

# NEW WORK SCHEDULES IN PRACTICE

Managing Time in a Changing Society

Stanley D. Nollen, Ph.D.

Van Nostrand Reinhold/Work in America Institute Series

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**Stanley D. Nollen, Ph.D.**

Georgetown University  
School of Business Administration



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Managing Time in a Changing Society



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**Van Nostrand Reinhold/Work in America Institute Series**

**Practical Management for Productivity**, by *John R. Hinrichs*  
**Work in America: The Decade Ahead**, edited by *Clark Kerr* and  
*Jerome M. Rosow*

**Young Programs for Older Workers**, by *Beverly Jacobson*  
**Productivity: Prospects for Growth**, edited by *Jerome M. Rosow*  
**New Work Schedules in Practice: Managing Time in a Changing  
Society** by *Stanley D. Nollen*



## VNR/WORK IN AMERICA INSTITUTE SERIES

The VNR/Work in America Institute Series is designed to provide practical insight into new and better ways to advance productivity and the quality of working life. The objective is to create heightened awareness of the opportunities for an enriched work life that can exist in innovative organizations, and to reveal the benefits of linking people and production in a common goal, through clearer understanding of the key factors contributing to worker output and job satisfaction.

The Series will provide guidance on a number of concerns that influence work performance, not only in today's work environment, but also in the even more complex world of work that lies ahead. Titles in the World of Work Series will focus on five fundamental issues affecting the work community: (1) *The quality of working life*, exploring opportunity, recognition, participation, and rewards for employees to optimize their involvement in and contribution to the work organization; (2) *Productivity*, focusing on the human factors in the productivity equation, to increase both individual and organizational output through more effective use of human resources; (3) *Education and the world of work*, discussing ways to improve the match between the entry-level worker and the job, by building bridges from education to the world of work; (4) *Employee-management cooperation*, recognizing that employees contribute important know-how and ingenuity to increase output, reduce waste, maintain product quality, and improve morale; and (5) *National labor force policy*, examining policies of the United States and other industrialized nations as they affect productivity and the quality of working life.

## Preface

New work schedules, when carefully chosen, designed, and executed, are among the best investments an employer can make. The cost is small, the risk is low, and the potential return is high. Best of all, they benefit all parties involved.

Although demographic, social, and economic conditions have altered drastically since 1940, when the eight-hour day and 40-hour week became the standard, the vast majority of American workers still work eight (or seven, or seven-and-a-half) hours a day and five days a week, with fixed times for starting and stopping. As a result, their work schedules conflict in many ways with their personal needs, often unnecessarily. In the 1970s, however, thousands of employers voluntarily adopted "new" schedules that departed from the norm: flexitime, compressed weeks, part time, job sharing, and work sharing. In 1977, 11.1 million people were voluntary part-time workers. As of May 1980 7.6 million workers, or 12 percent of those on full time, nonfarm wage and salary jobs, were on flexitime or other variable schedules.

These figures represent a good start, but Work in America Institute is persuaded that there are opportunities for many more millions of American workers to go on to new schedules which simultaneously advantage employers, employees, unions, and the general public. *New Work Schedules in Practice* is meant to inspire, encourage, and guide those who have thought about trying new schedules but have held off doing so because of uncertainty about either the techniques or the consequences.

For any manager or union official who has considered adopting new work schedules, *New Work Schedules in Practice* offers a mine of information and experience to answer such questions as: "What will work best in my organization? How should I go about gaining support? Where are the boobytraps? Is it worth the effort?"

It is eye opening to learn that informed estimates place the percentage of the work force currently on flexitime in West Germany at over 45 percent!

Some other eye openers:

- It is widely believed that unions oppose the introduction of new work schedules. The cases of the International Federation of Professional and Technical Engineers, Local 21, and the Service Employees International Union, Local 6, refute that. Unions not only favor but, indeed, sometimes demand new work schedules, provided that they (the unions) share with management the responsibility for selecting designing, and implementing them. What unions oppose is having an employer unilaterally thrust a new work schedule on employees without the unions participating in the decision or, ultimately, sharing in the credit.
- It is also widely believed that new work schedules are for white-collar workers and are not really suited for blue-collar workers, least of all in manufacturing. Again, cases in the real world prove otherwise. Production workers in the Fa. Mey, Fa. Thomae, and Hengstler companies of West Germany are happily using flexitime. Assembly workers at the Sercel and Hewlett Packard companies on the West Coast of the United States enjoy flexitime. Continuous-process shift workers at Shell plants in Sarnia, Canada, and in the United Kingdom are on compressed-week schedules with a great deal of flexibility. And the Physio-Control Corporation, near Seattle, offers its employees three different kinds of compressed-work schedules as well as the conventional eight-hour day. Most of those on a compressed workweek are production workers.
- Those who have been wanting to raise voluntary part-time work to equal status with full-time work have long struggled with the problem of equitably apportioning fringe benefits. Practical solutions were found in the cases of the Port of Seattle and the State of Hawaii.
- One of the main reasons unions have been strongly opposed to flexitime with debit and credit hours and to compressed workweeks is that both schedules expose workers to the danger of overtime violations. The problem was solved to the satisfaction of unions, workers, and management in the cases of six public-sector organizations in California and the International Federation of Professional and Technical Engineers, Local 21; the Group Health Cooperative of Puget Sound and the Office and Professional Employees Union, Local 8; and the Municipality of Metropolitan Seattle's pollution-control plants and the Service Employees International Union, Local 6.



• Many employers have the impression that new work schedules complicate the job of management. In some ways they do, although, as a rule, the extra effort is amply repaid by improvements in attendance, punctuality, and morale. Furthermore, there are cases in which the work of management is actually simplified by new schedules. For example, at Shell Canada's Sarnia plant and at Pedigree Pet Foods, Shell Chemical, and Savalco, Ltd., in the United Kingdom, the workers relieved management almost entirely of the perennial headache of ensuring coverage on continuous-process shift work. Comparable responsibility was assumed by unionized workers on flexitime at the Group Health Cooperative of Puget Sound and by job sharers at the XYZ Company.

• Since most new work schedules stay in effect only as long as employees want them, it is a truism to say they are popular. Less well understood is the fact that new work schedules are good business for the employer. Almost without exception new schedules either maintain or improve productivity. They consistently reduce absenteeism, lateness, and overtime. By reducing conflicts between work and personal needs, they enable workers to devote more wholehearted effort to the job at hand. They encourage workers to take more responsibility for organizing their work. They enlarge the pool of talent from which the employer can recruit. They raise employees' approval of the enterprise.

• Lastly, as the cases of community-wide flexitime programs show, new work schedules serve the interests of the general public by facilitating urban transport and reducing the consumption of gasoline for commuting.

*New Work Schedules in Practice* is one of two books produced by an 18-month Work in America Institute policy study, jointly funded by The Commonwealth Fund and Carnegie Corporation of New York. The other book, *New Work Schedules for a Changing Society*, is a policy report. Our study focused not on the how-to's of new work schedules (which have been explored at length elsewhere), but on the policy issues that determine whether a new schedule is introduced at all, and, if so, how well it succeeds. In a sense, the two books are obverse and reverse. *New Work Schedules in Practice* emphasizes actual case descriptions (occasionally under a fictitious name) to illustrate major policy issues; *New Work Schedules in a Changing Society* emphasizes policy issues and recommendations, drawing on real cases for illustration.

Much of the information in the book is based on first-hand research by the principal author and his colleagues, some by telephone, but most through site visits, both in the United States and Europe. Before selecting cases for further investigation, Dr. Nollen conducted a broad survey of U.S. employers with new work schedules, and a survey of the literature (summarized in *Alternative Work Patterns*, a volume in the Highlights of the Literature series published by Work in America Institute). His associates contributed their specialized knowledge of job sharing, of area-wide flexitime programs, and of European advances.

The result is 35 detailed case studies and a large number of brief references. A wide spectrum has been covered: manufacturing and service industries; batch, assembly-line, and process industries; blue-collar and white-collar work; union and nonunion companies; successes and failures; high-technology and low-technology firms; private and public employers. In addition to the standard forms of flexitime, compressed workweeks, job sharing, work sharing, and part-time work, there are many variations of these forms. An open-minded reader cannot help but conclude that the only limit to the design of new work schedules is ingenuity.

The structure of the book is well suited to its intended use. Originally it had been conceived as a series of chapters, each treating a single category of work schedule (e.g., flexitime, compressed workweeks, and so on) and related policy issues. As the research proceeded, the principal author and Work in America Institute became increasingly aware that the categories were anything but static and that the possibilities for combination and permutation were innumerable. The cases, therefore, have been organized according to the policy issues they illuminate, paralleling the companion volume, *New Work Schedules for a Changing Society*.

The issues are as follows:

- Who can use new schedules?
- What are the costs and benefits?
- What role do unions play in changing work schedules?
- How do new schedules affect individuals and families?
- What is involved in managing new work schedules?
- Can new work schedules serve as alternatives to layoff?
- Do new work schedules help to save energy and increase transportation efficiency?
- Does government have a role in furthering new work schedules?

When a case touches more than one key issue, the main body of the case appears under the most appropriate issue heading, while supplementary material is reported in other chapters. This arrangement makes it clear that *New Work Schedules in Practice* is a handbook for decision makers rather than a textbook for students.

The principal author and Work in America Institute wish to acknowledge all those who helped assemble and produce the book:

- Robert Zager, vice-president of policy studies, for his professionalism and high standards in directing the policy study and working with the principal author and other contributors to produce this volume.
- Gretl Meier, pioneer writer and researcher in the field of job sharing; Virginia Hider Martin, consultant with Vail Associates; and William McEwan Young, University of Technology, Loughborough, England, for their invaluable research and contributions to this book.
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The statements made and views expressed in this book are those of the primary author and contributors and do not necessarily reflect the views of either The Commonwealth Fund or the Carnegie Corporation of New York.

Jerome M. Rosow  
President  
Work in America  
Institute, Inc.

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# 1.

## New Work Schedules

### WHAT ARE NEW WORK SCHEDULES?

New work schedules are alternatives to the standard of eight fixed hours of work for five days a week. That this is the standard is not in doubt. Over 80 percent of all employees put in five days a week (not counting farmers). Nearly two-thirds of all employees work 40 hours in those five days. Work starting time is predominantly 8:00 A.M. and quitting time is usually 5:00 P.M., and less than one worker in ten has any choice about his or her work schedule. The standard fixed-hours, five-day, 40-hour workweek has been with us since the 1950s, more than a generation ago.<sup>1</sup>

New work schedules permit changes in the standard work schedule. The changes are of these kinds: (1) they let the length of work time change (e.g., 30 instead of 40 hours a week, or 1500 instead of 2080 hours a year, as in part-time employment); (2) they let the allocation of work time change (e.g., ten instead of eight hours a day, or four instead of five days a week, as in compressed workweeks); and (3) they let control over work time change (e.g., decisions by workers instead of managers, as in flexitime).

These changes appear to be simple enough. They are not complex, and they are not costly. And they offer some benefits to both companies and workers. However, new work patterns are not just minor changes in work schedules. They are an adjustment in the sociotechnical system of the company. They are an element of human-resource management. They usually require some changes in management practices and values.

What exactly are new work schedules? How do they work? What distinguishes one new work schedule from another? Here are brief definitions.



### Part-Time Employment

Part-time employment is an umbrella term that includes all work less than full time. How many hours that is varies. In U.S. government statistics, people who work less than 35 hours a week have been counted as part-timers. For federal government employees, 32 hours a week is the dividing line between part-time and full-time hours (beginning in 1979). Many companies say you must work at least 20 hours a week to have part-time status. While neither the idea nor the use of part-time employment overall is new, several ways in which it is now used are.

The status of the part-time employee is more important than the hours worked. There are two key variables: permanence and choice. Based on these variables, there are several kinds of part-time employment:

- *Permanent Part-Time Employment.* The job and the worker are expected to be part time for a long time. Both are regular and stable.
- *Job Sharing.* A new version of permanent part-time employment in which two (or more) part-timers share one job. The workers are part time while the job is full time.
- *Work Sharing.* A temporary reduction in working hours chosen by a group of employees during economic hard times, usually as an alternative to layoffs.
- *Temporary Part-Time Employment.* The worker is expected to stay at a job only a short time, either because the job does not last or the worker does not have a long-term commitment to the labor force (temporary employment can also be full time, of course).
- *Phased Retirement.* Part-time employment chosen by employees who gradually change from full-time to retired status.
- *Workyear Contracts.* Annual agreements between a worker and his or her company about how much time will be put in and where. Usually these agreements, which are rare, involve part-time work distributed in blocks over the year.

Part-time employment is allocated as part day, part week (full day), or part year. Part-timers may or may not have a choice about their working times.

Some uses of permanent part-time employment and job sharing will be discussed in this book, but not all. Case study research on phased retirement is available in Jacobson (1980), information on work sharing