Improving Job Quality: Changing Employers' Worker Scheduling Practices

Susan Lambert

Professor,

Crown Family School of

Social Work, Practice, and Policy

Why work schedules are an important component of job quality

- Wages X hours = earnings
 - The majority of workers in Illinois are paid by the hour
- Benefit eligibility conditioned on work hours
 - Public benefits, e.g., TANF, FMLA, UI
 - Employer benefits, e.g., health insurance, paid sick time
- Work hour instability and unpredictability undermine worker and family well-being
 - Financial hardship
 - Difficulties managing personal and family responsibilities, e.g., childcare, school

Not a boutique problem:

Wide prevalence of problematic schedules (2016 GSS)

- 82% of hourly workers in US report fluctuations in weekly work hours
 - that differ on average by 13 hours week to week
 - which is 35% of their usual hours
- 47% say their employer controls the number of hours they work with little or no input from them (64% say employer controls timing)
 - only 17% say they determine their hours on own or within guidelines
- 40% report a week or less advance notice
 - 17% a day or less notice

Scheduling practices are a source of racial and gender disparities

Surges and shortfalls

- Direction of fluctuations matter for earnings
- Black, part-time, female workers in hourly jobs more likely than their counterparts to experience shortfalls in hours and earnings

Combinations of practices

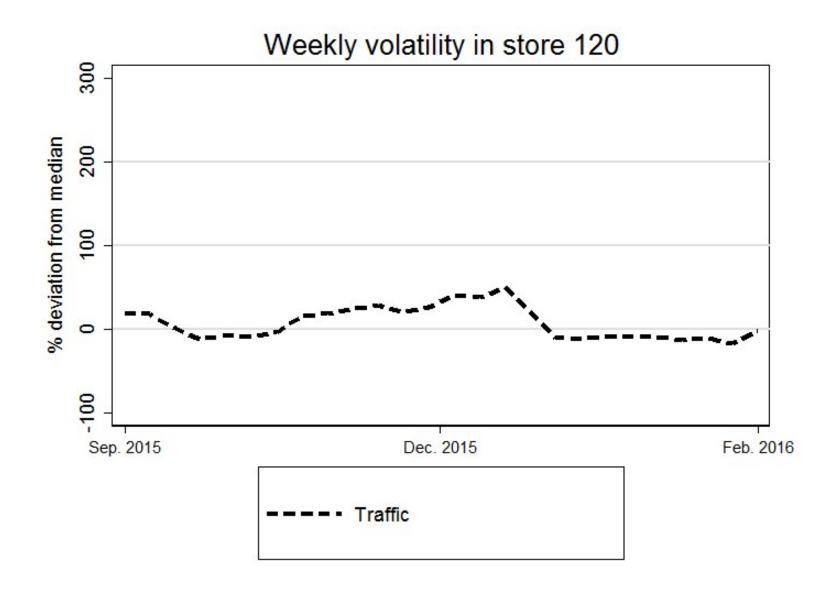
- Triple Whammy: High volatility + no input+ short notice
 - 19% Black, 16% Hispanic, 15% White
 - 19% <HS, 8% >HS
 - 24% lower-paid, 12% higher-paid

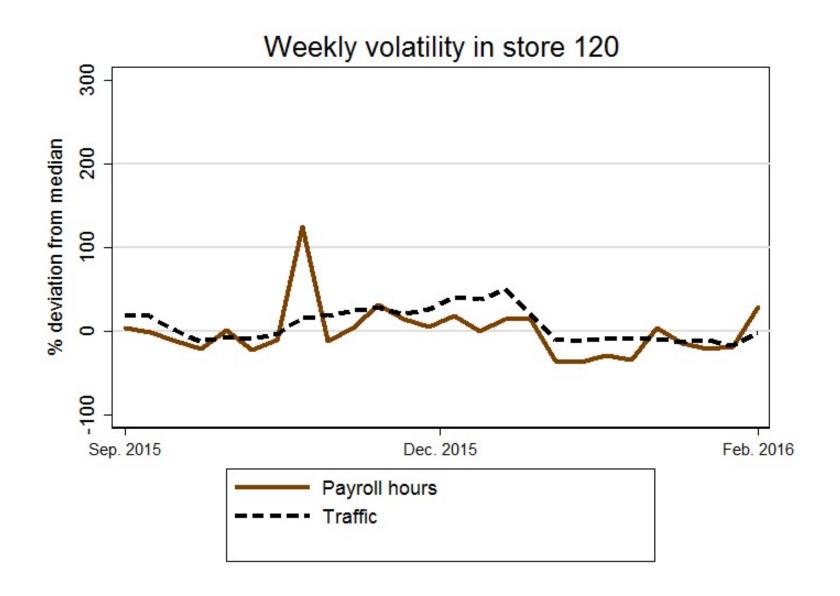
Two avenues to improve employer scheduling practices

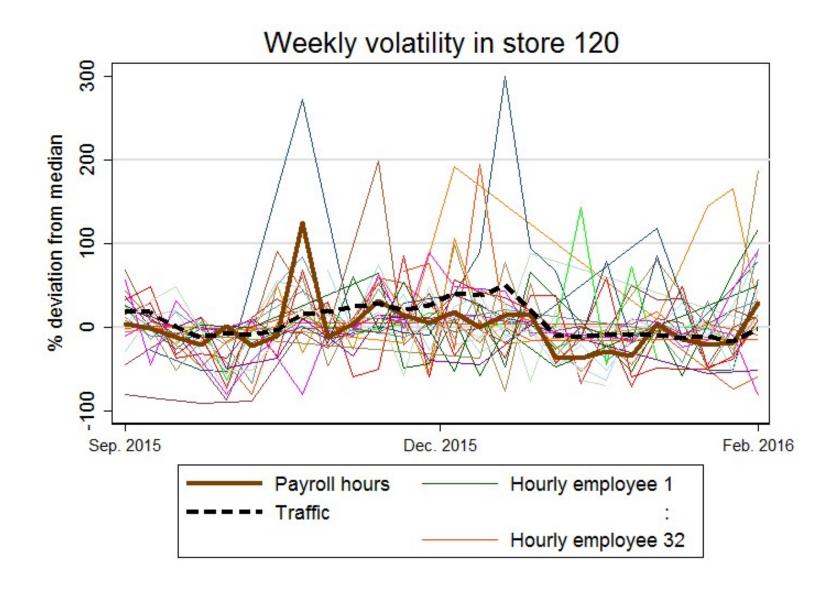
- Voluntary employer action
- Employment laws
- Both are needed to set new work hour standards for Illinois workers.

- Why do employers vary employees' hours and post schedules with little advance notice?
 - Perhaps workers' hours vary a lot because customer demand varies a lot
 - Perhaps keeping labor flexible is good for business

True, but...















The Stable Scheduling Study

Authors (of initial report, March 2018):

Ioan C. Williams, University of California Hastings College of Law

Susan J. Lambert, University of Chicago School of Social Service Administration

Saravanan Kesavan, UNC Kenan-Flagler School of Business Peter J. Fugiel, Lori Ann Ospina, Erin Devorah Rapoport, Meghan Jarpe, Dylan Bellisle, Pradeep Pendem, Lisa McCorkell & Sarah Adler-Milstein

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Responsible Schedule Practices that take both worker and business wellbeing into account

- Did not change accountability metrics
- Still had labor flexibility, just some new tools to achieve it

Increased store productivity by 5.1%

- a result of increasing sales (by 3.3%) while also decreasing labor (by 1.8%).
- Findings counter the common assumption that putting parameters around employers' ability to adjust employees' hours will result in using more labor and in turn, lower profits.

Mechanisms

- Additional employee effort (increase in sales)
 - Increased conversion rate and basket-size
- Improved employees' schedule adherence (reduction in labor)
 - Reduced tardiness and its cascading effects on coworkers
- Improved store execution
 - Managers could complete planned tasks

Work Scheduling Legislation

- Retail Workers' Bill of Rights (San Francisco); 2015
- Secure Scheduling Ordinance (Seattle); 2017
- Fair Workweek Ordinance (Emeryville, CA); 2017
- Fair Workweek Laws (NYC); 2017
- Fair Workweek Employment Standards (Philadelphia); 2020
- Fair Workweek Ordinance (Chicago); 2020
- Predictable Scheduling Law (Oregon); 2018

Legislation: Helping set new work hour standards

Advance notice

- Two weeks advance notice of the work schedule
- Good faith estimate of hours and shifts at point of hiring
- Schedule change premium (predictability pay) for employer-driven schedule changes
 - Additional hours (shift additions and extensions)
 - Reduced hours (shift cancellations and reductions/unused on-calls shifts)
- Right to decline hours not on original schedule w/o retaliation
- Right to request changes to regular schedule and the right to receive accommodation for major life events, such as school and caregiving

Access to hours

- Employer must offer hours to current employees before hiring
- Right to rest ("clopening" provision)
 - Right to decline to work closely-spaced shifts and additional\$ if do work shift