Improving Work Schedules in Hourly Jobs

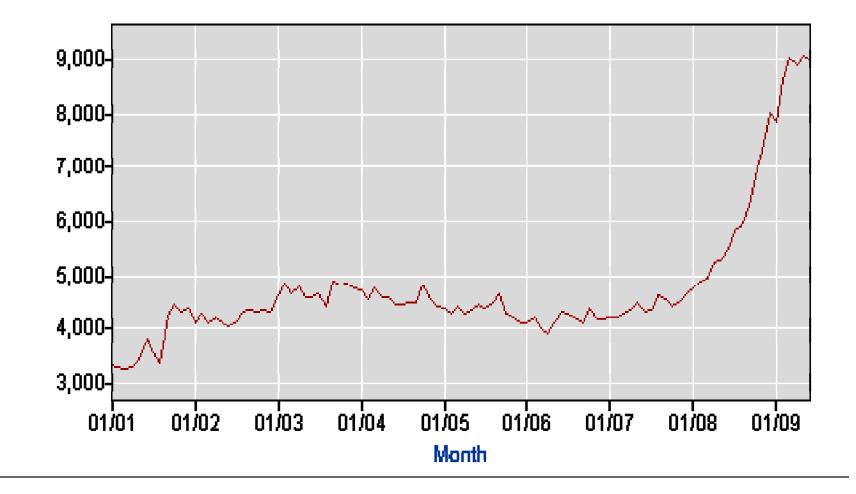
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Involuntary Part-time 2001-2009 (BLS – Numbers in thousands)



Involuntary Part-time 1980-2009 (BLS – Numbers in thousands)



Work Hour Preferences by Actual Work Hours 2001 CPS data (Golden & Gebreselassie, 2007)

Men & Women	Same Hrs	Fewer Hrs	More Hrs
1to 14 hrs	62.1%	5.1%	32.9%
15 to 29 hrs	60.3	6.0	33.7
30 to 34	58.9	8.1	33.1
35 to 39	65.0	7.7	28.3
40 hrs	69.8	5.6	24.5
41 to 48	66.6	8.1	25.3
49 to 59	69.7	9.6	20.6
60 or more	66.1	13.3	20.7

What keeps hourly workers from working "enough" hours?

- The answer: Demand for labor flexibility on the part of employers.
- Labor flexibility is the ability of employers to readily adjust the number of employees and their work hours.
- Maintaining a close link between employees' work hours and variations in demand enables employers to contain, if not minimize, outlays for wages.

Goal today: Highlight scheduling practices that front-line managers use to contain labor costs in hourly jobs

- National women's apparel retailer
- Cluster-randomized experiment to evaluate the effects of improved scheduling practices on sales associates' well-being and work performance
- Practices are consistent with research on firms in several industries, i.e., hospitality, transportation, financial services, and retail

Staffing practice: High headcounts

- US employers tend to keep headcount the number of workers on the payroll – high, especially in part-time hourly jobs.
- Pool of workers whose hours can expand or contract depending on business needs and who can be slotted to work short shifts during peak business times.
- How can do this? Low-skilled, hourly workers come with few fixed costs.
- The more employees on the payroll, the fewer hours available, on average, for each employee.

Scheduling practices: Fluctuating and unpredictable work hours

- Work schedules posted a few days before the workweek begins
- Last minute adjustments to posted schedules
- Real-time adjustments during the day
- Results in *unpredictable* as well as unstable work hours

Maintain loose link between job status and number of work hours

- Minimum number of hours in hourly jobs rarely guaranteed by employers
- Part-time jobs especially variable
- Full-time "flex"
- Variation in the number of hours worked has increased by 23% since the 1970s.

Emphasis on "Open Availability"

- 94 percent agreed with the statement "I try to hire Sales Associates with maximum availability."
- 79 percent agreed with the statement: "I give more hours to associates who have greater availability."
- B 89 percent disagreed with the statement "I give more hours to sales associates who seem to really need the money."

Recap: Work schedules in hourly jobs

Not "enough" hours (underemployment)

Informal lay-offs; "no hour" jobs

Fluctuating work hours

- Days of the week
- Time of day or shift
- Length of shift or time worked on a given day
- Unpredictable work hours (and income)

At risk of an earnings penalty when put constraints on availability for work

Potential targets for intervention (can vary by firm and job)

Stability

- Guarantee a minimum number of hours of work per week
- Provide a set schedule in which a proportion of work hours is guaranteed to be the same every week
- Guarantee work on certain days or shifts

Predictability

- Provide work schedules to employees with greater advance notice
- Curb adjustments to posted schedules
- Flexibility (employee control)
 - Allow workers input into their work schedule without reducing the number of hours they work
 - Clarify and codify flexibility options so that all workers have equal access to a schedule that fits with their needs