Scheduling Stability for More or Fewer Workers?

A Project for Middle Class Renewal Brief

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ILLINOIS LABOR & EMPLOYMENT RELATIONS
PROJECT FOR MIDDLE CLASS RENEWAL

ABOUT THE PROJECT FOR MIDDLE CLASS RENEWAL

The Project for Middle Class Renewal's mission is to investigate the working conditions of workers in today's economy and elevate public discourse on issues affecting workers with research, analysis and education in order to develop and propose public policies that will reduce poverty, provide forms of representation to all workers, prevent gender, race, and LGBTQ+ discrimination, create more stable forms of employment, and promote middle-class paying jobs.

Each year, the Project will be dedicated to a number of critical research studies and education forums on contemporary public policies and practices impacting labor and workplace issues. The report that follows, along with all other PMCR reports, may be found by clicking on "Project for Middle Class Renewal" at illinoislabored.org

If you would like to partner with the Labor Education Program in supporting the work of the Project or have questions about the Project please contact Bob Bruno, Director of the Labor Education Program at (312) 996-2491.

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I. INTRODUCTION

Cities and states across the US have been considering adopting innovative, minimum labor standards that would not only protect workers but give these locations a leg up on building a reputation as a decent, if not superior, place to work. As Chicago city council deliberates the "Chicago Fair Workweek Ordinance" (amending Municipal Code Title 1 by adding new Chapter 1-25), this brief summarizes some of the relevant findings from a 2018 study on scheduling issues conducted by the Project for Middle Class Renewal at the University of Illinois' School of Labor and Employment Relations.

The study included surveys from 1,717 workers across Illinois but was over-represented by Chicago area respondents. Two-thirds of the sample was drawn from Cook County, with 30 percent working in Chicago. The findings presented here draw from the original survey responses and provide previously unexamined data not included in the report, *Scheduling Stability*. This original report focused also on the potential effects on existing work scheduling practices most directly related to five of the key elements in the proposed city ordinance.

The passage of the Chicago scheduling ordinance would be a significant step because its scope is currently wider than those already passed in other locations (and in the Illinois state bill). It would apply to all hourly-paid and all salaried employees earning less than $50,000 a year—with various exemptions. The coverage excludes those workers employed in smaller-sized employers and franchises, smaller scale restaurants, the entire construction industry, city and other governmental agencies, sports stadiums and live-in help at residential institutions. Coverage may be waived where there are collective bargaining agreements that address scheduling issues. Those covered by the ordinance would receive a right to have their schedules set at least 10 days in advance, and get a "predictability pay" of one hour's worth of pay if those scheduled days and times get altered by their employer after being officially posted. Workers would get further additional pay, up to half of their scheduled hours, if their scheduled hours are cancelled within 24 hours of their upcoming shift start time.

Given the ordinance's proposed coverage range, largely by type of job and by industry, this *Brief* is intended to inform the deliberation of the scope and character of work scheduling policy proposals in Chicago, and potentially, in Illinois as well. For example, in *Scheduling Stability*, we found that hourly paid workers are noticeably more prone to scheduling changes than are salaried employees. Contract workers fall in between, although they face the highest likelihood of "often" having their schedules changed. We also found that workers characterizing their daily shift timing as "irregular" (i.e., not a regular day or night shift) is highest in industries such as Transportation/Warehousing; Wholesale trade; Services-Commercial; Real Estate/Rentals (and in sectors where a part time work force is utilized more intensely). Finally, we found that a wide range of scheduling practices are associated, directly or indirectly, with adverse consequences on employees, from various time conflicts, mental health indicators and financial vulnerability.

This particular brief is an enhanced focus on the question of the distribution by specific type of industry, for five of the main problematic scheduling practices, which the ordinance attempts to address. For example, given the inclusions and exclusions in the bills' coverage, it will contrast the pervasiveness of scheduling practices experienced by workers in: Construction, Hospitality/ accommodations (e.g., hotels); the various types of Services -- Personal, Professional, Commercial and Health care services; Transportation/Warehouses. Our sample included a key question where respondents report their employer's "type of business or industry...mainly" (most of those that were "unsure" or left blank were able to be coded by the employer's name).

By highlighting scheduling patterns across 21 total industry classifications, the findings suggest that it is more appropriate, impactful or fairer to include, as opposed to carve out, coverage for certain sectors, including those requesting exemption, such as construction or hospitals. It will imply which sectors are already operating more in line with the minimum scheduling standards proposed; suggesting the adjustment involved should not be excessively burdensome.

Specifically, we focus on five of the scheduling practices which relate most directly to the Chicago bill: 1) on call shift scheduling; 2) short advance notice of schedule; 3) having shift or schedule changed once posted; 4) inadequate (wanting more) hours, when more hours are available at one's job; 5) overtime work hours or shifts that are mandatory. The six figures below show the presence of these practices by industry in Chicago.

II. BRIEF FINDINGS

1. On-Call Shift Working

Figure 1 shows that as many as one in six workers (17 percent) in the sample reported working on-call "regularly" or "often." Though this practice exists in every industry, consistent on-call work affects less than 10 percent of all surveyed workers in three of the industries: Manufacturing, Professional and technical services and Hospitality. Regular on-call work occurs at least twice the average in three particular industries-- at rates of at least a third of all its workers: Construction, Food Services and Wholesale trade. It is also considerably above the average in another three industries -- IT, Commercial type services and Transportation/ warehousing. In all six of these sectors, on-call working affects a greater proportion than where it was used traditionally, such as Hospitals and other Health Care Services industries.

Figure 1

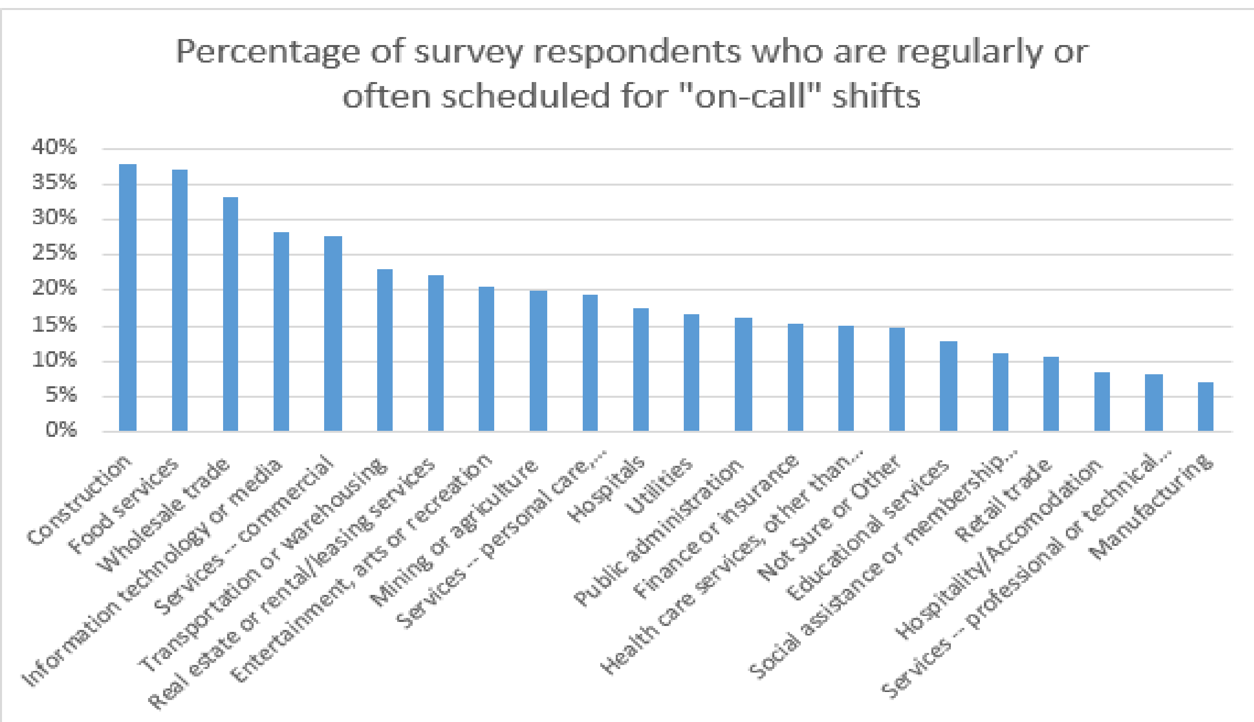
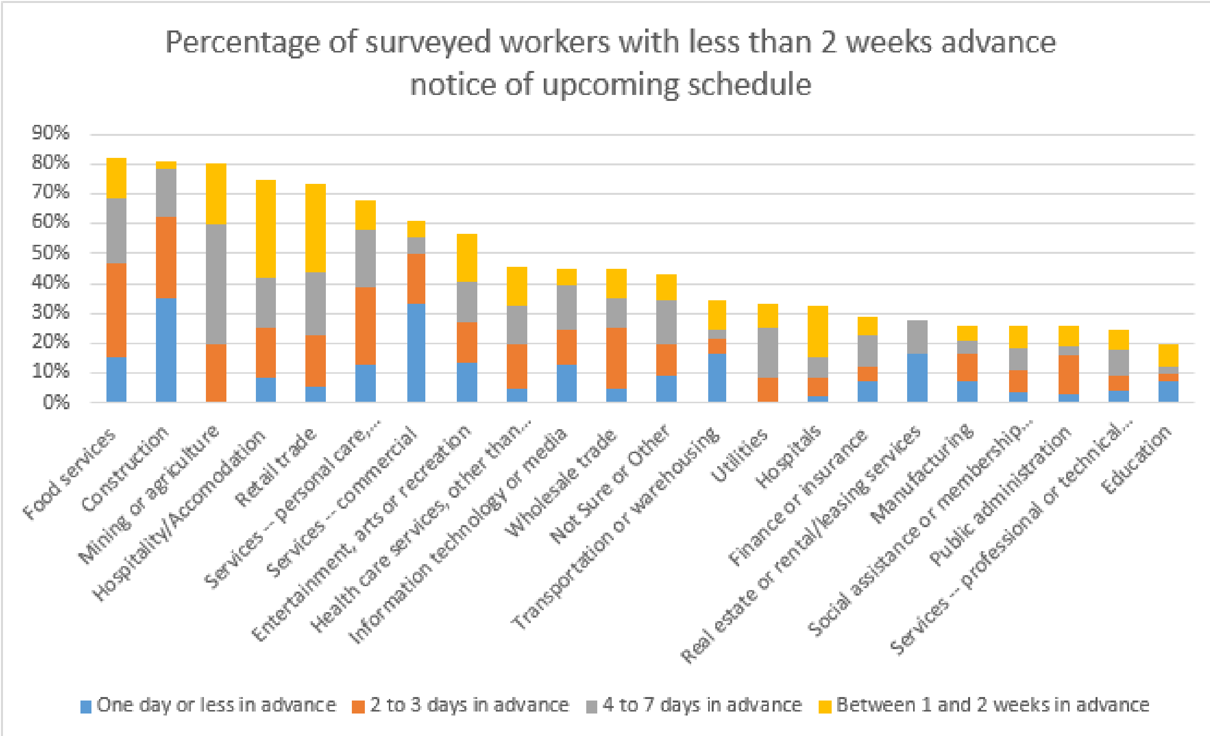


Figure 2



Scheduling Stability found that a far greater proportion of surveyed workers (i.e., 37 percent) work on-call shifts " at least either sometimes" or "occasionally." Reinforcing the findings here, on-call scheduling is even more prevalent in the following industries: Construction; Services-personal; Services-commercial; InfoTech/Media; Wholesale trade. While not "often," it is at least "sometimes" used in other industries: Services-Food/Drink, Construction, Entertainment/arts/rec and Hospitality/ accommodations.

2. *Advance Notice of Work Schedule*

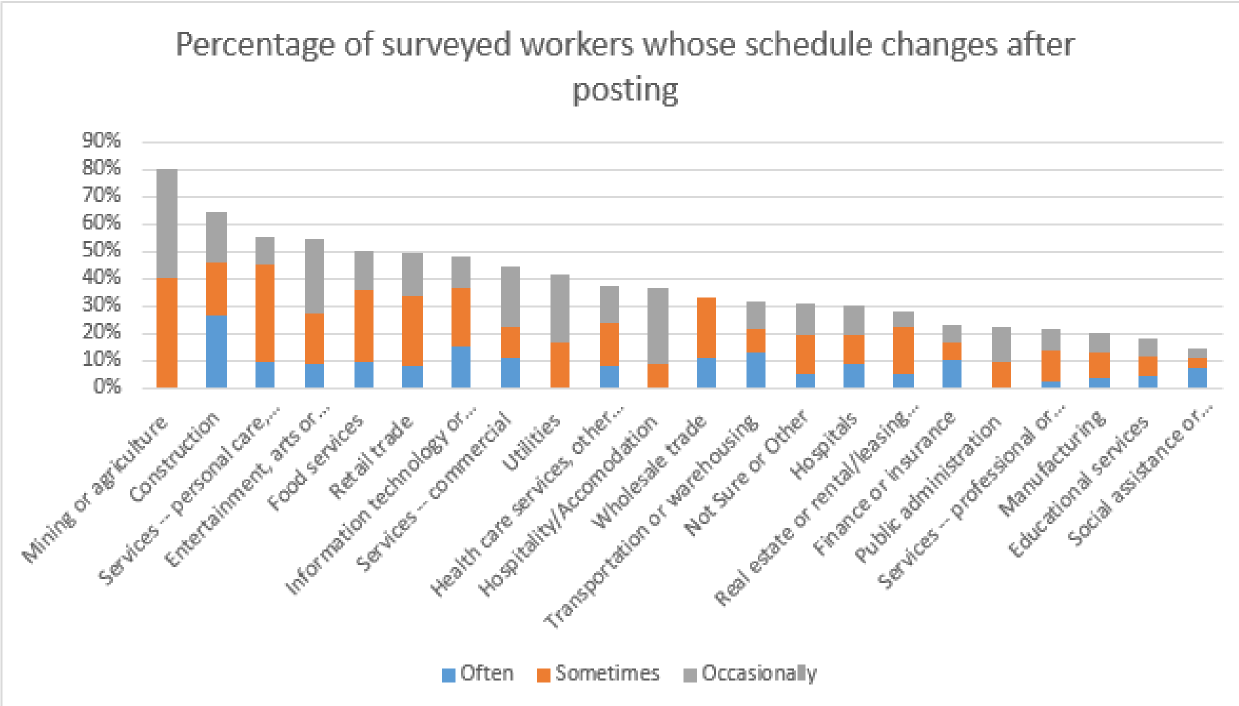
The industries with the highest proportion of workers who currently get less than two weeks notice of their upcoming work schedule are shown in **Figure 2.** These industries are, in order: Food services, Construction, Agriculture/mining, Info tech, Retail trade and Services--Personal and household care. Other industries that have rates above the 45 percent overall average include Services-Commercial, Entertainment/recreation, Health care services (other than hospitals) and Wholesale trade.

3. *Schedules Adjusted After Being Posted*

Scheduling Stability revealed that a substantial proportion of workers in the sample "have their schedule adjusted after being posted." It revealed that having a schedule that "never changes" is lowest in the Retail trade industry, at only 12 percent. In addition, never changing schedules are also low in: Food services and in Hospitality/accommodations. **Figure 3** reveals as many as one-third of the sample has their schedule change either *occasionally*, *sometimes* or *often*. It ranks industries by this exposure. These may be the workers most likely to be ameliorated by the "predictability pay" feature of the law.

For workers in Retail, changed schedules after posting is reported as just about as high as it is in Service sectors (i.e., personal/household and

Figure 3



commercial). While one in three workers across the sample report having shifts change after posting, it is upwards of at least half those employed in both Retail and Service industries. Unpredictable and unstable schedules are highest (other than in the small sample size for Agriculture/Mining) in Construction, where at least two-thirds of surveyed workers have their posted schedules consistently altered.

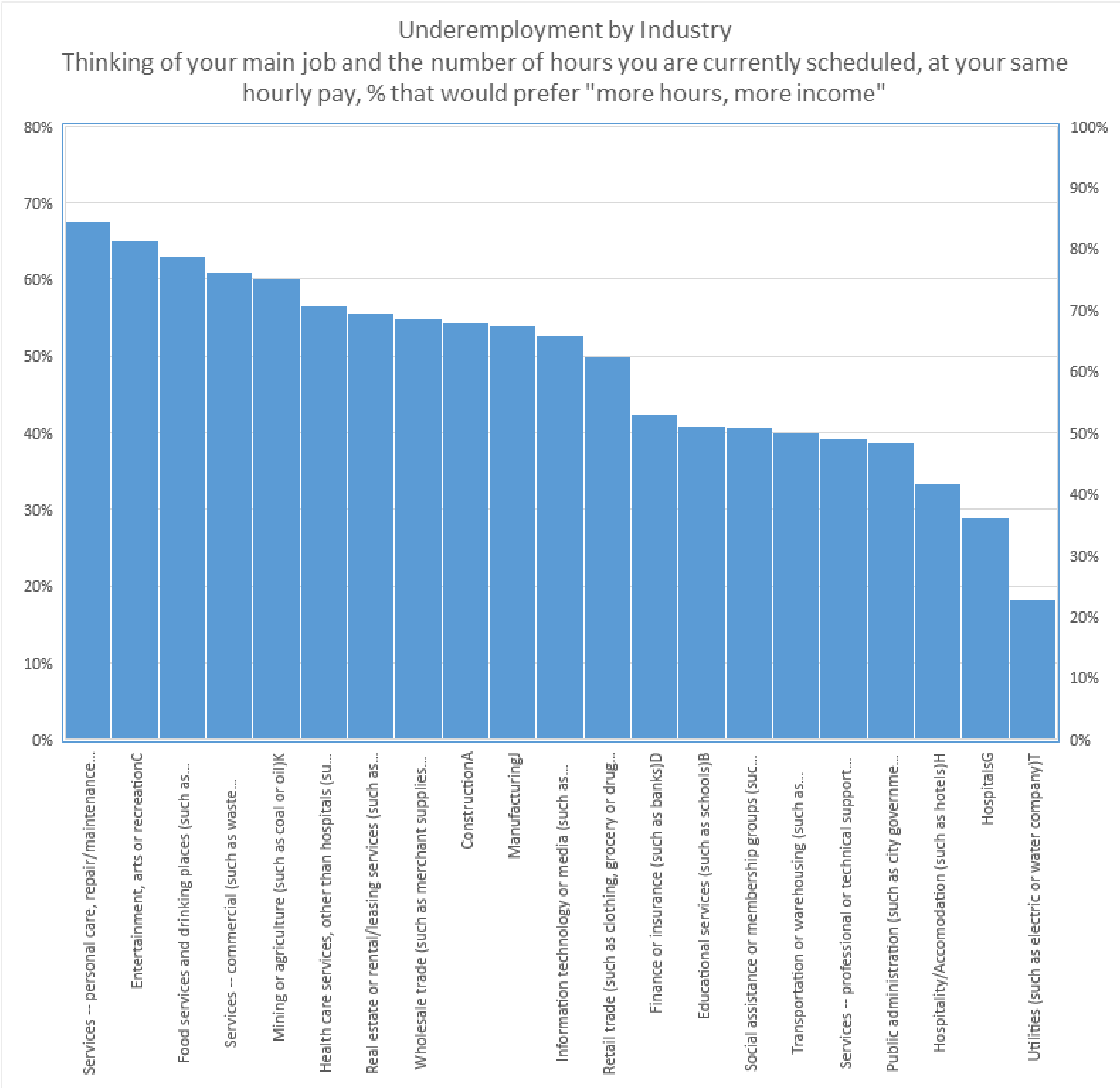
In certain sectors, the percentage of workers who "often" have their schedule changed after posting is quite high, particularly in: Construction; Transportation/warehousing, Wholesale trade, Finance/insurance, Food services and Hospitals. Conversely, no one in the sample regarded scheduling changes as "often" in a few select sectors -- Hospitality, Utilities, Mining/agriculture and Public administration. Sectors with below average rates of scheduling changes include: Public administration, Social assistance, Educational services and Manufacturing. The rates in these industries are only about half the overall rate of 33 percent, which demonstrates it is at least feasible to operate with considerably less frequent (not zero) scheduling changes, even though these sectors do experience swings in their demand (orders, customers, clients, etc.)

4. Underemployment (Inadequate Hours of Work)

Access to more hours, if made available by the employer, is a key provision in scheduling laws. It is explicitly designed to steer extra hours to those expressing a need or preference for more hours and income, i.e., those underemployed at their primary or current job. This provision was made necessary since many firms are frequently going first to temporary agencies or creating new part time positions, rather than offering hours to their existing, often underemployed, part time staff who might pick up those hours or shifts.

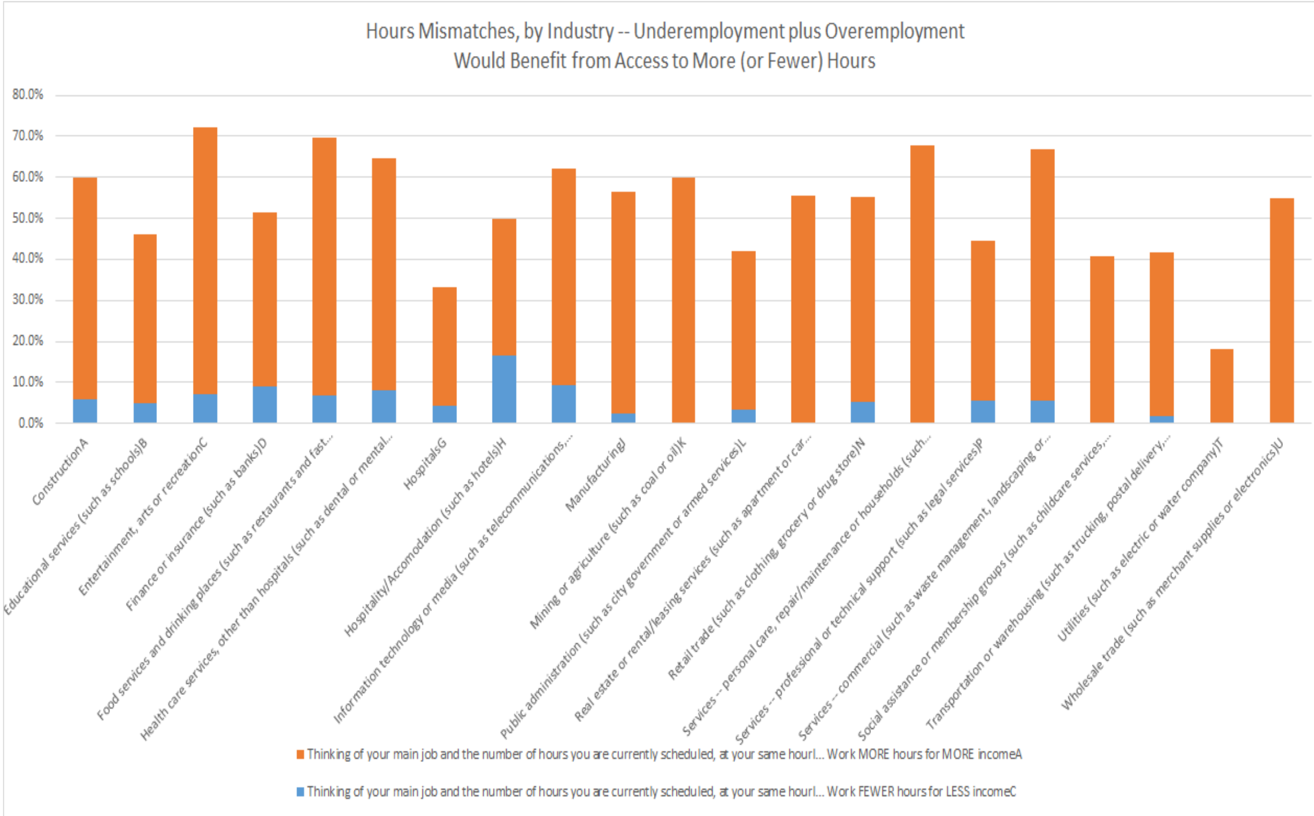
While historically high rates of involuntary part time working has gradually subsided (although stabilized at a still higher than past rates), underemployment more generally (i.e., wanting more hours) is incredibly high in this sample. **Figure 4** shows the preference for more hours and

Figure 4



income is shared by 48 percent of respondents, which includes both part time, full time and contract workers. Moreover, it is clear that while part timers wanting full time is concentrated mainly in four industries (see [Golden, EPI, 2016](https://)), the more general underemployment is widespread across all industry types. Underemployment is below 30 percent in only two of the 21 industries (Utilities and Hospitals, see Appendix). The desire for more hours and income is especially prevalent among workers employed (in order) in: Services--personal care, Entertainment/arts and recreation, Services-commercial, Food services, Agriculture and mining, Health care services, Construction and Manufacturing. The findings reinforce those in *Scheduling Stability* that underemployment is higher in Services sector work generally, and perhaps higher than expected in Finance/insurance and Hospitals.

Figure 5



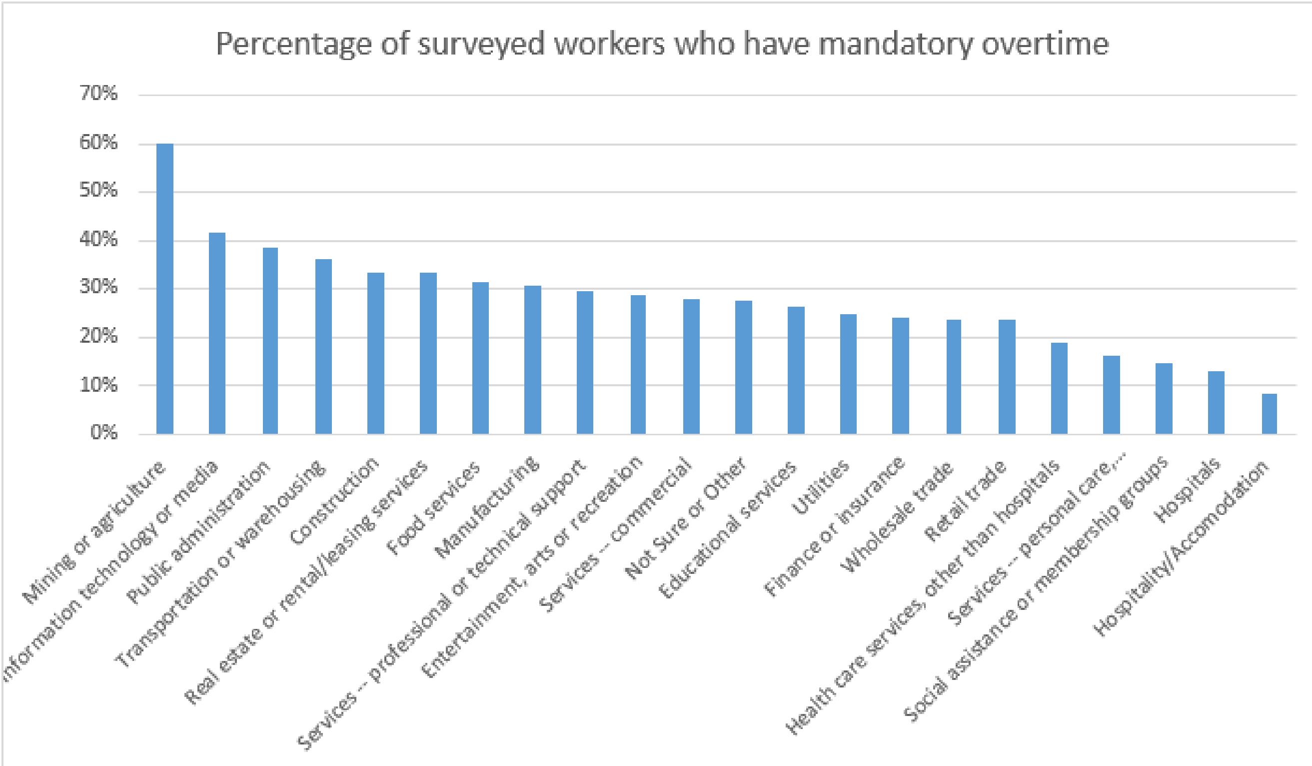
Overemployment is far lower, but non-trivial, in several sectors, notably in Hospitality, Info tech, Health services and Entertainment/arts/rec. There are other sectors where there is substantial underemployment where virtually no one is seeking fewer hours (i.e., Agriculture/mining, Real estate/rentals, Nonprofits and Services -- Personal and repair). In these sectors, the combination of high underemployment and overemployment contributes to a high "mismatch" rate where the fewest workers are getting their desired hours (**Figure 5**). Next highest mismatch rates are in Services-commercial and Health care services. These are the sectors where "Fair Workweek" laws could likely to do the most good by encouraging the assigning of available hours to workers most in need of additional hours. Indeed, certain counties or cities have targeted commercial building cleaning for minimum workweek laws such as in the District of Columbia, and recently proposed in Jersey City, NJ and Montgomery County MD.

Given the simultaneous existence of high underemployment and nontrivial overemployment in certain industries workers would stand to gain most by better matching actual number of hours to their preferences. The ability to request either more or fewer weekly hours of work would enhance a more productive matching of workers to work hours.

5. *Mandatory Overtime Work Hours*

Required overtime work, as shown in **Figure 6**, is spread fairly evenly across all industries. However, there appear to be some sectors where it is elevated, such as in Info tech/media; and somewhat so in Public admin; Construction; Manufacturing; Food Services; Real Estate/Rentals; and Transportation/Warehousing. Both overtime is mandatory and overemployment is high, in certain industries, especially Info tech and Construction, where workers' well-being would gain considerably with a protected right to

Figure 6



refuse unwelcome extra work. These are industries where workers could gain from rights to request adjustment in their hours, downward or to part time.

CONCLUSION

This brief builds on the survey summarized in PMCR's *Scheduling Stability.* It fleshes out and reinforces many of its key findings through an industry lens on particular scheduling practices covered by the proposed new city standards.

For maximum impact on scheduling practices and associated worker well being, it would be important to keep certain industries covered (e.g., Warehousing) and to not carve out or exempt industries (e.g., Construction). Given the inherent work scheduling necessities of operating in particular industries it would be more productive to allow for some variance in scheduling instead of a blanket exemption.

The brief also suggests that in those sectors where certain problematic practices are not necessarily as widespread, employers will face little new demands or burdens on their scheduling practices. However, mismatches with workers' preferred hours could be alleviated with other provisions included in Fair Workweek innovations, such as protecting the rights of employees to request an adjustment to more or fewer hours and giving access to additional hours of work, with a right of first refusal, to existing employee.