

# Job Schedules that Work for Businesses in the District

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Employers rely on their employees to keep their businesses running. That's why they work to recruit and retain the best possible staff—workers who will fulfill their duties and lift the business to the next level. However, workers can only do that when they have quality jobs, which include (among other features) stable, predictable, and flexible schedules.

Unfortunately, a recent study shows that many D.C. workers, especially those earning low wages, don't have fair schedules.<sup>i</sup> Nearly half of District workers surveyed receive less than one week's notice of their schedules and one-third receive less than three days' notice. Moreover, these schedules often change at the last minute. Even worse, D.C. workers are frequently sent home early without compensation, despite existing labor laws that should preclude this practice. Employees' total hours fluctuate drastically from week to week. Four out of five respondents say they want more hours, reflecting the struggle of many part-time workers to make ends meet.

These scheduling practices wreak havoc on workers' lives; they disrupt child care arrangements, make budgeting impossible, and prevent workers from securing much-needed second jobs or taking classes to improve their employment prospects. Volatile scheduling is not just bad for workers; it's bad for business, too. Employers who adopt fair scheduling practices find they have lower turnover, higher morale, and healthier, more productive workers. They also find that improved scheduling practices are easy to implement and generate cost savings. That's why a growing number of D.C. employers are speaking up—sharing their own high-road practices and supporting public policies to extend fair scheduling to all District workers.

#### **EMPLOYER VOICE**

"Having happy employees is critical for the success of our business. Fair and flexible scheduling is one way we accomplish this. Public policies to create fair scheduling standards in D.C. would extend the types of practices Bright Start employees already benefit from to all workers in the District.

Nearly all of our staff members are parents. We work hard to accommodate staff requests for flexibility so that they can care for their own kids. We also give our employees two weeks' notice of their job schedules so they can plan the rest of their lives. Our employees work four 10-hour shifts, followed by one day off. This arrangement provides stable care throughout the day for the children at the center while also allowing our workers more time with their families."

Marcia St. Hilaire-Finn, RNC,
 Owner, Bright Start Childcare &
 Preschool, Washington, D.C.





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## Fair scheduling practices are good for the bottom line

- When hourly workers have workplace flexibility, productivity increases and absenteeism decreases. In a survey of lower-wage, hourly workers with access to workplace flexibility and their managers, 80 percent of workers and 79 percent of managers reported increased team productivity and effectiveness. Additionally, 64 percent of workers and 74 percent of managers reported reduced absenteeism.<sup>ii</sup>
- Accommodating employees' scheduling needs significantly reduces turnover. One study of retail employers found that when managers more closely considered employees' scheduling needs, stores had 22.9 percent lower turnover and 6.6 percent greater retention.<sup>iii</sup> A review of numerous studies of the impact of turnover found that for workers earning less than \$50,000 annually, the cost of turnover is 20 percent of salary.<sup>iv</sup>
- Flexibility promotes employee engagement and reduces operation costs. In a study of one large retailer, managers reported that hourly workers with schedule flexibility were more engaged on the job, leading to lower turnover and reduced operating costs.<sup>V</sup>

#### **EMPLOYER VOICE**

"Staffing is one of the most challenging aspects of the restaurant business. To create a high-performing staff, we strive to instill structure and professional standards. We want to retain the talent that we have. We provide staff with their schedules about one month in advance and use an online system that enables staff to have input into their job schedules. For us, fair scheduling just makes sense. It not only helps our workers; it also makes life easier for me and my managers, reducing headaches all around. Because of how we treat our staff, we have relatively low turnover and employees are satisfied with their jobs. I believe all workers in our industry-and others-deserve fair schedules. We need public policies to create a minimum standard for workers' schedules."

-Tony Lucca, Owner, 1905 and El Camino Restaurants, Washington, D.C.

#### Stable, predictable schedules have unexpected benefits for businesses

Productivity, retention, and reduced costs are important metrics for all businesses. While some benefits of fair scheduling practices (such as manager wellbeing, employee health, and retaining workers in whom a business has invested training) don't immediately show up in a traditional business case, they ultimately boost the bottom line.

• **Reduced turnover is a jumping off point for other employer best practices.** Employers know that training is important, but training a constantly changing workforce is expensive and ineffective. With



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lower turnover, employers can reap the benefits of their investment: employees that are more productive and less error prone.<sup>vi</sup> Turnover is a major problem, especially in lower-wage industries; for example, median turnover rates for part-time workers in the retail industry reached nearly 75 percent in 2013.<sup>vii</sup>

- Fair scheduling practices are good for managers, too. Managers facing pressure to "stay within hours" (allocate shifts within a set limit of total hours in order to save on labor costs) must grapple with very complex schedules, which can lead to management overload and burnout.<sup>viii</sup>
- Better schedules result in healthier workers; healthier workers are best for business. The negative health effects of unstable, unpredictable, inflexible, and nonstandard schedules are well documented, ranging from obesity to cognitive declines to sleep problems.<sup>ix</sup> When workers have better schedules, their health improves, allowing them to put their best foot forward at work.

### Fair Scheduling Practices are Feasible for Businesses

- Staffing needs are much more stable than many assume. While some employers claim that fluctuating demand makes constant schedule changes necessary, one study found that 80 percent of store hours remain stable week after week. With that much consistency in staffing needs, managers should easily be able to provide stable, predictable schedules to workers.<sup>x</sup>
- Cross training is an effective strategy for enabling scheduling stability. When business slows in some establishments, managers send their workers home for the day—often without pay. But many companies find that training their employees in a variety of areas allows them to keep their workers busy and productive during slow times at their usual posts. This also allows workers to finish their shifts and collect the pay on which they rely.<sup>xi</sup>
- Successful employers offer advance notice of schedules and access to minimum hours without sacrificing profitability. Retail giant Costco gives workers three weeks' advance notice of their work schedules while still managing to exceed expectations for profitability. Cooperative Homecare Associates, a homecare staffing agency, guarantees many workers access to at least 30 hours of work per week without hurting business.<sup>xii</sup>

#### **EMPLOYER VOICE**

"At Beadazzled, we strive to make employee schedules as consistent as possible; it's a part of our efforts to accommodate the needs of our workers and their families. This helps us to retain committed staff and serve our customers effectively. We post schedules for the following month by the 15th of the month prior. And, other than changes to accommodate our employees' requests, there is little variation in schedules from month to month. We would not have a problem implementing the Schedules that Work Act, the fair scheduling bill proposed in Congress. We support this effort to address an important workplace issue."

-Deborah McClintock, Owner, Beadazzled, Washington, D.C.



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# Public policy solutions are needed in D.C.

While some-high road employers are already implementing fair scheduling practices, many workers still face volatile schedules that hurt them and their families. And with less money in workers' pockets and businesses hampered by high turnover and low morale, volatile schedules are also bad for the economy. That is why it's critical to craft public policies that set minimum standards for scheduling practices. States and localities around the country are considering fair scheduling legislation. At the federal level, the Schedules that Work Act will soon be reintroduced in Congress. San Francisco leads the country with a recently enacted "Retail Workers Bill of Rights," guaranteeing retail employees of large chain employers a comprehensive set of protections to ensure more stable, predictable, and fair scheduling practices. It's time for D.C. to add fair scheduling practices to its suite of basic labor protections, making the District a decent place to work and great place to do business.

#### **EMPLOYER VOICE**

"As an employer, I hope to be respected by my employees and that they, in turn, should be respected by the leaders. We offer a number of benefits and perks to those working with us, but some of what we offer is just good business practice. For example, we post our schedules two weeks in advance and do not make changes to them. Employees are able to make requests via our online portal if they need time off and they are free to change shifts with one of their teammates should conflicts arise. It is never perfect, but we promise to make scheduling and payroll as easy as possible. Everyone can check their schedule from home or a smart phone. When shifts become available, we first make them available to part-time employees before hiring someone new. I want our managers to focus on developing their teams and taking care of our customers–with the highest degree of attention possible. The less time they have to spend changing schedules and the longer out they are known, the more time we have to wow everyone who walks through the door."

#### - Gina Schaefer, Owner, A Few Cool Hardware Stores, Washington DC



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#### Notes

<sup>i</sup> All D.C. data from: Ari Schwartz, Michael Wasser, Merrit Gillard et al. *Unpredictable, Unsustainabl: The Impact of Employers' Scheduling Practices in D.C.* D.C. Jobs with Justice. http://www.dcjwj.org/wp-content/uploads/2015/06/DCJWJ\_Scheduling\_Report\_2015.pdf <sup>ii</sup> Amy Richman, Diane Burrus, Lisa Buxbaum et al. *Innovative Workplace Flexibility Options for Hourly Workers*, WFD Consulting http://www.wfd.com/PDFS/Innovative Workplace Flexibility Options for Hourly Workers.pdf.

<sup>iii</sup> Susan Lambert, Anna Haley-Lock and Julia R Henly, "Labour Flexibility and Precarious Employment in Hourly Retail Jobs in the U.S: How Frontline Managers Matter," *Are Bad Jobs Inevitable? Trends, Determinants and Responses to Job Quality in the Twenty-First Century*, ed. Chris Warhurst et al, 2012.

<sup>iv</sup> Heather Boushey and Sarah Jane Glynn, "The Are Significant Business Costs to Replacing Employees," *Center for American Progress*, November 16, 2012, <u>https://www.americanprogress.org/issues/labor/report/2012/11/16/44464/there-are-significant-business-costs-to-replacing-employees/.</u>
 <sup>v</sup> Jennifer E. Swanberg, Jacquelyn B. James, Sharon P. Mckechnie, "Can Business Benefit By Providing Workplace Flexibility to Hourly Workers?" *Citisales Jobs That Work Study, University of Kentucky*, <u>http://www.uky.edu/Centers/iwin/citisales/\_pdfs/IB3-HourlyWorkers.pdf</u>; see also Zeynep Ton, "Why 'Good Jobs' Are Good for Retailers," *Harvard Business Review*, January 2012, <u>https://hbr.org/2012/01/why-good-jobs-are-good-for-retailers</u>.

<sup>vi</sup> Ton, "Why 'Good Jobs' Are Good for Retailers."

<sup>vii</sup> Krystina Gustafson, "Retail's turnover a plus for economy but challenge for stores," *CNBC*, September 23, 2014, <u>http://www.cnbc.com/id/102021496#</u>.

<sup>viii</sup>Francoise Carre and Chris Tilly, *Continuity and Change in Low-wage Work in U.S. Retail Trade*, University of Massachusetts, April 2008, https://www.umb.edu/editor\_uploads/images/centers\_institutes/center\_social\_policy/Continuity%20and%20Change%20in%20Lowwage%20Work%20in%20U\_S\_%20Retail%20Trade.pdf

<sup>1x</sup>P. Moen, E.L Kelly, E. Tranby, and Q. Huang, "Changing Work, Changing Health: Can Real Work-Time Flexibility Promote Health Behaviors and Well-Being?" *Journal of Health and Social Behavior*, 52, 2011; Philp Bohle et al., "Working Hours, Work-Life Conflict and Health in Precarious and "Permanent" Employment, "*Rev. Saude Publica*, v 38, December 2004; Sharon A. Chung, Theresa K. Wolf and Colin M. Shapiro, "Sleep and Health Consequences of Shift Work in Women," *Journal of Women's Health 18.7, 2009; Alwin Van Drongelen, Cecile RL Boot, Suzanne L. Merkus, Tjabe Smid, and Allard J. Van Der Beek, "The Effects of Shift Work on Body Weight Change – A Systematic Review of Longitudinal Studies," <i>Scandanavian Journal of Work, Environment and Health,* 2011.

<sup>x</sup> Susan J. Lambert and Julia R. Henly, Work Scheduling Study: Mangers' Strategies for Balancing Business Requirements with Employee Needs, Manager Survey Results, University of Chicago School of Social Service Administration, May 2010, <u>http://ssascholars.uchicago.edu/work-scheduling-study/files/univ\_of\_chicago\_work\_scheduling\_manager\_report\_6\_25.pdf</u>.
<sup>xi</sup> Susan Lambert, Anna Haley-Lock, Julia Henly, Work Schedule Flexibility in Hourly Jobs: Unanticipated Consequence and Promising Directions,

<sup>x1</sup> Susan Lambert, Anna Haley-Lock, Julia Henly, *Work Schedule Flexibility in Hourly Jobs: Unanticipated Consequence and Promising Directions,* University of Chicago, June 2010, <u>https://ssascholars.uchicago.edu/work-scheduling-study/files/lambert\_haley-</u>

lock henly unanticipated consequences of flexibility in hourly jobs.pdf; Anna Haley-Lock and Stephanie Ewert, "Waiting for the Minimum: US State Wage Laws, Firm Strategy, and Chain-Restaurant Job Quality," *Journal of Industrial Relations*, 53.1, 2011.

<sup>xii</sup> Center for Law and Social Policy, Retail Action Project, and Women Employed, *Tackling Unstable and Unpredictable Work Schedules*, 2014, http://www.clasp.org/resources-and-publications/publication-1/Tackling-Unstable-and-Unpredictable-Work-Schedules-3-7-2014-FINAL-1.pdf.