How Precarious Scheduling Hurts Workers - And What Can be Done to Mitigate Problems

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The shift started at 10 am for Rosa, Pablo, and John in a six-person kitchen, but at 12:30 pm the kitchen manager punched out their time cards and sent them home. Although all three expected to work eight hours, the lunch rush never materialized so management dismissed them to keep labor costs down. As Rosa left through the backdoor of the kitchen, I asked her what was going on.

“Michael cut my shift again today. It’s the second time this week.” Rosa works two part-time jobs to make ends meet, but unpredictable and erratic scheduling makes accumulating enough hours a challenge. “I’m not sure if I’ll make rent this month and if Michael keeps cutting my shifts, I’m going to need to find another job... I need this job and I have to be available to come in when he needs me but if I only get a few hours that’s not enough. I need stability, how can I plan for the future, how can I take care of my daughter if I don’t know if I’ll have work.”

This scenario happens for many American workers. Just-in-time scheduling and cutting hours without notice generates irregular and unpredictable work hours. Across the labor market, but especially for workers with less education, lower wages, and those who work in the retail or service industries, unpredictable and variable work hours have become increasingly common.

Understanding the growth and consequences of variable and unpredictable scheduling is instructive for understanding how to craft policies to ameliorate this growing social problem.

Trends and Scope in Uncertain Scheduling

The growth of precarious employment has been a central feature of the contemporary U.S. labor
market, particularly since the Great Recession of the late 2000s. When unemployment rates peaked, the number of underemployed workers reached the highest point in decades, and the probability of workers reporting variable hours increased substantially. Such reports rose from 36 percent of workers between 2004 and 2007 to 46 percent between 2008 and 2012.

Although varying weekly hours can reflect workers’ desire for flexibility, most schedule variability is employer-driven. Employers often shift the number and timing of hours to reduce labor costs, especially in industries like food service, retail sales, and hospitality. To mitigate potential losses in the face of unpredictable demand, managers often change assigned hours and schedules at the last minute. They require on-call shifts, cut shifts short, or send workers home before they even begin their shifts. Such scheduling practices are just one facet of a broader trend in which employers shift the risks and costs of doing business to workers.

Changes in economic growth and unemployment rates help explain the increase in varying hours before and after the Great Recession. But even after the recovery, varying work hours have remained high, despite declining unemployment rates. In 2016, almost eight out of every ten workers reported some fluctuation in the number of hours worked in the past month and 37 percent reported receiving less than one week's notice about their schedule. Such high levels of work schedule variability and unpredictability may reflect not so much short-term economic trends as a longer-lasting shift of power from workers to employers.

**How Precarious Scheduling Affects Earnings and Job Security**

Even with continuous employment, varying work hours from week to week can be burdensome for workers. First, varying work hours lead to unstable earnings and income for hourly workers, making it difficult for them to plan a long-term budget and cover essential expenses. Research shows that workers with varying hours earn less than those with stable schedules and suffer higher rates of poverty. When workers shift from steady to varying work-hours, their average earnings decrease by 7.3 percent compared to the previous steady-work month. Unpredictability in work scheduling can also make workers feel less secure about employment. Workers who receive less than a week's
notice about schedules report feeling less secure in their jobs than those given four weeks of notice or those who have schedules that never change.

Variable and unpredictable hours also make it more difficult for people to find and obtain other, more secure work. Workers are often expected to maintain open availability or are given an actual work schedule indicating days and times, only to find their hours cut short. This makes planning for the future, securing better work, and arranging for care of loved ones difficult. Precarious work scheduling can be financially burdensome for workers, reduce workers’ sense of security on the job, and create conflicts between work and family life.

**Remedies for Precarious Scheduling**

The Fair Labor Standards Act provides little protection from unstable scheduling for most workers. Unions can negotiate guarantees of minimum hours and, especially in states with higher unionization rates, members are less likely to report varying work hours than non-members. However, the steady erosion of union strength in the United States limits this solution.

Many state and local governments have instituted scheduling protections under pressure from unions and activist networks. For example, “call-in pay” requires employers to compensate workers for remaining available or for doing last-minute additional work. Similarly, eight states and Washington D.C. have “send-home” or “reporting pay” laws requiring employers to pay workers for at least some portion of their scheduled shift in the event of last-minute changes. In California, depending on the shift’s length, workers sent home early must be paid for at least half of their scheduled time at regular rates.

The city of San Francisco was the first to pass regulation about advanced scheduling in 2014, in what labor activists called the “Retail Workers’ Bill of Rights.” Similar policies have taken effect in Seattle, Washington, Emeryville, California, and New York City. These ordinances require retail employers to estimate weekly hours for new hires and set schedules at least two weeks in advance. They expand pay protections for shift changes and “on-call” shifts. When demand increases, these laws also require employers to offer additional hours to existing workers before hiring additional
part-time, seasonal, or temporary workers. Our research suggests that enactment and proper enforcement of such policies may significantly stabilize earnings and improve the lives of workers and families.