

---

## Business and policy context behind problematic scheduling practices

- **Cost containment as a goal**
    - US firms are increasingly adopting business models that emphasize cost containment as a route to profitability.
    - Under such business models, payment for labor that exceeds narrow definitions of demand (e.g., number of customers, sales, rooms, flights, tables) is viewed as an unnecessary expense.
  - **Intense pressures to “stay within hours”**
    - Retail: Ratio of sales/traffic to staffing hours
    - Hotels: Housekeepers driven by room census
    - Banks: Lock-box jobs in banks scheduled according to payments to process
    - Restaurants: Managers monitor food sales and flow of customers (Haley-Lock & Ewert, 2011).
-

---

## New strategies to maintain labor flexibility

- Staffing levels should vary with demand.
    - EX: In retail, usually need more associates on Saturday than on Tuesday.
  - But now, new technologies and the press toward cost containment mean that demand-to-labor ratios are monitored very closely
    - In real-time
    - Adjustments made day to day, hour to hour
  - Labor budgets are increasingly tight
    - Get fewer hours for same \$ sales and merchandise
-

---

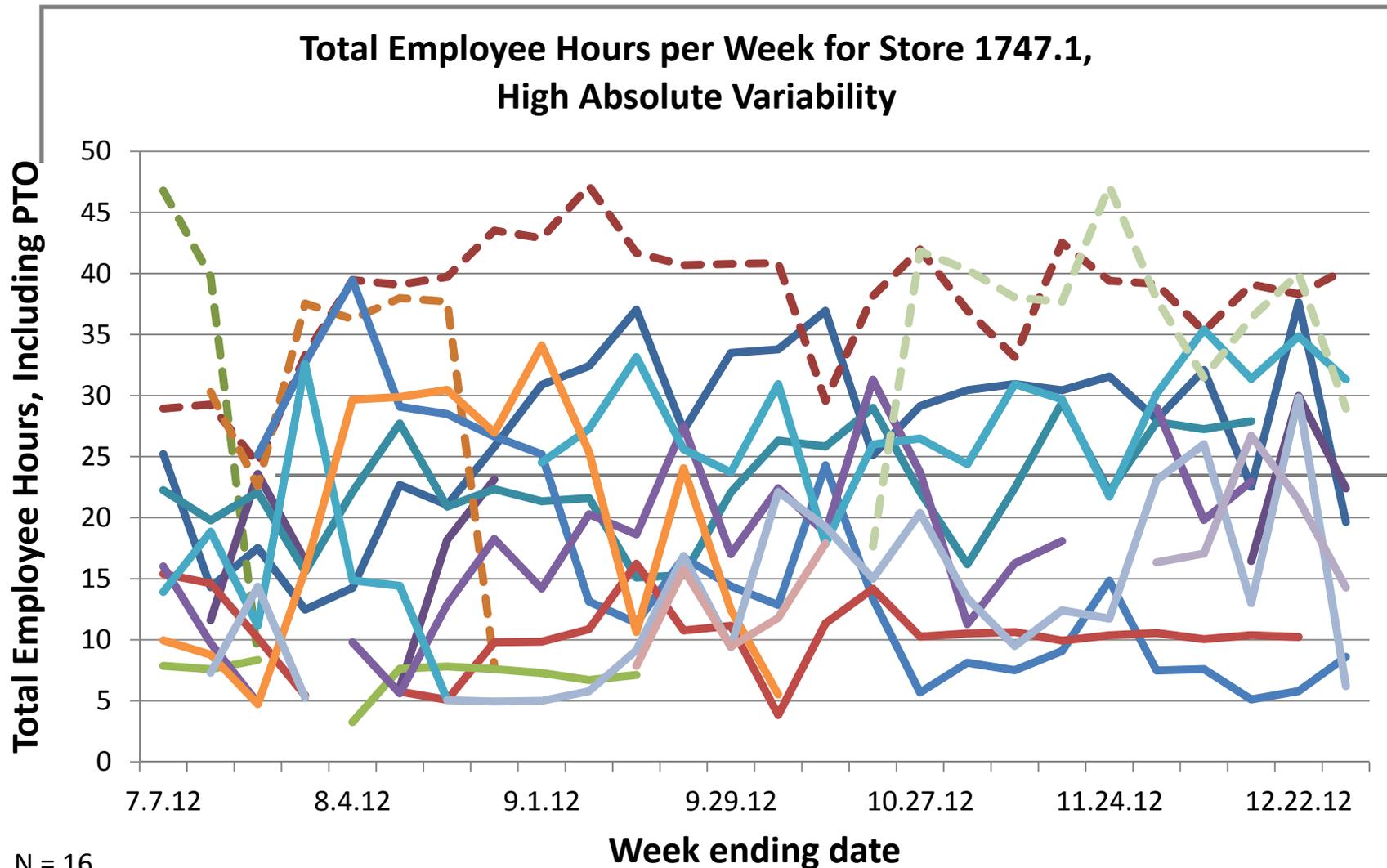
*Labor flexibility tool:*

## **Scheduling practices**

- **Accountability requirements lead managers to be afraid of going over hours**
    - Work schedules posted a few days before the workweek begins
    - Scheduled on-call shifts
    - Last minute adjustments to posted schedules
    - Real-time adjustments during the day
  - “Just-in-time scheduling”
-

# Number and stability of work hours, hourly employees

## Total weekly work hours, per employee

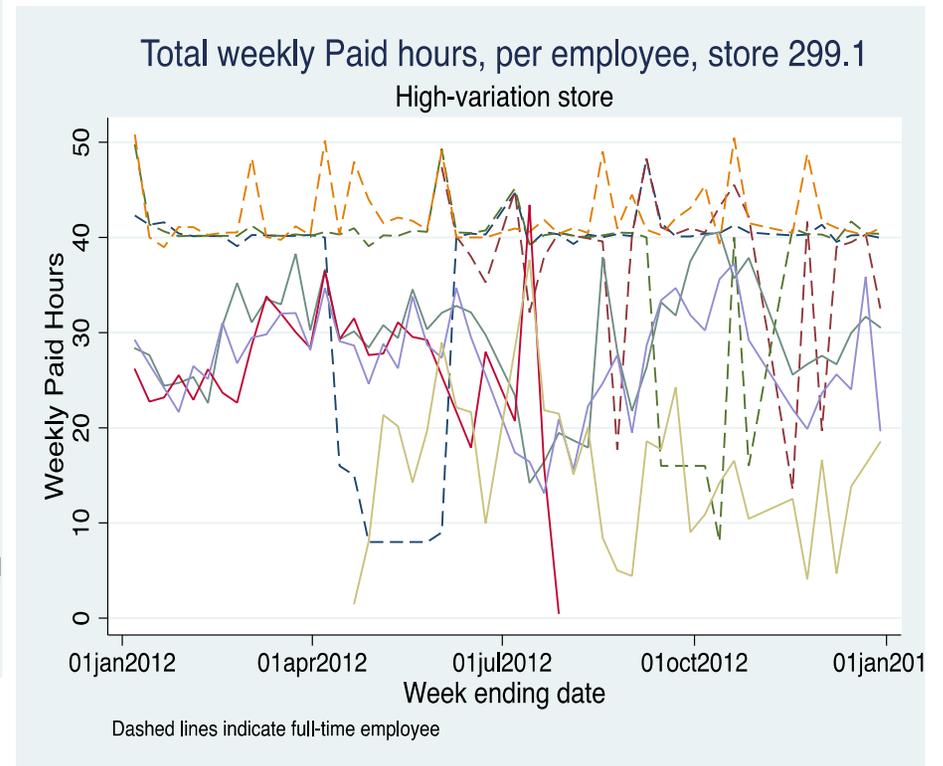
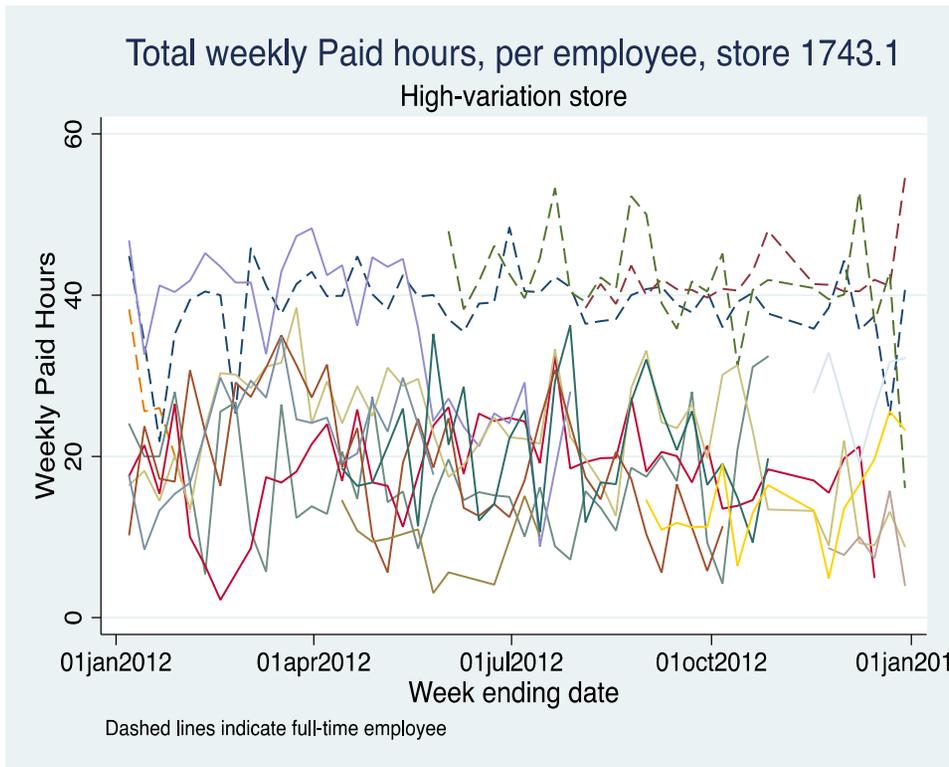


N = 16

Dashed lines = Full-time employee

## How much do employees' work hours *vary* week to week?

### Total weekly hours, per employee



---

## **Schedule predictability, stability, and flexibility matter for work-life outcomes and well-being**

- Schedule unpredictability and volatility related to
    - higher levels of stress
    - greater work-to-family conflict
    - more interferences with nonwork activities such as scheduling doctor's appointments, socializing with friends, and eating meals together as a family (Henly & Lambert, 2014)
  - Schedule unpredictability makes it difficult to
    - arrange reliable child care
    - to participate in family routines important to child development such as monitoring homework and establishing bedtime routines (Henly, Waxman, and Shaefer 2006).
  - Schedule unpredictability and volatility can contribute to economic insecurity
    - When you're paid by the hour, an unpredictable and unstable work schedule also means unpredictable and unstable earnings.
-

---

*Labor flexibility tool:*

## **High headcounts**

- **Another tool managers use to keep labor flexible is to keep headcount high** (the number of workers on the payroll )—*especially in part-time hourly jobs.*
    - Have a pool of workers to draw on to work short shifts during peak business hours.
    - Can do this partly because of low-fixed costs.
      - It doesn't cost much for employers to keep employees on the payroll.
      - “just-in-case employees”
  - **Paradox of large head count but rampant understaffing**
-

---

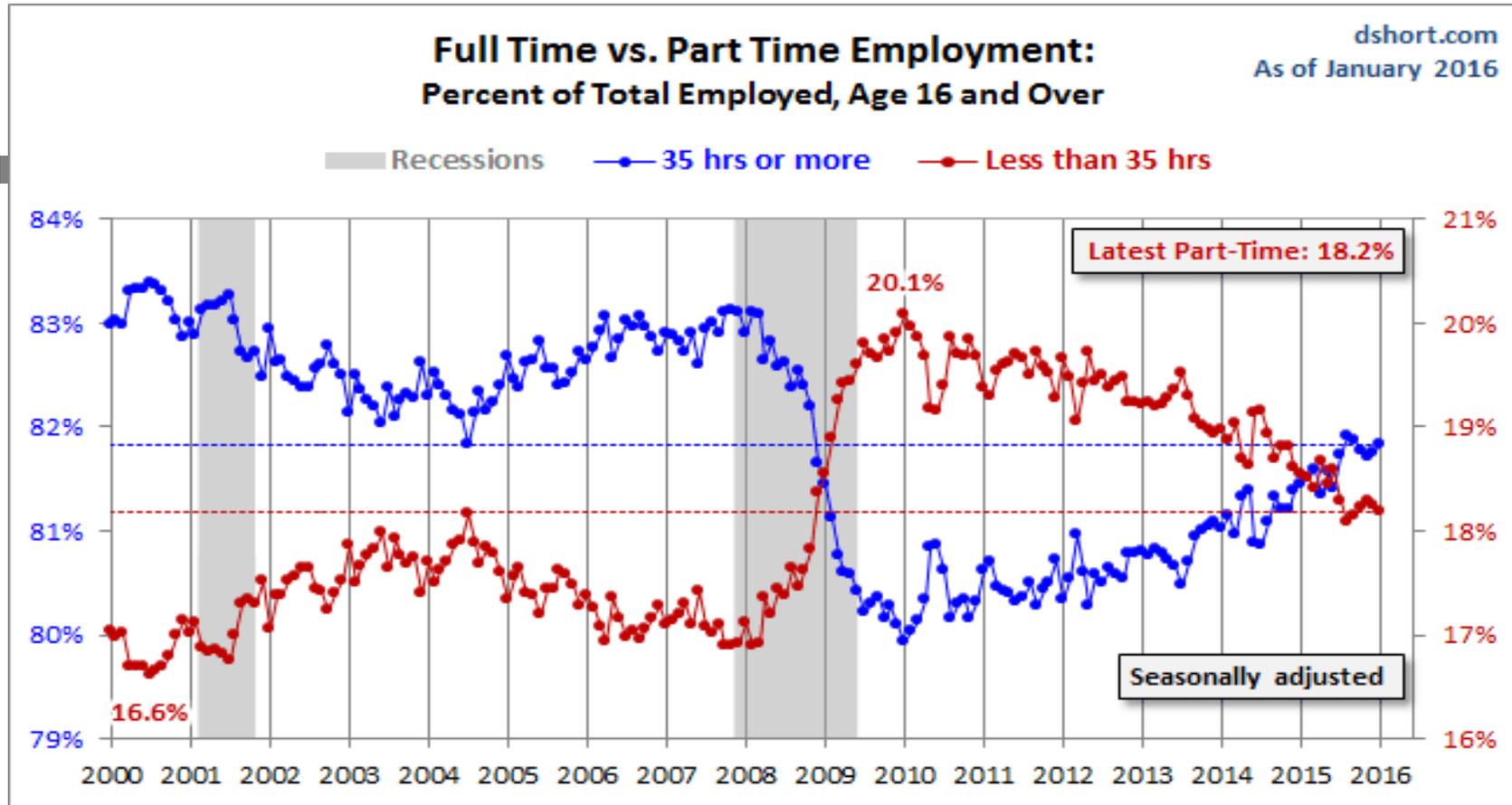
## Implications of high headcount

- Because managers are responsible for staying within the allocated hours no matter how many workers on their payroll, **the more workers on the payroll, the fewer hours available, on average, for each.**
  - **Ramifications:**
    - Growing rates of (involuntary) part-time employment
    - High poverty rates in working families with only part-time/part-year earners
-

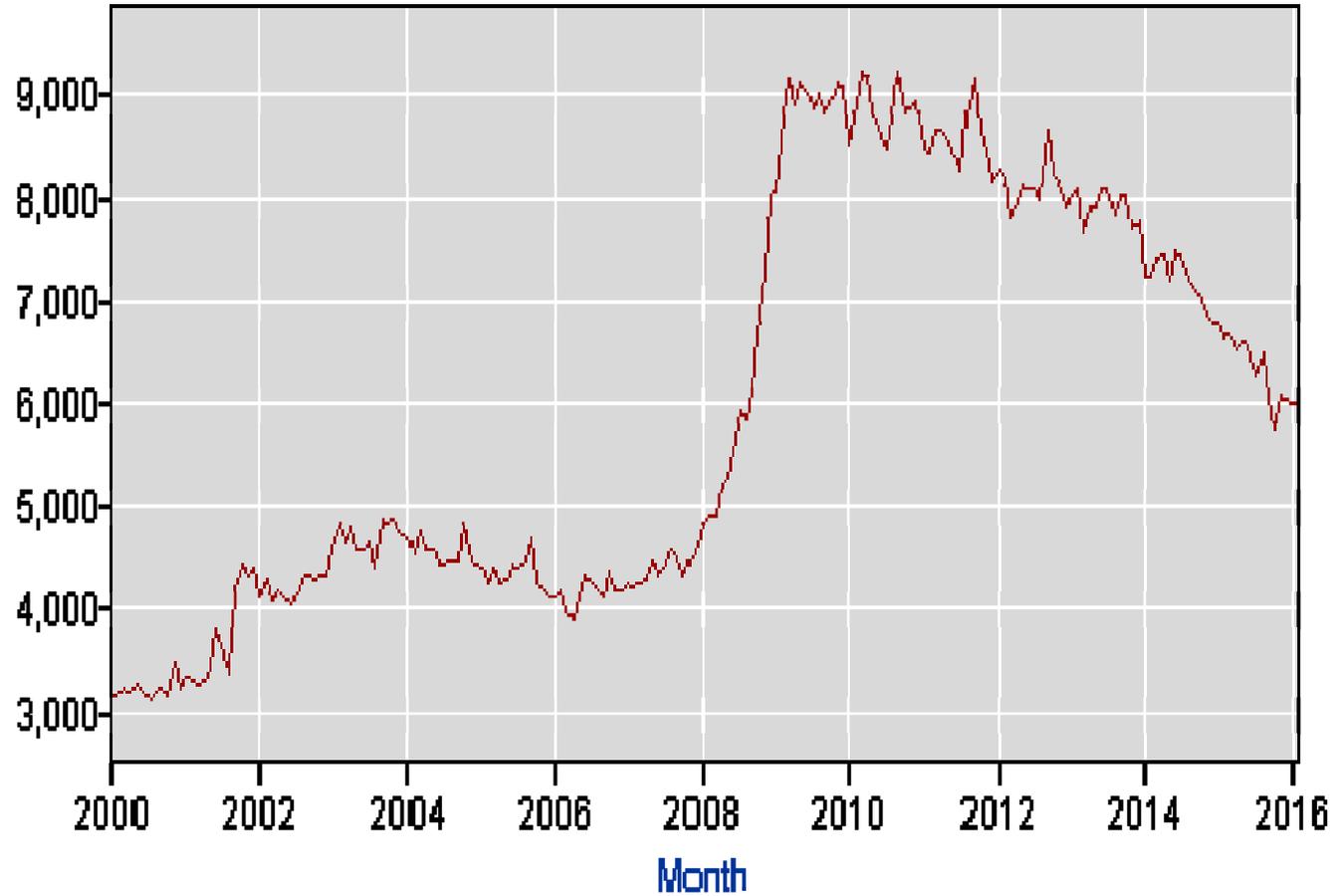
## *Ratio of Part-Time Employed Remains Higher Than the Pre-Recession Levels*

by Jill Mislinski of Advisor Perspectives

<http://www.advisorperspectives.com/dshort/updates/Full-Time-vs-Part-Time-Employment>,  
March 8, 2016



## Involuntary Part-time employment (2000-2016)



---

## Poverty rates among working families (defined as having at least one child under 18 in household) [National: Current Population Survey(ASEC)2013]

- **All households with children** (11.2% poverty rate)
    - **3.4%** poverty rate among families with at least one full-time, year-round earner
    - **27.5%** poverty rate among families without full-time/full-year earner but at least 1 part-time/part-year worker
  - **Female-headed households**
    - 8.5% poverty rate with full-time worker
    - 46.3% poverty rate with only part-time/part-year worker
  - **African American households**
    - 6.9% poverty rate with at least one full-time/full-year worker ; female-headed 12.9%
    - **43.5% poverty rate with only part-time/part-year worker**; female-headed 55.5%
  - **Hispanic households**
    - 9.4% poverty rate with at least one full-time/full-year worker; female headed 14.6%
    - **44.1% poverty rate with only part-time/part-year worker**; female-headed 58%
-

## New national data indicating wide-spread prevalence of problematic scheduling practices

- **Lack of advance notice (2014 GSS: workers of all ages)**
    - Over 40% of hourly workers in their 20s, 30s, 40s, 50s and 60s know when they will need to work 1 week or less in advance
  - **Fluctuating hours (2011 NLSY97:early-career workers,26-32)**
    - 74% of hourly workers report fluctuating weekly work hours during a single month
    - 50% of hourly workers report fluctuations of more than 8 hours, i.e., a full day of pay
  - **Lack of input (early-career workers, 26-32)**
    - Many are not simply deciding when to work at the last minute or varying their work hours by choice
    - 50% say their employer sets their schedule without their input; only 16% say they determine their start and end times either freely or within guidelines set by their employer
-

## Some occupations at especially high risk of problematic scheduling practice

	Any fluctuation	Instability ratio* (if hrs vary)	1 week or less notice	Employer decides timing
Janitors and housekeepers	66%	0.43	40%	50%
Food service workers	90%	0.68	64%	39%
Retail workers	87%	0.48	50%	44%
Home care workers	71%	0.62	55%	37%

\* Instability ratio = (greatest – fewest) ÷ usual hours, averaged across those reporting fluctuating hours.

+ Includes hourly workers and non-hourly workers whose low earnings (< \$455 week) render them non-exempt from FLSA provisions.