is one of the large firms functioning in Indonesia, mainly in the agricultural industry, especially palm oil production. PT Salim Ivomas Pratama is part of the Salim Group, one of the major conglomerates in Indonesia which works in many industrial areas, including food, agribusiness, retail and property. This corporation concentrates on the manufacturing of palm oil and its derivatives, as well as related processed products.

There are several operational locations for PT Salim Ivomas Pratama spread across different parts of Indonesia. Bitung City, North Sulawesi, is one of the regions where this company operates. This company is involved in numerous agribusiness activities linked to palm oil, such as palm oil plantations, processing palm oil into crude oil, as well as the manufacturing of palm oil derivative products such as cooking oil, margarine, and raw materials for the food and non-food industries. There are 136 workers at PT Salim Ivomas Pratama Tbk Bitung, North Sulawesi. Consisting of 104 permanent employees & 32 contract employees.

PT Salim Ivomas Pratama Tbk Bitung, North Sulawesi aware the importance of employee welfare policies as a key factor in achieving its business goals. Employee welfare policies, both permanent and contract employees, are one of the focuses of the company's attention. Employee welfare policies, including permanent and contract employees, are one of the areas of the company's attention. Although the welfare policy of PT Salim Ivomas Pratama Tbk Bitung, North Sulawesi may have been developed with the purpose of providing balanced benefits for all employees, differences between permanent employees and contract employees may occur. This is where it is crucial to grasp the distinctions in welfare policies between permanent employees and contract employees. In this context, analyzing the differences between the welfare policies of permanent and contract employees at PT Salim Ivomas Pratama Tbk Bitung is an interesting topic to do research. Permanent employees often receive different benefits than contract employees, understanding these differences can provide valuable insights into how employee welfare policies can affect employee productivity and retention in the company.

Research Objective

The objective of this research is to determine the differences in employee welfare policies between permanent employees and contractual employees at PT Salim Ivomas Pratama Tbk Bitung, North Sulawesi.

LITERATURE REVIEW**Human Resources Management**

Human Resource Management (HRM) is a strategic approach that views employees as valuable assets essential for achieving organizational success. This approach focuses on understanding employee needs, developing their capabilities, and optimizing their potential to contribute significantly to organizational goals (Sugiarti, 2023). HRM integrates employee satisfaction, well-being, and professional development within the organization's strategy to foster a collaborative and dynamic work environment, thereby supporting long-term objectives. It encompasses various activities, such as planning, recruitment, training, compensation, career management, and safety, to enhance both organizational performance and stakeholder well-being (Kasmir, 2016). HRM is also defined by a set of interrelated policies and practices, emphasizing strategic decision-making, the role of line managers, and the use of specific mechanisms to manage workforce relationships (Storey, 1989).

Employee Welfare Policies

Employee welfare is broader term that encompasses a range of services, benefits, and facilities provided by employers to enhance the well-being, performance, and efficiency of employees. This includes allowances, housing, transportation, healthcare, childcare, recreational facilities, hygienic sanitary facilities, on time bonus and overtime payments, insurance, and food provions (Nusrat and Solaiman, 2016).

Permanent Employee

Permanent employee refers to an employment contractual with no predetermined end date, in which the worker enjoys greater job security and protection from firing. With a permanent contractual, the employer cannot terminate the work arrangement without cause and is subject to firing costs or taxes if they dismiss the permanent employee. This provides more stability for the worker compared to temporary or short-term fixed contracts but also constrains the employer's ability to readily end the employment relationship if needed (Cao et al., 2011).

Contractual Employee

Contractual employment refers to jobs that are carried out under a fixed-term or temporary employment contract, as opposed to an open-ended permanent contract. These contracts have a pre-determined termination date after which the work ends, unlike permanent positions. Temporary contract workers may be hired by an employer to meet short-term needs or to deal with temporary increases in workload. Their contracts provide less job security compared to permanent workers since employers can terminate the contract or not extend it once it reaches the agreed expiration date without significant termination costs. The regulations surrounding contract employment, in terms of legal protections and restrictions on use, are also typically less stringent than those for permanent workers under a country's labor laws (Arestitis et al., 2020).

Empirical Studies

Lakshmi and Rao (2017) aimed to find the welfare practice that has been adopted by public & private sector banks, whether the banks are providing necessary welfare measures in Canara Bank & Axis Bank. The current study named "Employee Welfare Practices" is confined to all the branches of Canara Bank & Axis Bank in Bangalore city. This study helps to find out the satisfaction level of employees working with the bank and also helps in improving the performance of the human resource in the selected banks. The study finds that employees of public sector banks are more satisfied than private sector banks as far as welfare practices are concerned.

Patro (2015) undertaken to know the satisfaction level of the employees on the enforceability of various welfare measures in both the public and private sector organizations. The study also throws light on impact of welfare measures on the employees' performance.

Vali and Nagaraju (2019) studied on employee welfare measures in dairy industry: with reference to selected dairy units in Andhra Pradesh. Within the report, a lot of empirical information was collected, systematized and analyzed. The respondents, as well as for designing a perception of the respondents by using the percentage methods in SPSS 17.0 and statistical tools are used for the study like Correlation and ANOVA, Cronbach Alpha Test. Through ANOVA the researcher proves that there is no significant difference in the means of opinion of the employees with the Mean while the Compensation and salary of the hypothesis proves that there is no significant difference in the means of opinion of the employees the four dairy units. And finally, the Employee welfare of HRM in the four dairy units of employees' opinions are same. Through correlation the hypothesis proves that there is a significant correlation between the selected variables and parameters of the study in the four dairy units the employee welfare measures of the dairy units.

Conceptual Framework

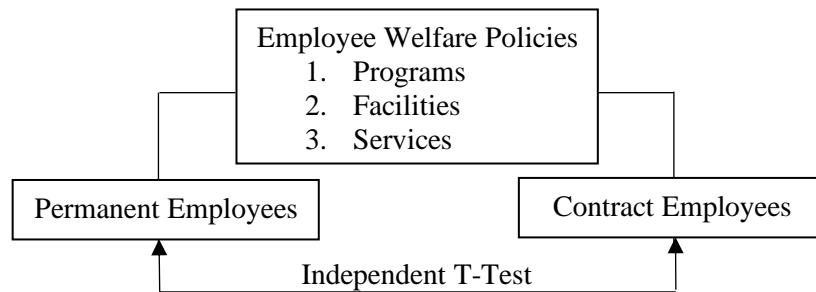


Figure 1. Conceptual Framework

Source: Literature Review

Research Hypothesis

H0: There is a significant difference between the welfare policies of permanent employees and contract employees.

Ha: There is no significant difference between the welfare policies of permanent employees and contract employees.

RESEARCH METHOD

Research Approach

The type of research used in this study is descriptive comparative, where the focus is entails comparing multiple elements or qualities of the thing under investigation. The objective of this study is to investigate the resemblances and differences among multiple factors and characteristics of the seen objects, within the reference to a certain framework of thought (Sugiyono, 2017)

Population and Sample Size

The population in this study is Permanent Employees and Contract Employees at PT Salim Ivomas Pratama Tbk Bitung, North Sulawesi. The sample size in this study was taken entirely from the population, namely 136 respondents consisting of 104 permanent employees and 32 contract employees.

Types of Data and Data Sources

The data source used in this study uses primary data. Primary data obtained to data that is collected directly from the research subjects. In this case, the researcher acquires data or information directly from the subjects using pre-established instruments (Khafid, 2015). Primary data was collected using questionnaires distributed to respondents. Primary data is acquired by researchers to answer research questions. In this research, primary data originates from sending questionnaires to employees where the outcomes of the data are collected and processed by the researcher.

Data Collection Method

The data collection technique that will be used in this research is a questionnaire that will be distributed to respondents. The questionnaire method is a data collection technique wherein researchers distribute questionnaires that have been prepared according with the research objectives. In carrying out this method, researchers will collect data by distributing online closed-ended questionnaires and the mechanism is using Google forms to permanent employees and contract employees at PT Salim Ivomas Pratama Bitung Tbk, North Sulawesi.

Operational Definition and Measurements of Research Variables

Operational definition is a clear description of how a variable will be measured in research. A variable is anything that can be assigned a variety of values. According to Malayu Hasibuan in Yati Suhartini (Ningsi, 2018) the indicator of employee welfare is :

1. Economic welfare programs is a company's economic welfare program is a series of policies and programs aimed to enhance employees financial well-being. The indicators of economic welfare programs is :
 - a. Benefits: The amount of additional money that employees receive each month as part of their salary.

- b. Health Benefits : The amount of benefits an employee receives in the form of medical services covered by the company.
- c. Bonusses : The amount of additional money given to employees as an incentive for achieving performance targets.
- d. Bereavement Pay : The amount of money given to employees when a family event occurs that causes grief.

2. The company's welfare program in the form of facilities is a set of policies and activities aimed at increasing employee wellbeing and comfort by providing physical amenities. The indicators of welfare in the form of facilities is :

- a. Cooperative Facilities : The availability and quality of cooperative facilities that enable employees to obtain goods at lower prices.
- b. Canteens Facilities : Availability and variety of food as well as convenience of eating places for employees.
- c. Polyclinic Facilities : Availability of a polyclinic complete with doctors and nurses to provide health services to employees.
- d. Worship Place Facilities : Availability of adequate prayer rooms for employees to carry out worship in accordance with their religious beliefs.
- e. Transportation Facilities : Availability of transportation provided by the company for employees to get to and from work.
- f. Office Facilities : The quality and availability of workplace facilities such as tables, chairs and other office equipment.
- g. Room Facilities : Quality and availability of room facilities such as air conditioning, lighting and cleanliness.
- h. Provision of Parking Spaces : Availability of adequate parking spaces for employees who use private vehicles.

3. A company's welfare program in the form of services is a series of policies and services to improve employees' physical, mental, and emotional well-being. The indicators of welfare in the form of services is :

- a. Insurance : Employees' availability to health insurance or other company-provided benefits.
- b. Legal Assistance : Employees can obtain legal aid when they face personal or professional legal problems.
- c. Providing Credit : Employees will have easier access to credit or loans with favorable terms from the enterprise.

The research variable measurement scale is a method for measuring or mapping the variable characteristics of the variables that are the focus of the research. In this research, the research scale that will be used is the Likert scale. For quantitative data analysis, respondents' answers are given a score, and there are 5 preference choices for each item. With the following measurement results: 1) Give a score of 1 if strongly disagree, 2) Give a score of 2 if disagree, 3) Give a score of 3 if uncertain, 4) Give a score of 4 if agree, 5) Give a score of 5 if strongly agree.

Testing of Research Instruments

The validity test is used to determine if a questionnaire is valid or not. If the questions in a questionnaire can provide information about what the questionnaire is intended to measure, then the questionnaire is considered valid. Validity testing is carried out by conducting a bivariate correlation between each indicator score and the total construct score. The result of bivariate correlation analysis by looking at the pearson correlation output (Ghozali, 2018).

Reliability testing is a tool for measuring questionnaires which are indicators of variables or constructs. A questionnaire is considered reliable if a person's responses to questions remain constant or consistent throughout time. Questionnaires it can be said to be reliable (feasible) if $Cronbach's\ Alpha \geq 0.6$ and it can be said to be unreliable if $Cronbach's\ Alpha < 0.6$ (Ghozali, 2018). The formula also will use the $r\ product-moment$ formula, if $r\ count > r\ table$, then the entire questionnaire items are declared reliable.

Data Analysis

Normality Test

The data normality test determines if the data follows is at a normal distribution level or not. The Kolmogorov-Smirnov test utilized in this study to ensure data normality with the premise that the sample group

was small (less than 30). The test format is based on comparing the probability (p) or significance (Sig.) value to the degrees of freedom (dk) at $\alpha = 0.05$. The significance test goes as follow :

1. If the Sig. Or P-value > 0.05 then, the data is considered normal.
2. If the Sig. Or P-value < 0.05 then the data is considered abnormal.

Independent Samples T-Test

Because this is a quantitative study, the data will collect through questionnaires is coded using a 1-5 Likert scale, and will be tabulated using computers program statistical analysis with the SPSS version 26. The acquired data will be analyzed in stages, first testing the validity and reliability of the research instruments and t-test. Experimental research will employ two or more samples as research subjects. These samples were analyzed to see if there were any differences after receiving various treatments. These samples will be compared to see whether there are differences after the samples are given different treatments. To see whether there are differences, a difference test of two means is carried out. Independent-samples t-test uses the variance between the two samples being compared, which is not significantly different (homogeneous). The data will be used comes from two different samples decision making is based on :

1. Data is normally distributed if $\text{sig} > 0.05$ then H_a is accepted, meaning there is no significant difference.
2. The data is not normally distributed if $\text{sig} < 0.05$ then H_0 is rejected, meaning there is a significant difference between the means of the two groups.

RESULT AND DISCUSSION

Result

Validity and Reliability Test Results

Table 1. Validity and Reliability Test Results

Variable	Statement Item	Sig	Status	Cronbach Alpha	Status
Permanent Employee Welfare Policy	X.1	0,000	Valid	0,892	Reliable
	X.2	0,000	Valid		Reliable
	X.3	0,000	Valid		Reliable
	X.4	0,000	Valid		Reliable
	X.5	0,000	Valid		Reliable
	X.6	0,000	Valid		Reliable
	X.7	0,000	Valid		Reliable
	X.8	0,000	Valid		Reliable
	X.9	0,000	Valid		Reliable
	X.10	0,000	Valid		Reliable
	X.11	0,000	Valid		Reliable
	X.12	0,000	Valid		Reliable
	X.13	0,000	Valid		Reliable
	X.14	0,000	Valid		Reliable
Contract Employee Welfare Policy	X.1	0,016	Valid	0,906	Reliable
	X.2	0,000	Valid		Reliable
	X.3	0,000	Valid		Reliable
	X.4	0,000	Valid		Reliable
	X.5	0,000	Valid		Reliable
	X.6	0,000	Valid		Reliable
	X.7	0,000	Valid		Reliable
	X.8	0,000	Valid		Reliable
	X.9	0,000	Valid		Reliable
	X.10	0,000	Valid		Reliable
	X.11	0,000	Valid		Reliable

X.12	0,000	Valid	Reliable
X.13	0,001	Valid	Reliable
X.14	0,000	Valid	Reliable

Source : Processed Data, 2024 Validity and Reliability Testing

Based on Table 1, it can be seen that the significant value for each statement is $< \alpha$, namely 0.05, it can be concluded that each statement is said to be valid. Cronbach's Alpha value for each statement > 0.6 , it can be concluded that each statement is said to be reliable.

Normality Test

Table 2. Normality Test

One-Sample Kolmogorov-Smirnov Test

Unstandardized Residual		
N		32
Normal Parameters ^{ab}	Mean	0,0000000
	Std. Deviation	6,24947261
Most Extreme Differences	Absolute	0,105
	Positive	0,072
	Negative	-0,105
Test Statistic		0,105
Assymp. Sig. (2-tailed)		0,200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance

Source : Output SPSS 26, 2024

Independent Sample t-Test Result

Table 3. Independent Sample t-Test

Comparison	t-test for Equality of Means			
	Mean Difference	Std. Error Difference	df	Sig. (2-tailed)
Welfare Policy	0,03125	1,19059	134	0,979

Source : Output SPSS 26, 2024

Based on Table 3, it can be seen that the results of the SPSS 26 output obtained a Sig value. (2-tailed) of 0,979 > 0.05 , then in accordance with the results of the independent sample t-test test, it can be concluded that H0 is rejected and Ha is accepted, which means that there is no significant difference in the welfare policies of permanent and contract employees at PT Salim Ivomas Pratama Tbk (SIMP) Bitung, North Sulawesi. This means that the hypothesis stating that there is a significant difference in the welfare policies of permanent and contract employees at PT Salim Ivomas Pratama Tbk (SIMP) Bitung, North Sulawesi cannot be accepted or not proven.

Discussions

The results of the analysis through the independent samples t-test show that there is no significant difference between the employee welfare policies of permanent employees and non-permanent employees at PT Salim Ivomas Pratama Tbk (SIMP) Bitung, North Sulawesi.

- Indicators of economic welfare programs in this study, in terms of salary, permanent employees are greater than contract employees, both permanent and contract employees get almost equal treatment in terms of financial compensation and other benefits. The organization is making a conscious effort to ensure that all employees, regardless of their employment status, are provided with a level of economic security and well-being.
- Indicators of welfare in the form of facilities in this study, the company provides fair access to facilities provided by the company for permanent employees and non-permanent employees, this shows the company's

supporting the physical well-being and work comfort of all employees, whether they hold permanent or temporary positions.

- Indicators of welfare in the form of services in this study, the company provides insurance services, legal assistance, and credit with the almost the same policy for both permanent and contract employees. The provision of insurance services, for example, helps safeguard employees' health and financial well-being, while legal assistance ensures that they have the necessary resources to address any legal concerns that may arise. Additionally, the availability of credit facilities for all employees reflects the company's commitment to promoting financial stability and access to resources.

Permanent employees are employees who receive or obtain a certain amount of income on a regular basis, including members of the board of commissioners and members of the supervisory board who regularly and continuously participate in managing the company's activities directly as well as employees who work under contract for a certain period of time as long as the employee concerned works in full. Meanwhile, non-permanent employees are employees who are seconded to complete routine agency work and there is no guarantee of continuity of employment. In the continuity of the working period of contract employees, it is determined by their work performance so that non-permanent employees will be retained by the agency, but if there is no improvement in their work performance, the agency will dismiss these employees. The tasks assigned to permanent employees are given more responsibility than permanent employees. Therefore, permanent employees must be more disciplined and more responsible for every task and responsibility given by the office.

The results of this study are supported by Masinambow et al. (2017) that there is no significant difference between civil servants and non-civil servants, the only differences are status, salary, and decision making. The results of research conducted by Christoffel et al., 2022) that there is no significant difference in the performance of permanent employees and non-permanent employees at the Public Works and Spatial Planning Office of Kotamobagu City. The lack of significant performance disparities between the two employee groups suggests the organization's efforts to promote employee welfare and engagement may be effective, benefitting both the staff and the institution as a whole. The results of research conducted by Pitriani (2021) found that there is no significant difference in the performance of permanent and non-permanent, this suggests that the company's employee welfare practices and policies are effective in ensuring that both groups of employees are able to demonstrate comparable levels of work quality, quantity, and responsibility. The results of research conducted by Tinangon et al. (2019) which found that there is no significant difference in performance between permanent and non-permanent employees suggests that the organization has been effective in managing and supporting the well-being of all its employees, regardless of their employment status. The results of research conducted by Devitasari (2022) which found that there was no significant difference in the performance between contract and permanent employees at the Bogor City Cooperative and MSME Office. This indicates that the agency is providing appropriate work conditions, incentives, and development opportunities to ensure high levels of motivation and engagement, regardless of employment status.

CONCLUSIONS AND RECOMMENDATION

Conclusions

- The indicators of economic welfare programs highlight a significant difference in salary between permanent and contract employees, with permanent employees earning higher wages. Despite this disparity, the organization is making an effort to treat both groups equitably in terms of financial compensation and additional benefits, such as bonuses, allowances, healthcare, and retirement plans. This balanced approach reflects the organization's commitment to ensuring that all employees, irrespective of their employment status, enjoy a degree of economic security and overall well-being, fostering a fair and supportive work environment for everyone.
- The welfare indicators related to facilities demonstrate that the company ensures fair access to workplace amenities for both permanent and non-permanent employees. This equitable provision of facilities highlights the company's commitment to supporting the physical well-being and work comfort of all employees, regardless of their employment status, reinforcing an inclusive and supportive work environment.
- The study on welfare indicators in the form of services reveals that the company offers insurance, legal assistance, and credit facilities with nearly identical policies for both permanent and contract employees. This approach ensures that all employees have access to essential resources that safeguard their health, financial

well-being, and legal rights, reflecting the company's strong commitment to promoting financial stability and comprehensive support for its entire workforce.

4. The conclusion of this study is the result of analysis through independent samples t-test shows that there is no significant difference employee welfare policies between the permanent employees and non-permanent employees at PT Salim Ivomas Pratama Tbk (SIMP) Bitung, North Sulawesi. Regarding the difference in welfare policies between permanent employees and non-permanent employees, it is measured by indicators, namely economic welfare programs, company's welfare programs in the form of facilities, and company's welfare programs in the form of services.

Recommendation

The recommendations in this study is that although the research shows theres is no significant difference between permanent and contract employees in welfare indicators, companies are advised to continue to monitor and evaluate welfare programs regularly. To ensure fairness while recognizing the different employment statuses, the company should implement differentiated employee welfare policies that provide substantial benefits to both permanent and contract employees.

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