Evaluation of Seattle's Secure Scheduling Ordinance: Baseline Report

**Presentation to the Seattle City Council's
Housing, Health, Energy and Workers' Rights Committee
April 5, 2018**

Project Overview

- Secure Scheduling Ordinance
  - Adopted in September 2016; went into effect on July 1, 2017
  - Covers a subset of hourly workers in the food service and retail sectors
  - Year 1 and Year 2 evaluations mandated by the Ordinance
- Evaluation Questions:
  - What are the impacts of the Ordinance on covered employers?
  - What are the impacts of the Ordinance on covered employees?

Research Team & Structure

- Collaboration by national experts on conditions of work from 5 universities
  - Frontline Manager Interviews
    - Anna Haley (Rutgers University)
    - Susan Lambert (University of Chicago)
  - Employee surveys, with targeted LEP sample
    - Daniel Schneider (University of California, Berkeley)
    - Kristen Harknett (University of California, San Francisco)
  - Coordinated locally by UW/West Coast Poverty Center
    - Jennifer Romich (University of Washington)

Baseline Results on Secure Scheduling from Online Worker Survey

Daniel Schneider, UC Berkeley

Kristen Harknett, UC San Francisco

Establishing a Baseline – Spring 2017

- What are the conditions before the SSO goes into effect?
  - Unstable and unpredictable work schedules
  - Insufficient and volatile work hours
  - Desire for change
  - Worker wellbeing
  - Knowledge of the SSO

- LATER:
  - Follow-up data – Spring 2018
  - What effect did the SSO have on work conditions and worker outcomes?

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Complete Survey

We are a group of University of California, Berkeley researchers studying work scheduling practices in the Seattle, WA area.

If you are working at a retail or fast food job in Seattle or nearby, we really want to hear from you!

[informed consent]

As a thank you for participating, you will be entered into a drawing for an Apple iPad.

English Amharic Chinese Oromo Somali Tigrinya Vietnamese
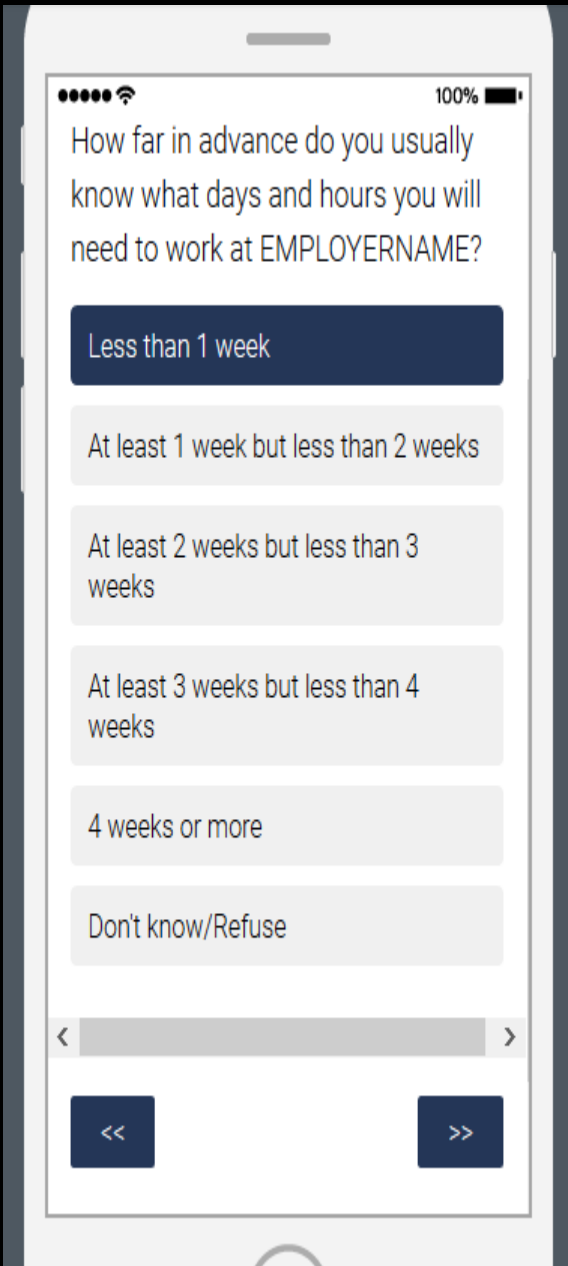
How far in advance do you usually know what days and hours you will need to work at EMPLOYERNAME?

Less than 1 week

At least 1 week but less than 2 weeks

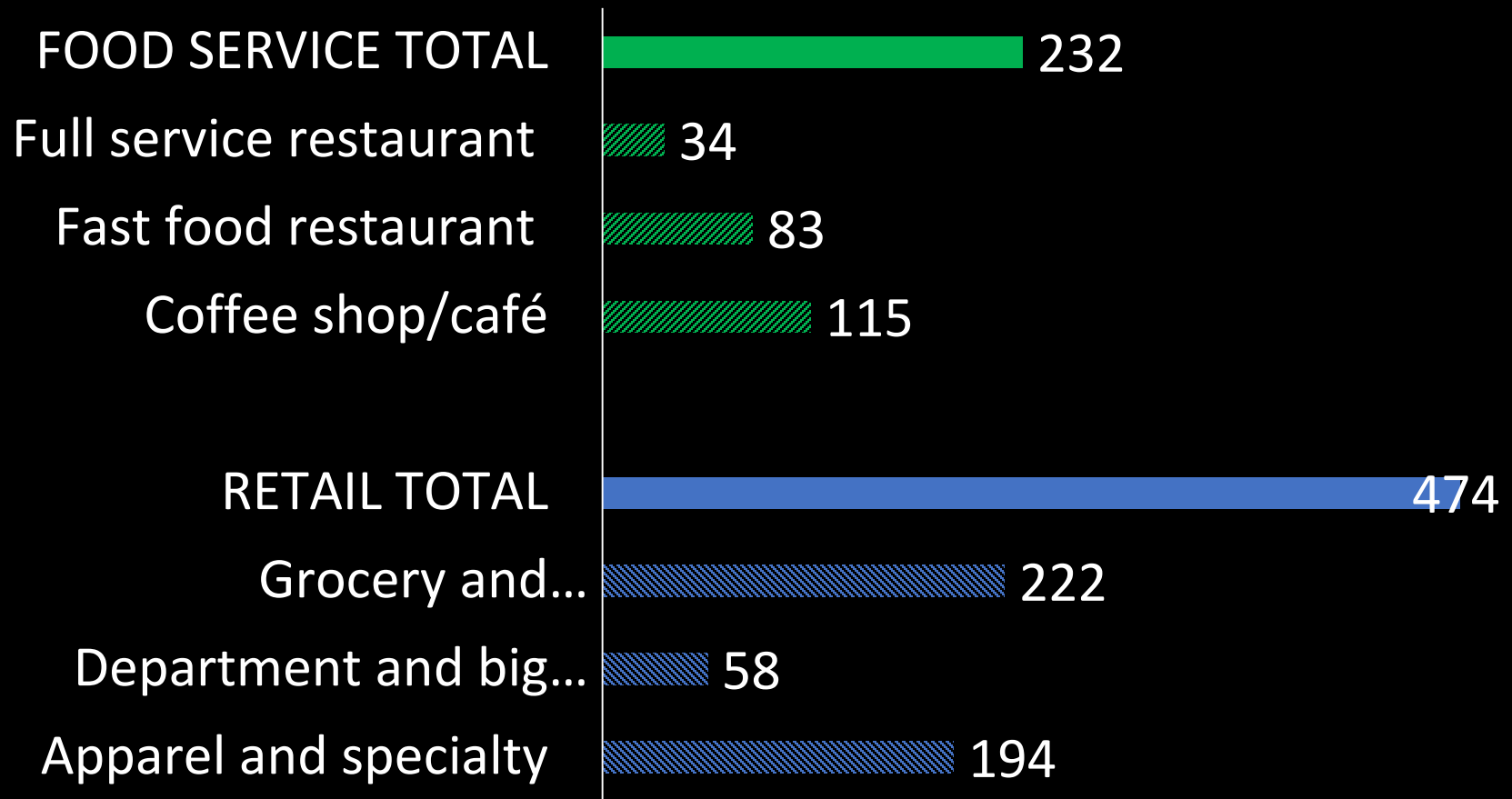At least 2 weeks but less than 3 weeks

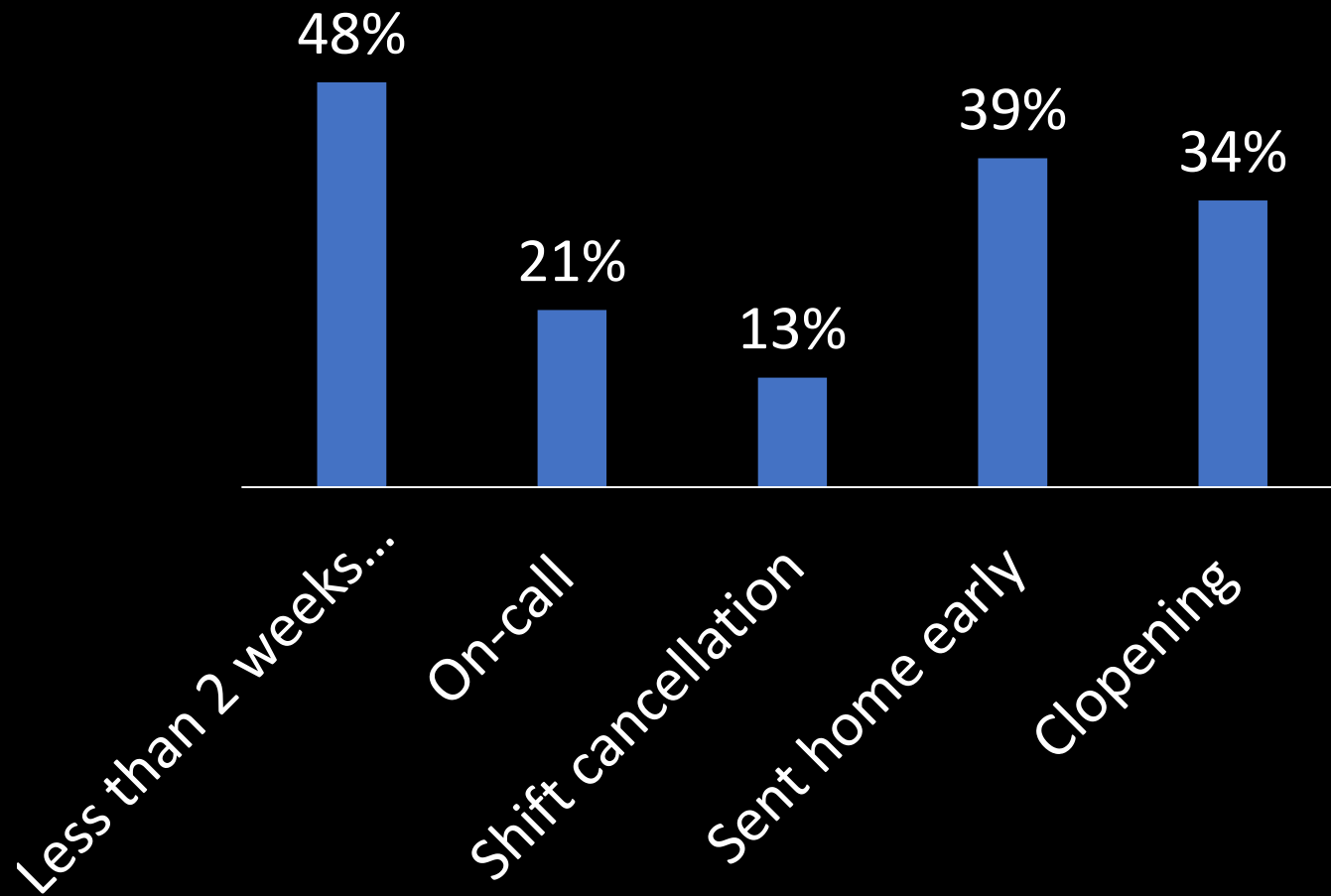At least 3 weeks but less than 4 weeks

4 weeks or more

Don't know/Refuse

<< >>

Sample of 706 Seattle Covered Workers

Seattle Covered Workers - Insecure Schedule Experiences (Spring 2017)

Seattle Covered Workers - Schedule Consequences (Spring 2017)

72% — Work schedule sometimes causes stress

40% — Work schedule interferes with school

26% — Work schedule often or always causes stress for family
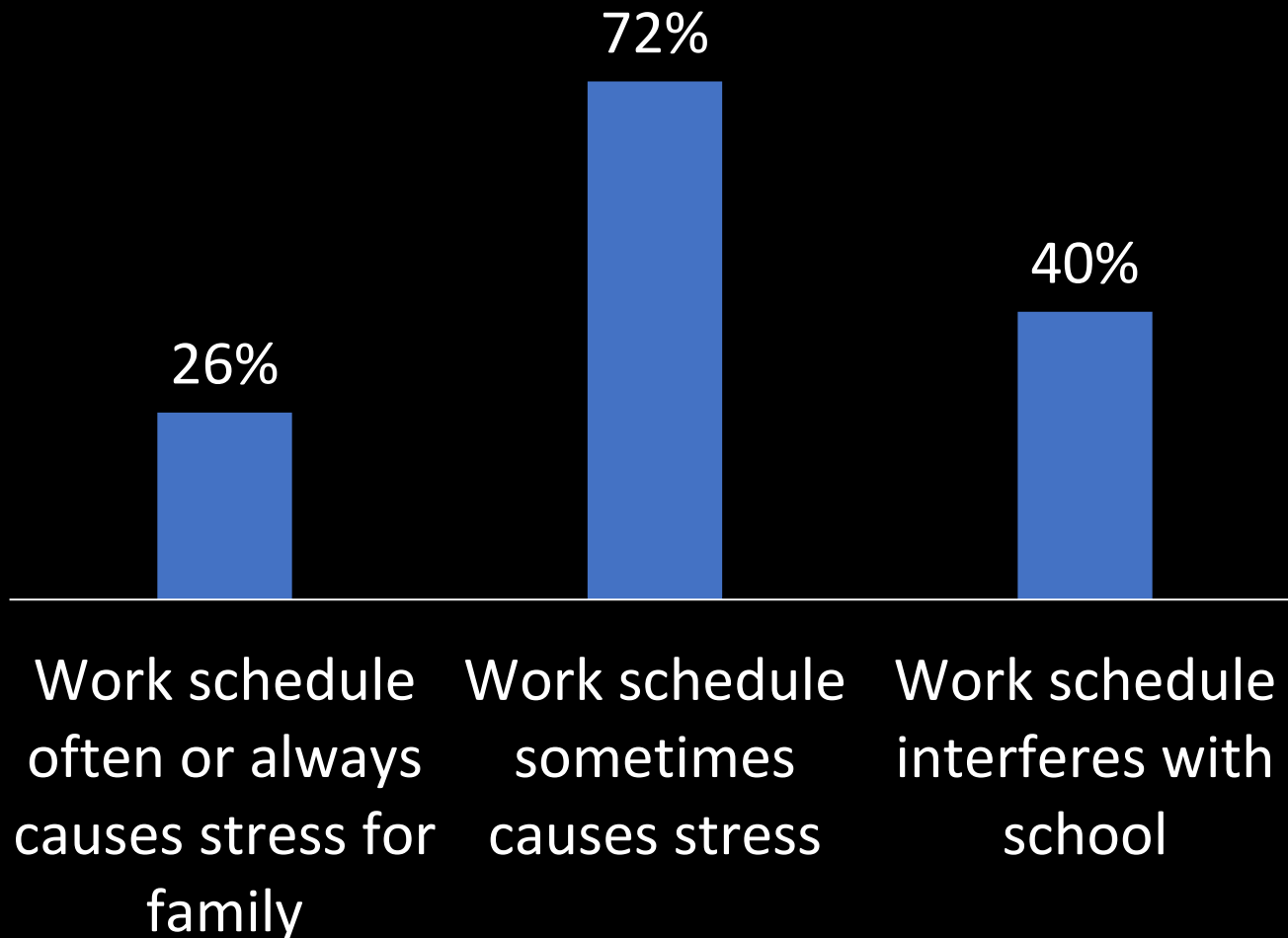
Seattle Covered Workers - Desire for More Stable Hours (Spring 2017)

75%

55%

Would like more hours   Would like more stability and predictability
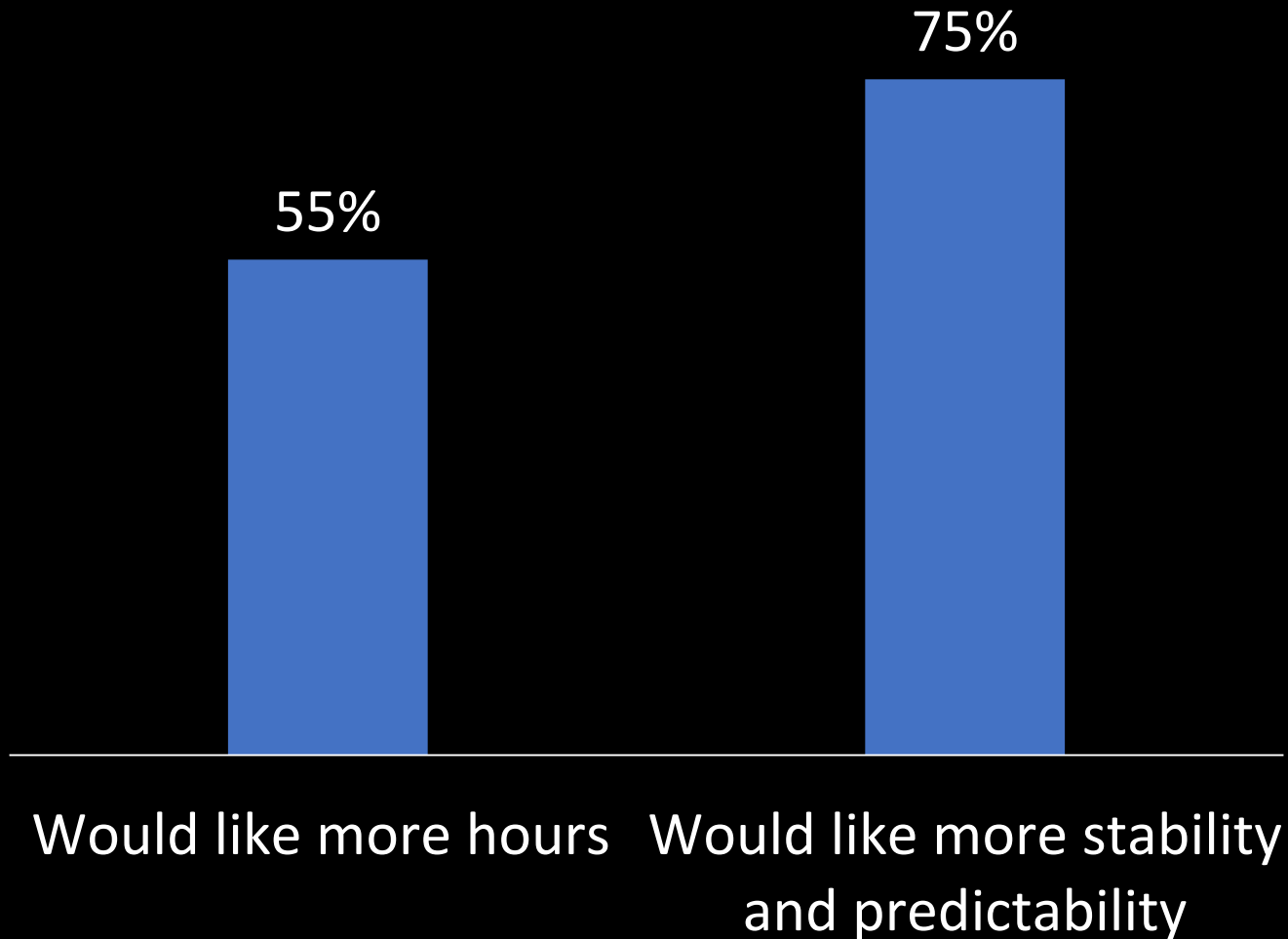
Aware of SSO?

If Yes, How Did They Learn about SSO?

No, 63%

Yes, 37%

Comm org	Friend	Union	Posting	Co-worker	Manager	Media
4%	10%	12%	21%	23%	36%	50%
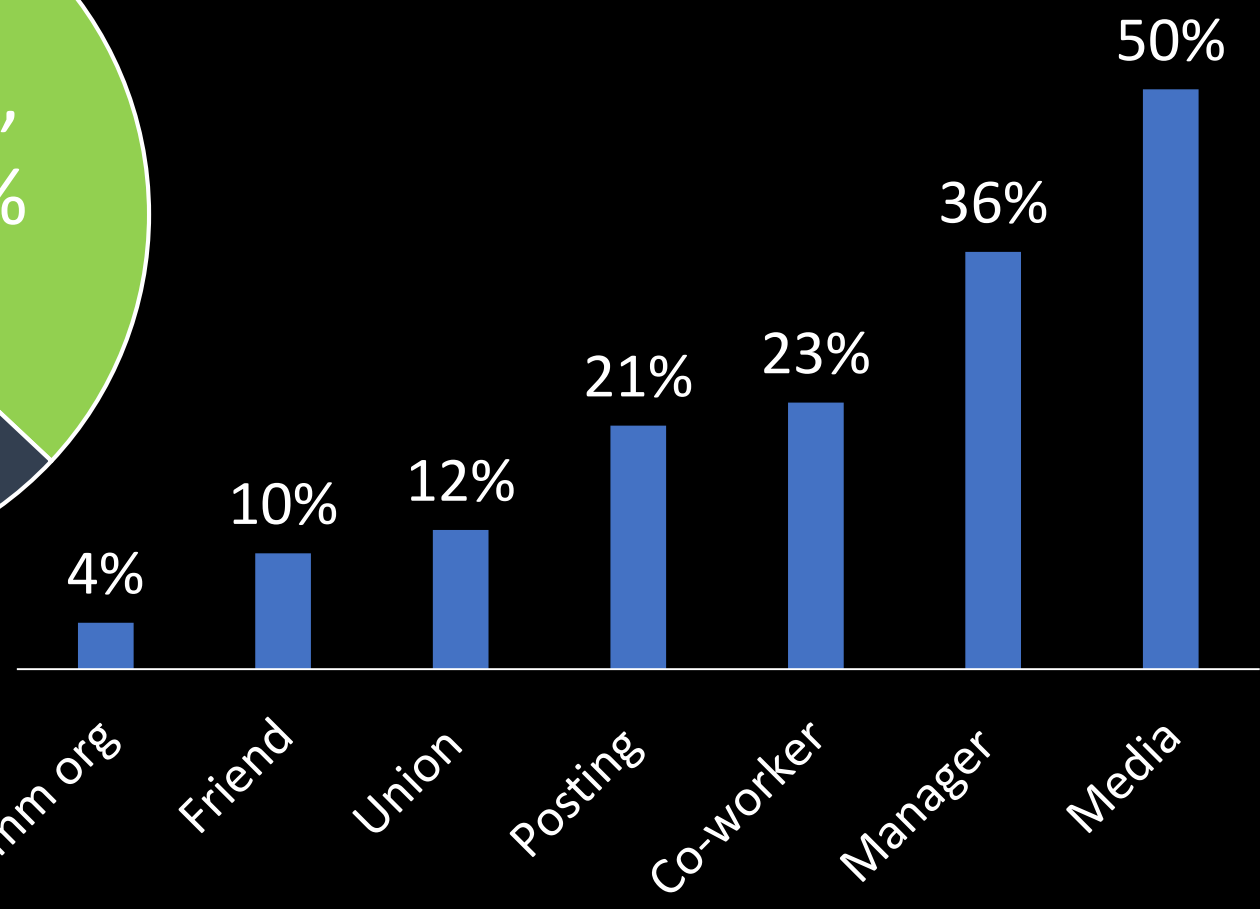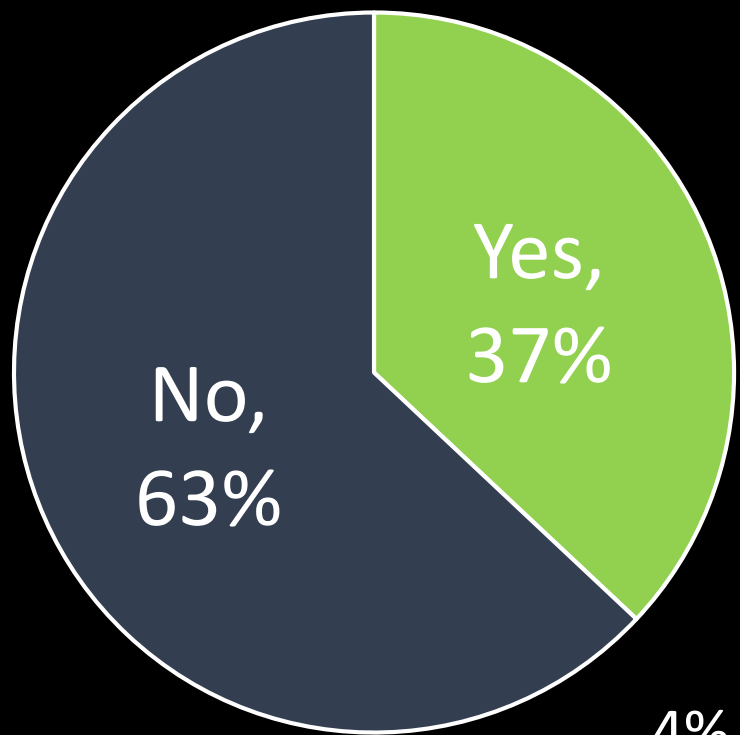
Covered Workers with Limited English Proficiency

- Hard to locate

- 34 surveys from recruitment through community organizations

- An additional 120 survey respondents reported a language other than English is spoken at home

LEP and ESL sample:

- Also reports insecure scheduling conditions

- Less likely to be aware of SSO

How Can We Know if the SSO makes a difference?

- Follow-up data in Spring 2018 from covered workers

- Comparison samples from same set of employers
  - Seattle area – work outside of Seattle city limits
  - Matched cities - minimum wage and soon to pass scheduling (Portland, Chicago, Los Angeles, Washington DC, Philadelphia, San Diego, Minneapolis)
  - Large cities – broader set of large cities

Evaluating Impacts of SSO on Workers

Workers with Less than Two Weeks' Notice of Work Schedule				
	Baseline	*Follow-up*		*Difference*
	Before SSO -	*After SSO ?*	=	*?*
Seattle covered	**48%** -	*10%*	=	*38%*
Comparison	**55%** -	*45%*	=	*10%*
		Effects of SSO	=	*28%*
Note: **Bold** = observed at baseline. *Italicized* = hypothetical.				

Future Work

- One-year follow-up – Spring 2018 data collection from Seattle covered workers and comparison workers at same employers

- Evaluation results:
  - Did SSO affect workers' scheduling experiences?
  - Did SSO affect workers' economic security, health, and family lives?

Thank you!

Acknowledgements:

SEATTLE'S SECURE SCHEDULING ORDINANCE EMPLOYER AND STAKEHOLDER COMPONENT: *INITIAL BASELINE ANALYSES*

Susan Lambert, University of Chicago

Anna Haley, Rutgers University

Overview of presentation

- Primary goals of the employer baseline study

- Summary of methods

- 3 themes pertaining to study's goals

- Plans for the Year 1 evaluation

Rationale for looking at employers' pre-Ordinance scheduling practices

- SSO set basic standards for staffing & scheduling for hourly employees at large firms in retail and food service industries
  - *All covered businesses are to meet or exceed these standards*
  - *But public policies are often implemented unevenly*

- We gathered data on 3 factors that should help explain variation in SSO implementation:
  - *Where the business is starting from: Some have farther to go than others to comply with one – or all – SSO provisions*
  - *Managers' awareness and understanding of SSO, including anticipated implementation challenges and strategies*
  - *Tools and resources managers have to support SSO implementation*

Summary of methods

Initial <u>surveys</u> with frontline managers responsible for scheduling their workplace or department

Followed by <u>interviews</u>:

- *in-person meetings*

- *talking through entire scheduling process*

- *questions organized around each SSO provision*

- *when possible, securing examples of actual schedules*

Distribution of managers across sampled business sites (n=52)

RETAIL (n=28)				FOOD SERVICE (n=24)		
Apparel & specialty retail stores	Department & big box stores	Grocery stores	Convenience stores	**Limited service**		**Full-service restaurants**
				Coffee shops	Fast-food restaurants	
6	5	9	8	5	11	8

- Interviewed managers responsible for scheduling 2,700+ Seattle employees.
- Neighborhoods targeted: Northgate, Lake City, Ballard, Downtown, Columbia City, Rainier Valley, and area of Seattle near White Center.
- Businesses were chosen to provide firm, employee & customer variation.
- We stopped recruitment in the few cases where corporate-level representatives declined study participation on behalf of a firm.

Where are businesses starting from?

Some businesses were close to – or partially exceeded – SSO standards:

- *Leaders in all 3 types of covered businesses*
- *Have found ways to balance labor flexibility with schedule predictability for employees*

Other businesses have a long way to go:

- *Labor flexibility is central to managing*
  - calling employees at last minute, shortening shifts, keeping many employees on payroll just in case they're needed
  - for these employers, law is likely to be a heavy lift

Others are in-between:

- *Labor flexibility is not as central to business strategy*
  - compliance may not require big changes to how business is run

Example: Estimate of hours

Close or already there:

- Grocery manager: I always stand behind whatever I say in an interview. I'm not going to hire somebody and say, "Hey, we're going to give you 38 hours a week," and then we give them 20. That's horrible."

- Coffee shop manager: If they say, "35 [hours], then I'll say, "Honestly, I could probably commit to about 25. I could definitely work with you on getting you those addition 10, but [25 hours] is what I can give you my in-store commitment on" …. [W]hen they walk away from the conversation, they know I know how many they're looking for, and they know how many I'm committing to."

- Manager of full-service restaurant near 2 event venues: [W]hen I'm out of show, I can give them between 18 and 24 hours a week. When I'm in show, they're going to average more like 30 to 34. Not more. They know right off the bat.

Distant:

- Fast-food restaurant manager: I tell them when I hire them, "This is based on business need. I might send you home early. I might then go home early. Take a day off." If there's no business, there is no business.

- Full-service restaurant manager: I say [to the new employee] "I can generally just schedule 28 hours."

  Interviewer: And then are they generally sticking to that 28?

  Manager: No, it can change…. It changes all the time…. Just depending on the business.

Example: Schedule changes

Close or already there:

- <u>Apparel retail manager</u>: (When asked whether employees are sent home early if business is slow) No. Usually there're other things to do in the store.

- <u>Coffee shop manager</u>: (When asked whether employees are sent home early) I have a lot of students... If it feels slower than normal, they can tell me, "I got a test tonight. If you don't need me, I'm happy to go home."

- <u>Full-service restaurant manager</u>: If we're going to do an on-call, we try to do it with somebody that's already here so that it's not a special trip ... That way you don't have to sit at home all day wondering … if they're going to come in or not.

Distant:

- <u>Full-service restaurant manager</u> : I will also just call people off in general, even if they were scheduled. If the weather turns and it's not going to be sunny, I would simply call them and say, "Hey, I do not need you tonight." And they would know that 2 hours before they were actually scheduled in.

    <u>Interviewer</u>: And how often was that happening would you say?

    <u>Manager</u>: A lot. A specific number or percentage, probably half the days of the week I would call someone off. It's always better for us to over-schedule a little bit and be prepared for the sunniest of weather.

Spirit or letter of law?

Spirit and letter:

- <u>Specialty retail manager</u>: [It's] really important [that the study] highlight that we're trying to avoid schedule changes, but we still need to run a business, and if we're paying a little bit extra that's fine.... [We want to avoid] not getting so tied up in the language that we forget what the goal of the law is.

Letter(?) but not necessarily spirit of law:

- <u>Grocery manager</u>: [M]y biggest challenge that I see with this is if I have to write the schedules so far out, which would add another week or more to what I'm already doing now. What I would have to do, and this is where it gets really tricky, …. I would have to create a way to keep everybody super hungry for hours. I would have to over-hire and keep everybody at 32 hours. So when something happened, an injury, a family emergency, sickness, all I would have to say is, I'm not gonna change it, but I have these shifts available… I don't want to do that, but as soon as this all started happening, I got to thinking about how I would do it and that's probably how I would.

- <u>Apparel retail manager</u>: If I know that this employee has availability, and I know that this [other] employee does not, in order to get around that mass scheduling, I will text both of those people to ask them if they can come in for a particular shift knowing the person that's going to be able to come in. So that's the way around that. Which, I think, is unfortunate, but at the same time, it's easier to text two people than it is to text 10 and get all the responses back, just from a time management perspective.

Awareness and knowledge

22 of 52 managers had not heard about SSO until contacted by our research team

Misconceptions about features of the SSO appear to have led some managers to think about changing current practices that would not be subject to additional compensation, and to change other practices in ways that will still require additional compensation

- *Example: Ending double shifts worked in the same day (e.g., lunch & dinner shifts)*
- Some managers thought that because 2 shifts were usually only 2-3 hours apart rather than 10 that they would have to pay additional compensation for the entire second shift
  - Split (double) shifts worked during the same day are not covered by "Right to Rest," and do not require additional compensation under the law

- *Example: Using mass communication to avoid having to compensate employees for schedule changes*
- Some managers were considering limiting the number of shifts they include on the posted schedule, and then later announcing additional shifts for employees to voluntarily pick up
  - But only additional shifts resulting from another employee's absence or adjustment that are also offered through mass communication are excluded from schedule change compensation

Tools and resources

Lots of variation in corporate supports managers were receiving for SSO implementation

- Numerous managers had few or no resources (esp. at smaller sites):
  - Some convenience stores do not post schedules; manager/owners unsure how to add compensation for schedule changes through their payroll processing systems or establish a system to track schedule changes

- Numerous managers said their corporations were not making changes to scheduling and payroll systems, despite sophisticated software their firm uses:
  - Managers were left to set up ad hoc systems to track schedule changes and make back-end changes to payroll

- Other managers said implementation was being taken care of by corporate HR and IT people and they weren't worried about it:
  - Managers at firms with San Francisco sites said hearing about that experience was helpful

- Although not everyone knew about or attended the City's information sessions, those who did said they were very helpful
  - Some still had questions about implementation at their workplace

Year 1 evaluation

Summer 2018:

- Minimum of 50 covered worksites in retail and food services
  - *Current scheduling practices pertaining to each provision of the SSO*
  - *Adjustments managers have made to comply with the different provisions*
  - *Knowledge and understanding of SSO provisions*
  - *Which SSO provisions have been most and least challenging to implement*
  - *What resources have been helpful in facilitating compliance, and what supports are still needed*
  - *Promising strategies managers have developed to balance labor flexibility with schedule predictability*