Great Recession's other legacy: Inconsistent work hours

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It can be hard to plan for basic needs, like paying rent or taking care of your kids, if you don't know when you'll be working next week or just how many hours you will be needed.

A new study by researchers at the University of California-Davis, finds that an unpredictable work week is the norm for growing numbers of low-wage workers—nearly 40 percent of whom worked variable hours for at least one four-month period after the start of the 2007-09 Great Recession.

"Since the Great Recession, so much of the conversation has been about unemployment completely," said Ryan Finnigan, an assistant professor of sociology and Center for Poverty Research faculty affiliate who led the study, which he will present at the 111th Annual Meeting of the American Sociological Association (ASA). "There's another conversation, that's been much less prominent, about the quality of jobs that are replacing the ones that have been lost."

Finnigan and sociology PhD candidate Joanna Hale looked beyond the record unemployment of the 2007-09 Great Recession to examine job stability. They found that even before the recession, workers who had inconsistent hours from week to week earned less and were more likely to live in poverty than workers with consistent hours. With the onset of the recession, they fared even worse.

The Rise in Unpredictable Work Schedules

For the study, Finnigan and Hale compared two samples from the U.S. Census Bureau's Survey of Income and Program Participation. The samples from 2004-07 (the survey period ended before the onset of the Great Recession in 2007) and 2008-13 followed a nationally representative total of 93,939 workers ages 25 to 55. Finnigan and Hale then looked at how many of these workers reported that their "hours vary" rather than report the number of hours they worked each week.

Their key findings:

- About 29 percent of workers in 2004-07—before the Great Recession began—reported that their "hours vary" for at least a four-month period across that survey period. This percentage increased to almost 40 percent among the 2008-13 group of workers, a time period which includes the bulk of the recession and four years into the national economic recovery.
- Across both samples, workers who reported inconsistent weekly work hours earned 15-20 percent less in a given month than those reporting stable schedules. They were also 30-45 percent more likely to be in poverty.
- Unions made a difference. Before and after the Great Recession, workers who belonged to a labor union or lived in a state with higher-than-average rates of union membership were 2 percent less likely to have work schedules that changed from week to week.

Unpredictable Work Hours Affect Income and Poverty

"Unpredictable work schedules and unstable hours create significant costs of time and money for millions of workers and their families," Finnigan said.

Unstable work schedules cause hardships that extend beyond struggles to meet basic household costs like rent and groceries. They also make it difficult to keep a long-term budget or to plan for time with family, child care, and even the rest and relaxation that workers with regular hours can take for granted. Lack of a regular schedule can also make it more difficult to pursue more stable jobs and opportunities for education and training that can improve job prospects—and income—in the long term.

Rise of 'Just-in-Time' Scheduling

Finnigan said that the increase in workers with unreliable work hours reflects a trend toward more temporary and contract jobs across the pay spectrum. To reduce their labor costs, some service industry employers use "just-in-time" scheduling, which uses software that can determine the number of workers needed based on change in customer traffic down to the hour.

"I think that's something that's working out very well for employers and not very well for employees, but they have little recourse to find better arrangements," said Finnigan.

The paper, "Work Variability and Unionization in the Great Recession," will be presented on Monday, Aug. 22, in Seattle at the American Sociological Association's 111th Annual Meeting.

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