

# SCHEDULING HOURLY WORKERS

How Last Minute, "Just-In-Time" Scheduling Practices

Are Bad for Workers, Families and Business

NANCY K. CAUTHEN

#### ABOUT DEMOS

ēmos is a non-partisan public policy research and advocacy organization. Headquartered in New York City, Dēmos works with advocates and policymakers around the country in pursuit of four overarching goals: a more equitable economy; a vibrant and inclusive democracy; an empowered public sector that works for the common good; and responsible U.S. engagement in an interdependent world. Dēmos was founded in 2000.

In 2010, Dēmos entered into a publishing partnership with The American Prospect, one of the nation's premier magazines focussing on policy analysis, investigative journalism, and forward-looking solutions for the nation's greatest challenges.

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# Introduction

"Workplace flexibility" is *the* buzz phrase in debates about how to help busy parents better juggle the competing demands of work and family. But the public conversation has been shaped largely by the experiences of professional and managerial workers — the target of their demands has been the archetypal fixed schedule of a full-time, salaried office worker who often puts in far more than the requisite 40 hours a week. As such, the workplace flexibility discussion remains somewhat tone deaf when it comes to the needs of low-wage workers.

Low-wage workers face a completely different set of challenges — they are much more likely to be paid hourly, work less than full time, and have erratic schedules with little advance notice of when they are expected to work. Their hours — and therefore pay — often vary from week to week and even month to month. So while full-time professional and managerial workers have sought *flexibility to diverge from rigid schedules*, low-wage workers typically need *more predictability and stability within fluid schedules*.<sup>1</sup>

To meet the needs of *all* workers, we must first change the terms of the workplace flexibility debate. Solutions such as four-day work weeks, varying the start and end time of

While full-time professional and managerial workers have sought flexibility to diverge from rigid schedules, low-wage workers typically need more predictability and stability within fluid schedules. the work day, or telecommuting can provide critical flexibility for professional and managerial workers. But the term "flexibility" muddies the water when it comes

to low-wage hourly workers: over the last couple of decades, such workers have been increasingly subject to greater demands for flexibility for the benefit of their employers.<sup>2</sup> As a result, hourly workers have had to endure more uncertainty in their schedules, greater fluctuations in their hours, and less predictability in the size of their paychecks.

The recent trend toward "just-in-time" scheduling epitomizes the unstable unemployment environment faced by low-wage workers. Just-in-time (JIT) scheduling, also called "scheduling to demand," is a practice that closely links labor supply to consumer demand. Used widely in the service sector, employers rely on scheduling software and measures of demand (such as floor traffic, sales volume, hotel registrations, or dinner reservations) to match workers' hours to labor needs. In doing so, they often change posted schedules at the last minute even if it means sending workers home after they arrive for work or asking them to stay beyond the end of their shift.

Such practices can wreak havoc in the lives of workers and their families, complicating child care arrangements, transportation, and eligibility for both employer-sponsored and government benefits. These conditions are challenging not only for parents but can create tremendous chaos and stress for children as well.

Despite hardships for workers and their families, and the ripple effects for child care providers and schools, employers have been able to demand increased flexibility because labor protections are outmoded and inadequate.<sup>3</sup> Further, the power of organized labor is at a low point; the recession has further eroded the power of workers to fight back, strengthening employers' leverage.

It doesn't have to be this way. The United States has a history of adapting its public labor standards and rules to address changes in workplace practices. As part of the New Deal, the nation adopted groundbreaking legislation designed to provide workers with basic protections against the excesses of the manufacturing economy. The Fair Labor Standards Act of 1938 established a national minimum wage, limited work hours, and restricted child labor. And in 1935, the National Labor Relations Act provided workers with the right to organize and bargain collectively, and the Social Security Act ushered in new federal protections for the unemployed and those unable to work because of old age.

These policies and subsequent protections for workers remain vitally important. But it's time to think anew about the kinds of supports and protections workers and families need to address the realities and challenges of the 21<sup>st</sup> century service and knowledge economy, as well as dramatic changes in family patterns and women's roles.

This brief examines the rise of JIT scheduling, what it looks like in practice, its effects on workers and their families, and what it means for business. It ends with a set of policy recommendations that would better balance the needs of workers and employers.

# The Rise of Just-in-Time Scheduling

#### THE RELENTLESS DRIVE TO CUT LABOR COSTS

Employers argue that in a global economy, reducing labor costs is essential to staying competitive. Yet in labor-intensive service industries that require workers to be present at the point of service delivery — whether working the sales floor or cash register, prepping food for a catering event, stocking the shelves of a grocery store, or cleaning hotel rooms — the competition is not overseas but close to home. Retailers, for example, must confront the competition posed by big-box chains such as Wal-Mart and Target as well as online merchants who attract customers in part by keeping prices low. In other industries, such as airlines and financial services, deregulation has increased price competition and added pressure to cut costs. Also, changes in financial markets have created greater emphasis on short-term results, putting further pressure on managers to reduce expenses.<sup>4</sup>

Over recent decades, service industries have used a number of strategies to reduce labor costs, including keeping wages low, cutting benefits, using temporary workers, and subcontracting entire operations (such as hotels outsourcing their restaurants). But a growing

Adjusting work schedules week by week, day by day, and even hour by hour, employers seek to ensure they have just enough workers to meet the need of the moment. number of industries are using another approach — one that has received comparatively little attention — and that is taking a "just-intime" (JIT) approach to

scheduling.<sup>5</sup> First used in manufacturing, the JIT concept is that warehousing inventory wastes money, so why not produce goods "just in time" to meet customer demand?

Service industries that rely on large numbers of low-wage hourly workers quickly adapted the JIT concept by calibrating employee work hours to closely match service demand. Adjusting work schedules week by week, day by day, and even hour by hour, employers seek to ensure they have just enough workers to meet the need of the moment. As a result, frequent scheduling changes have become the new normal for hourly workers in the lower echelons of many industries.<sup>6</sup>

#### JIT SCHEDULING IN OPERATION

Although last-minute posting of schedules and fluctuating hours are nothing new for lowwage workers, the practice of JIT scheduling — sometimes referred to as "scheduling to demand" — takes employer demands for employee flexibility to new extremes. JIT scheduling can mean that employees scheduled to work may show up only to be sent home if business is slow, or in the case of unexpectedly high customer volume, workers may be told at the last minute to work beyond their scheduled shift. How JIT scheduling works in practice varies by industry and across firms within industries; nonetheless, there are some common elements. Frontline managers are held accountable for maintaining a specified ratio of employee hours worked to some measure of consumer

Many low-wage workers are expected to work the day shift one day and the night shift the next and/or to be available seven days a week. demand. In retail, such measures might include floor traffic or sales volume; in hospitality they might be hotel reservations, conferences, or

banquets; and in transportation, one measure might be flights cancelled. The data used to determine labor needs typically include multiple timeframes — this time last year, last month, last week, and/or yesterday. How frequently higher ups monitor the numbers and provide feedback to scheduling managers, and how much time those managers have to adjust their ratios of hours to demand, influence scheduling practices.

One study, which examined JIT scheduling practices in multiple work sites across four nonproduction industries — retail, hospitality, transportation, and financial services — found that:

Although most of the retailers studied reviewed the ratios [between labor and demand] at least daily and managers were expected to make adjustments to ensure that the ratio was rebalanced the next day, there was variation. At one extreme, a retailer determined staffing by looking at sales numbers from the preceding week, broken out hour-by-hour; the number of associates scheduled for work each hour was driven by the sales numbers from the previous week. This retailer also monitored the labor/sales ratio hourly; staffing adjustments were made throughout the day. At the other extreme, one retailer monitored the ratio weekly, which meant that front-line managers could make adjustments throughout the week and still have a satisfactory ratio of payroll hours to sales at the end of the week.<sup>7</sup>

JIT scheduling essentially requires frontline managers to maintain a pool of excess labor on which they can call as needed. A commonly used tactic is to rely heavily on part-time workers who are not guaranteed a minimum number of hours per week. But in a growing trend, some firms are redefining full-time work: instead of guaranteeing a full-time worker at least 35 hours per work, some firms are defining positions that offer as few as 26 or 32 hours per week as full time.<sup>8</sup> This allows employers a great deal of leeway even when they are scheduling full-time workers and reduces the chance they'll have to pay overtime when they ask workers for additional hours.<sup>9</sup>

Another tactic managers use to closely reconcile hours worked with demand is to require that employees be willing to work different shifts. Many low-wage workers are expected to work the day shift one day and the night shift the next and/or to be available seven days a week. In a 24/7 economy, the once bright dividing lines between standard and nonstandard hours and between full- and part-time work have become quite blurry for hourly workers in the service sector.<sup>10</sup>

#### HOW COMMON IS THE PRACTICE?

Just how widespread is the use of JIT scheduling? It's hard to say because most of the practices associated with JIT scheduling — such as posting schedules with little advance notice, making ongoing changes to posted schedules, scheduling workers for different shifts, and varying the number of hours each week — are not tracked by the Bureau of Labor Statistics or captured in large-scale surveys.

Nonetheless, there is a growing body of research documenting these practices. Dr. Susan Lambert at the University of Chicago, who has conducted extensive research on JIT scheduling, asserts that such practices are "absolutely common place, especially in non-production industries."<sup>11</sup> Research shows that even before the recession, the majority of part-time workers experienced weekly or monthly fluctuations in their total number of work hours that were not due to overtime, illness, or vacation.<sup>12</sup>

Industries where JIT scheduling practices have been documented and studied include retail (e.g., big-box retailers, department stores, grocery chains, consumer electronics, apparel), hospitality (hotels, catering), restaurants, transportation (airline travel, package delivery), and financial services (banking).

# The Impact of JIT Scheduling on Workers and their Families

#### CHAOTIC WORK LIVES AND FINANCIAL UNCERTAINTY

JIT scheduling means that weekly schedules are sometimes posted with just a few days notice. But even more challenging for workers are the last-minute changes to posted schedules — showing up for work only to be sent home, being asked to stay beyond a scheduled shift, or being called in on a putative day off. These practices create unpredictability for workers both about (1) the number of hours they'll work and get paid for, and (2) the timing of those hours.

Part-time workers can end up with very few hours during low demand periods simply because there are not enough hours to go around. Without minimum hour guarantees, there are inevitably weeks where some workers end up not working at all. But workers can also end up with few or no hours as a result of trying to exercise some control over their schedules, such as specifying periods for which they are not available.<sup>13</sup> In short, workers who try to reduce the uncertainty about the *timing* of their hours may find themselves inadvertently penalized in terms of *number* of hours.

With full-time status having been redefined downward to as low as 26 hours per week at some firms, being "full time" no longer guarantees a stable number of hours per week. At the same time, workers who are classified as part time but asked to work extra shifts may some-times end up with full-time hours.

The constant fluctuation in hours from week to week means that workers face ongoing uncertainty about their earnings. The financial instability alone can create tremendous stress

The constant fluctuation in hours from week to week means that workers face ongoing uncertainty about their earnings. for low- to moderate-income families who never know whether their wages will cover the monthly bills. Note, however, that research suggests that even in industries where

there are fluctuations in labor needs, there is actually a great deal of stability: a study of a national women's apparel firm found that 80 percent of store hours remained stable throughout the year in nearly two thirds of stores studied.<sup>14</sup> This stability could be used to provide more predictability for workers.

JIT scheduling practices likely exacerbate the already high turnover rates in low-wage, hourly jobs. Even though most of the turnover is "voluntary," workers often quit low-wage jobs because they can't accommodate the scheduling unpredictability, they aren't getting enough hours, or because the wages are too low. A much smaller number of workers are fired for not meeting employer scheduling demands or laid off during slow periods.<sup>15</sup>

It's critical to note that JIT scheduling is often being imposed on employees who are already working in leaner staffing environments — that is, many of today's workers have increased workloads in comparison to their peers in previous decades.<sup>16</sup>

#### RIPPLE EFFECTS FOR FAMILIES

Fluctuating hours and uncertain paychecks are just the beginning in an unfortunate domino effect for low-wage workers. The unpredictability inherent in JIT scheduling can create havoc for families. One of the most serious challenges is child care, which is discussed in the next section. The unpredictability of hours can also complicate transportation arrangements. Most low-income households with multiple wage earners (which may include teenage children or grandparents) cannot afford a car for each worker in the family, yet coordination becomes difficult when workers' schedules are unstable.

Families that rely on public transportation have to deal with yet another source of uncertainty — city bus schedules — given that only a handful of major metropolitan areas in the

Research is clear that a child's first three years are formative, and when their lives are chaotic and stressful during that period, there can be lasting consequences for their social and emotional well-being. U.S. have subways systems. Bus schedules tend to be particularly unreliable because of the vicissitudes of traffic. Further, workers often take more than one bus to reach their destination. If they arrive at work only to be sent home, they may have wasted hours

of their time getting to work and back home again — in addition to paying for transportation — only to receive no pay.<sup>17</sup>

Financial instability and frequent job changes can cause residential instability as workers move their families in search of work and to accommodate their changing economic circumstances. When families move, their children may have to attend different schools and be cared for by different child care providers.<sup>18</sup>

In yet another example of ripple effects, fluctuating hours and wages can affect eligibility for both employer-sponsored and government benefits. Eligibility for employer-sponsored health insurance and paid time off are typically based on hours worked, although such hours thresholds vary across firms. But if, for example, a firm requires employees to work at least 32 hours per week to maintain eligibility, dropping below that threshold for several weeks in a row may result in a loss of benefits.<sup>19</sup> Here again, the distinction between full- and part-time status has lost much of its significance: in hourly jobs, benefits are generally contingent on hours worked rather than on whether an employee was initially classified as full or part time.

Eligibility for government benefits can also be jeopardized by volatile incomes. Depending on the state, eligibility for unemployment insurance requires applicants to have earned a certain amount and/or worked a certain number of weeks or hours during a specified base period. Even when they've been laid off, low-wage hourly workers, and especially those who work part time, are at risk of not meeting those requirements because of unstable work histories.<sup>20</sup>

Eligibility for other public benefits — such as health insurance, child care subsidies, food stamps and housing assistance — are based on income, and in the case of child care, hours worked per week. All of these programs require families to "recertify" their eligibility on an ongoing basis. Recertification intervals vary by program and by state but can vary from monthly to annually. What this means for families is a revolving door: when their incomes

are low, they qualify for benefits, but when they are lucky enough to earn more, they lose them. Families who qualify for benefits are often penalized when their earnings increase — when they lose benefits, the value of such losses often greatly exceed the meager earnings increases that disqualified them in the first place.<sup>21</sup>

All of the ripple effects that emanate from fluctuating hours increase stress, family conflict, and marital instability. One recent study found that "hourly retail employees with more predictable work schedules report lower levels of stress, less work-to-family conflict and fewer work interferences with non-work activities such as scheduling doctor's appointments, socializing with friends and eating meals together as a family."<sup>22</sup>

#### THE LITTLEST VICTIMS

One of the most insidious aspects of JIT scheduling is how it affects children. Combined with parental stress, multiple sources of unpredictability and instability are especially detrimental for young children. Research is clear that a child's first three years are formative, and when their lives are chaotic and stressful during that period, there can be lasting consequences for their social and emotional well-being.<sup>23</sup>

Child care arrangements are one of the primary casualties of JIT scheduling. As any working parent knows, arranging for child care — especially in the early years of a child's life can be extraordinarily challenging, even for high-income parents with stable work schedules. But high-quality, flexible child care is expensive, which means that parents with limited financial resources *and* unpredictable schedules end up piecing together the best care arrangements they can find. This often means relying on a patchwork of informal care arrangements that is fragile, that parents worry about, and that provide less than optimal settings for children.<sup>24</sup>

Formal, regulated child care settings tend to be more reliable than informal arrangements, but low-income parents often can't afford such care. Even if they are lucky enough to receive a child care subsidy, parents' erratic schedules often mean that centers and family daycare providers can't accommodate their needs. And although many states have public pre-kinder-garten programs, such programs typically operate for only a few hours a day, leaving parents to scramble to find additional care.

Children in low-income families are far more likely than children from more privileged families to have special needs or health challenges, further complicating the search for appropriate child care and increasing the chances that parents will need time off for a child's medical appointments and to tend to their children when sick.<sup>25</sup>

When parents' work schedules change constantly, it can be difficult for parents, especially single parents, to establish routines around meals, homework, bathtime and bedtime. At its extreme, constantly changing work schedules can contribute to school absenteeism. Although the issue receives little attention, chronic absenteeism among elementary school children is a growing problem and parents' erratic work schedules are one of the causes.<sup>26</sup> When parents work an evening or night shift, or unexpectedly work extra hours, chances increase that little ones may not make it to school. Or if they make it to school, they may not have completed homework or be adequately rested and fed.

# Is JIT Scheduling Good for Business?

JIT scheduling has been touted as a necessary strategy to increase labor efficiency and cut costs. Some employers argue that JIT scheduling improves service and customer satisfaction by making sure plenty of employees are on hand for peak times. But given the strain it places on workers and families, it is worth assessing the costs that JIT scheduling entail for employers as well as the benefits.

#### HIGH TURNOVER: THE BAD, THE UGLY - AND THE GOOD?

High turnover is frequently cited as the biggest drawback of JIT scheduling. In retail, for example, employee turnover averages 56 percent annually. A study of retail firms found

High turnover isn't uniformly negative for employers and some use it to their advantage to manage fluctuations in their labor budgets, to avoid firings and layoffs, and to deal with poor employee rapport. even higher rates of turnover among consumer electronics stores, where turnover of hourly workers ranged from 68 to 86 percent. The same study reported turnover rates at grocery stores ranging from 40 to 80 percent

(with one exception), with half falling between 50 and 65 percent.<sup>27</sup> A study of low-wage hourly workers across several industries found the highest turnover rates in transportation, with a 500 percent turnover rate among package handlers.<sup>28</sup>

Turnover tends to be higher among new hires than more senior employees; new hires are typically subject to the greatest amount of unpredictability in both number and timing of hours. Unionized firms tend to have lower turnover rates. Most turnover results from workers "choosing" to leave rather than being fired or laid off. Scheduling unpredictability and the lack of minimum hour guarantees aren't the only reasons for high turnover but are prime contributors.<sup>29</sup>

High turnover rates can be quite costly, especially in cases where employees need higher levels of skill, training and experience to do their jobs well (such as the technical expertise needed among employees who staff the sales floor of electronics retailers). Turnover is also more costly in businesses where the quality and quantity of interaction between customers and workers are key to success (for example, frontline staff at a hotel versus fast food workers).

But high turnover isn't uniformly negative for employers and some use it to their advantage — to manage fluctuations in their labor budgets, to avoid firings and layoffs, and to deal with poor employee rapport.<sup>30</sup> In short, business perceptions about just how costly high turnover is vary, although some employers clearly underestimate its toll. Some employers see high turnover as a necessary evil and take the costs of constantly recruiting new workers for granted, especially where training is minimal. In addition to high turnover, the characteristics of JIT scheduling — unpredictable schedules and unstable hours in the context of low-wage, hourly jobs — are associated with high rates of employee absenteeism, low staff morale and a lack of staff loyalty. All of these factors can affect work quality, customer satisfaction and the bottom line.

#### QUESTIONS ABOUT LONG-TERM SUSTAINABILITY

A question that is increasingly raised on the ground is whether JIT scheduling practices are sustainable — not just for rank-and-file employees but also for managers. Managers themselves are beginning to sound alarms about the stressful nature of constantly ad-

Business will eventually suffer from the high levels of employee stress, burnout, lack of company loyalty and job churning. justing schedules.<sup>31</sup> Their own jobs have become increasingly complex, especially in firms with lean staffs. Managers are expected to reconcile conflicting priorities: meeting their

employers' staffing guidelines and sales targets, providing good customer service, scheduling employees for sufficient hours, and "staying within hours" by constantly adjusting labor-demand ratios.<sup>32</sup> The increased complexity of their jobs requires managers to work additional hours and makes them susceptible to resentment and burnout.

When managerial jobs seem unappealing, low-wage hourly employees have less incentive to stay on the job and move up. This in turn creates problems for higher ups who want to promote managers from within. A study of consumer electronics and grocery chains found a "thinning pipeline" for promotion to supervisory and managerial positions, stating that "hourly workers report hesitating to consider promotions to supervisory and, certainly, to salaried positions (which are exempt from overtime pay provisions) because of the long hours and/or limited rewards."<sup>33</sup>

In short, there are limits to what JIT scheduling can achieve: if cost-cutting efforts are taken to such an extreme that they create toxic work environments — not only for frontline, hourly employees but also for supervisors and managers — business will eventually suffer from the high levels of employee stress, burnout, lack of company loyalty and job churning.

### The Potential for Reform

JIT scheduling epitomizes the more general trend toward businesses minimizing their own financial risks by transferring more unpredictability and instability onto their employees.<sup>34</sup> But such practices exact an immense toll on employees in terms of financial instability and by lowering the quality of their work and family lives. And it's clear there are costs to businesses as well. This section lays out a set of policy and practice recommendations that would better balance the needs of workers and employeers.

#### FIRST STEP TO REFORM: CHANGE THE TERMS OF THE DEBATE

To meet the needs of low-wage and hourly workers, the policy debate around "work/family conflict" and "workplace flexibility" needs to be reframed around how to create *predictability*, *stability*, *and flexibility* for all workers.<sup>35</sup> The mainstream conversation about reconciling individuals' work and family lives has focused on the *flexibility to diverge from rigid sched*-

Workers and employers both stand to gain by improving the predictability and stability of hours and wages for low-wage workers, which in turn can improve worker productivity, recruitment and retention, and customer satisfaction. *ules with long hours.* And though this may meet the needs of full-time professionals and white collar office workers, the solutions typically discussed — such as four-day work weeks ("compressed time"), varying the start and end time

of the work day, telecommuting and reduced hours — will do little for low-wage service workers who need *predictability and stability within fluid schedules* and who typically need more work hours rather than fewer.

Although some initiatives have tried to redefine "flexible work arrangements" to encompass the needs of hourly workers,<sup>36</sup> this approach, although well intentioned, may ultimately prove misguided: as long as the issue is framed as a need for flexibility, the conversation privileges the needs and experiences of higher-paid salaried workers over those of lower-paid hourly workers. As a case in point, the Society for Human Resource Management conducted a survey of human resource managers two years ago to examine the prevalence and types of flexible work arrangements. The survey revealed that 80 percent of employers reported obstacles to implementing flexible work arrangements, with the two most frequently reported obstacles being: "suitability of jobs for flexible work" (that is, jobs that were incompatible with flexible arrangements) and "business needs that do not allow for [flexible work arrangements]."<sup>37</sup> In short, flexibility was defined in such a way that the needs of low-wage hourly workers were outside the terms of the survey.

The reality is that a majority of U.S. workers are paid by the hour; among African-American and Latino workers, more than 70 percent are paid hourly.<sup>38</sup> It's not that hourly workers don't need flexibility — they do. The point is simply that "flexibility" may not be the *priority* for workers who have little control over when they are scheduled to work and who often worry whether they will be scheduled for a sufficient number of hours. Workers and employers both stand to gain by improving the predictability and stability of hours and wages for low-wage workers, which in turn can improve worker productivity, recruitment and retention, and customer satisfaction.<sup>39</sup> Certain businesses, such as Costco, have decided that they can be profitable by taking the high road in terms of what they offer employees — Costco pays higher hourly wages than its competitors, has a higher proportion of full-time employees, posts schedules at least a week in advance, and makes a concert-ed effort to deal with employee scheduling requests.<sup>40</sup>

#### STRATEGIES TO STABILIZE WORKER SCHEDULES

There are a range of legislative, regulatory and business strategies that would help stabilize worker hours and wages.

*Enact federal minimum hour legislation.* This single policy change would make a tremendous difference in the lives of hourly workers. In the absence of such legislation, employers tend to keep more employees on the payroll than they can use, so it is not uncommon for some employees to be scheduled for few or no hours at times. Part-time workers should be guaranteed a minimum number of hours when they are hired, whether it's 15, 20, 25, 30 hours or something else. They should also be paid for a minimum number of hours if they report to work but are sent home.<sup>41</sup>

*Guarantee that a certain percent of an employee's hours will be fixed*. Research has shown that even in industries where there are fluctuations in labor needs, there is nonetheless a significant amount of stability — in some firms, as much as 80 percent of hours or more are constant from month to month.<sup>42</sup> Using tax incentives for employers, employees could be guaranteed that most of their hours would be consistent on a monthly basis. This would make the remaining unpredictability much easier to cope with and to schedule around.

*Use the federal contracting process as a way to model reform in business practices.* Workplace Flexibility 2010, an initiative of the Sloan Foundation, recommends that federal contractors be required to choose two from a list of seven possible options: these include requiring that 80 percent of an employee's schedule be provided in advance, using scheduling procedures that accommodate shift preferences without reducing work hours, allowing shift swapping or shift replacement, cross training employees, and seeking volunteers for overtime before requiring mandatory overtime.<sup>43</sup> The federal contracting process could be used, as it has in the past, to experiment with new regulations and practices to determine what works. (The reason for offering a list of seven options is that the ways employers can increase predictability vary considerably across industries and across firms.)

### STRATEGIES TO MAKE CHILD CARE MORE RESPONSIVE TO WORKER NEEDS

In the U.S., both employers and the child care system have been slow to catch up with the changing needs of the nation's workforce. Most licensed child care providers structure their programs around the needs of full-time workers with standard schedules.

Use incentives in the federal-state child care subsidy program to create alternative models. It's expensive for the providers of formal, regulated child care to operate outside of traditional hours and to accommodate part-time workers and variable schedules. Providers need additional financial resources to accommodate fluctuating work schedules and to affordably provide extended hours, such as early drop off and late pick up.

**Provide before- and after-school programs at schools themselves to minimize the number of settings children must attend each day.** One of the most difficult child care challenges for parents who work part time is piecing together arrangements that can accommodate their erratic schedules. For school-age children, the best solution is for them to receive care on site so that they can come early and/or stay late. From a child development perspective, attending multiple programs during a single day is not optimal.

#### STRATEGIES TO REFORM ELIGIBILITY FOR PUBLIC BENEFITS

Eligibility for public benefits — such as health insurance, child care subsidies, food stamps and housing assistance — are based on income and/or hours worked per week, which means that low-wage workers with fluctuating hours and pay face constant changes in their eligibility status. States have considerable leeway in how they assess eligibility and how often they require recipients to recertify their eligibility.

Assess income eligibility over longer periods. To accommodate the realities of fluctuating schedules, states should assess applicants' income and hours worked over longer base periods. Once eligibility is established, they should allow income and hours to vary within a certain amount without families losing their benefits.

*Use annual recertification systems*. States typically require families to document their continued eligibility for benefits on a biannual, quarterly or even monthly basis. The purpose of frequent eligibility checks is to prevent fraud — that is, to cut off benefits as soon as possible after eligibility ceases. Not only does this not make sense for workers whose incomes may fluctuate wildly from month to month, it's quite costly to administer frequent recertification.

#### STRATEGIES TO INCREASE THE POWER OF LABOR

Research indicates that workers tend to fare better under JIT scheduling when they work in union shops.<sup>44</sup> The percent of workers who are members of a labor union has declined precipitously since its peak in the mid 20<sup>th</sup> century. This has had a devastating impact on the ability of workers to use their collective power to bargain for higher wages and better working conditions. Part of the problem has been lax enforcement of laws meant to facilitate union organizing.

*Implement policies that make it easier for workers to unionize, especially lowwage and part-time workers.* In addition to enforcing existing laws, we need legislation, such as the Employee Free Choice Act, to strengthen the ability of workers to unionize and to impose penalties when employers refuse to negotiate a first contract with a new union or discriminate against workers for union involvement. Union contracts sometimes provide minimum daily pay provisions and other protections not legally mandated for all workers.<sup>45</sup> *Highlight employer best practices*. Some employers understand that providing hourly workers with greater stability, predictability and flexibility can be a win-win situation. Documenting what works and spreading the word among employers is an important supplement to legislative and regulatory solutions.<sup>46</sup>

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JIT scheduling practices are simply another blow to the already precarious state of the labor market position of low-wage hourly workers. Although such workers are hardly in a position to make new demands on their employers in the current economic and political climate, it is nonetheless the right time to develop a legislative, regulatory and best practices agenda that pushes back against JIT scheduling. And it's also time to incorporate low-wage and hourly workers into the broader quest for workplace "flexibility"— redefined as workplace *predict-ability, stability and flexibility* for all working Americans.

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