GETTING PUNCHED:
THE JOB AND FAMILY CLOCK

It’s Time for Flexible Work for Workers of All Wages

By Jodie Levin-Epstein
Acknowledgments

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INTRODUCTION

The United States is a recognized leader in the global economy. Yet, within the United States, there are too many situations in which:

- children drop out of school to care for younger siblings because parents who work are unavailable (Bridgeland et al. 2006);
- men and women lose jobs or wages when they miss work to care for family, including children, grandchildren, and elders (Williams 2006);
- married couples risk divorce at higher rates if they work non-standard hours;\(^1\) and
- parents work with no paid leave—no sick days, vacation days, or personal leave. Nearly one-quarter of working parents with a child under age 3, almost four in 10 workers who are low-income,\(^2\) and more than half of working parents with below-poverty income lack paid leave (Ross Phillips 2004).

Workplace conditions matter. When workers are unable to adequately meet family responsibilities because of their jobs, it threatens not only family well-being but also exacerbates national challenges ranging from elder care and an aging workforce to health care, school readiness, and school performance. Furthermore, there is a cost to the social fabric when work responsibilities overpower family responsibilities; this cost is borne disproportionately by those who can least afford to bear it—low-wage workers.

Time is an important workplace condition. Among the “clock” issues are scheduling flexibility—the number of hours on the job, their predictability, the start and stop times of the workday—and workers’ paid leave. Businesses can benefit from practices that enable workers to better juggle their time, as this increases workers’ ability to stick with the job. The business case for flexible, responsive scheduling is thus straightforward: it enhances recruitment and retention and helps address the challenge of looming skill gaps and shortages due to an aging workforce.\(^3\)

Workplace flexibility has gotten some attention. For example, the U.S. Chamber of Commerce Center for Workforce Preparation has a Workplace Flexibility initiative. Along with its partners, the Center will present the 2006 Sloan Awards for Business Excellence in Workplace Flexibility to outstanding companies in 17 communities. In addition, the Department of Labor has been engaged in the “Flex-Options for Women” project initiated under the Bush Administration, in 2003.\(^4\)

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1 About one-fifth of employed Americans—parents and non-parents—work most of their hours in the evening or night, or have a rotating or highly variable schedule (Presser 2003). See also: National Institute for Occupational Safety and Health. Work Schedules: Shift Work and Long Work Hours. http://www.cdc.gov/niosh/topics/workschedules/abstracts/presser.html

2 Low-income is defined as 200 percent of the federal poverty line or less.


4 See: http://www.dol.gov/wb/programs/family2.htm#betterE.
Yet overall, workers’ access to paid leave and flexible scheduling has declined in the United States, according to the U.S. Bureau of Labor Statistics, even as these issues have gained attention (Wiatrowski 2005). The United States lags behind many other nations that have enacted paid leave laws and promoted flexible scheduling. More needs to be done to ensure workplace flexibility for all U.S. workers—including low-wage workers, who are least likely to have access to these arrangements.

Some employers may view low-wage workers as expendable and in endless supply, and perceive flexible, responsive scheduling as a benefit reserved for their more mobile, higher-wage workers. But this perspective is largely a vestige of an earlier time; today’s economy is increasingly service-oriented. In fact, according to workforce experts Sandra Burud and Marie Tumolo, “employees are increasingly the best way for companies to achieve and sustain competitive advantage—more so than traditional sources of sustainable advantage, such as new products, technological superiority, and regulated markets.” Companies must understand that “workers who are expected to care for customers do that better when they feel they are cared about by their organizations” (Burud and Tumolo 2004).

How businesses, families, and children—the next generation of workers—fare in a 24-hour global economy will largely determine the nation’s future competitiveness and well-being. It is therefore appropriate for government to be a catalyst for policies that “make time work” for everyone.

Workplace flexibility can be a powerful tool in the recruiting, retaining and advancing of qualified employees while enhancing businesses’ competitive ability in a global economy.

U.S. Chamber of Commerce Center for Workforce Preparation website http://www.uschamber.com/cwp/strategies/flexibility/default

Getting Punched: The Job and Family Clock explores how government might foster new ways to organize jobs so that all workers—including those with low wages—can punch the job and family clock. It examines:

- What U.S. workers contend with when it comes to juggling work and family, often with little access to flexible scheduling and paid leave to meet their caregiving responsibilities;

- Why working conditions related to time matter for workers, families, and children—and in particular, for low-wage workers, who are least likely to have access to flexibility;

- How improvements to the “clock” can benefit business—including bottom-line benefits like improved job retention, increased productivity and shareholder returns, and reduced health care costs; and

- Why and how government has a significant role to play in shepherding more responsive workplace conditions for all workers—including low-income workers—so that workers at all wages can fulfill their responsibilities without themselves getting punched by the job and family clock.

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5 There has been growth in the share of workers with low wages: Bernstein and Hartmann (2000) found that the share of workers with below-poverty hourly wages rose from 25 percent of all workers in the early 1970s to 29 percent in 1997.
WORKERS AND FAMILIES

Today’s workers face dual and dueling responsibilities

More than ever, most workers today have two jobs—one at work and one at home. Fully 65 percent of families with children are headed by two employed parents or by a single working parent. This contrasts dramatically with the 1960s, when 70 percent of families with children had at least one parent at home full time (Boots 2004). In addition, many workers care for aging relatives—one in four employed men and women have elder care responsibilities, according to the American Business Collaboration for Quality Dependent Care. Nearly four in 10 caregivers of elders are men, most of whom work full-time while helping someone over age 50 (AARP and the National Alliance for Caregiving 2004). Furthermore, nearly one in 10 workers (8 percent) have caring responsibilities for both elders and children, according to a 2003 ComPsych Corporation survey. Few jobs are structured to accommodate this new reality, leaving workers struggling to balance the dueling needs of work and family.

Parents are working more hours. Between 1979 and 2000, married mothers in moderate- and middle-income families increased their annual time in the paid workforce by over three months (Bernstein and Kornbluh 2005). Single mothers are more likely than married mothers to work longer and non-standard hours. About one-fourth of single mothers with children work non-standard hours and more than one-third work weekends (Presser 2003).

Parents who work typically feel their children are deprived of their time. Sixty-seven percent of employed parents say they don’t have enough time with their children, according to the Families and Work Institute (Bond et al. 2004). In CareerBuilder’s Career Moms 2005 survey, nearly one of every five working mothers report they missed three or more important occasions for their children.

Child care arrangements for young children are often fragile, and even relatively stable arrangements are of little use when children get sick. In addition, parents’ worries about their children’s care while they are at work can contribute to their own poor health. Low psychological well-being is 4.5 times more likely among workers at inflexible work places who have children in unsupervised settings compared to their counterparts with more workplace flexibility and better after-school options (Barnett and Gareis 2004).

Family Defined

Family responsibility encompasses more than working mothers or fathers caring for children; it also includes any worker caring for another family member—for example, single adults caring for aunts or uncles, or adult siblings taking care of each other.
Workers often feel that meeting family needs could negatively impact their job standing. Nearly one in three working mothers worry about whether caring for their children will influence their job evaluations, according to a 2003 Kaiser Family Foundation survey. The survey also found that about half of working mothers (49 percent) report losing wages if they stay with their sick children instead of going to the job.9 The 2002 National Study of the Changing Workforce by the Families and Work Institute found that more than four in 10 employed parents (43 percent) believed that taking up a flexible schedule would have negative effects on job advancement; fewer non-parents (35 percent) felt this way.10

Among workers caring for elder relatives, nearly six in 10 (57 percent) faced a scheduling problem at some point; one in 10 was forced to switch from full- to part-time work; and 5 percent lost some kind of job benefit as a result of helping someone over age 50, according to a 2004 study by the National Alliance for Caregiving and AARP.

The work-family duel can fuel poor outcomes for children—tomorrow’s workers

A nation’s competitiveness ultimately rests with its workers. Equally true, but less obvious, is that workplace practices may have deleterious consequences on children, the next generation of workers. It is important to note that existing research draws correlations rather than causality between adult working conditions and child outcomes. Nevertheless, the available studies underscore that it is a mistake to ignore this relationship.

Children who are ill fare better when their parents are able to be involved. Parents with paid leave are at least five times more likely to care for their sick children than those without paid leave. Children with chronic health problems often have working parents who have no access to paid leave—as many as 42 percent of working parents with a chronically ill child and 60 percent of working parents with more than one chronically ill child lack paid sick or vacation days (Heymann 2000).

There is a correlation between children’s success at school and their parents’ work schedules: children are nearly three times more likely to be suspended from school if their parents work at night. They are also more likely to score in the bottom quartile on achievement tests the more hours their parents work after school and evening hours (Heymann et al. 2002). For every hour a parent works between 6 p.m. and 9 p.m., his or her child is 16 percent more likely to score in the bottom quartile on math tests. Among parents with children with such scores in math or reading, over half do not have any kind of paid leave and nearly three-fourths did not have assurances of flexible scheduling at work (Heymann 2003).

In addition, the United States faces what some researchers call “a dropout crisis.” More information is needed to understand the complex reasons behind rising school dropout...

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rates, but a 2006 Gates Foundation study found that more than one in five school dropouts (22 percent) said they left school because parents were out working or otherwise unavailable and siblings or other tasks at home required their care (Bridgeland et al. 2006).

Many of the roughly 1.3 million children caregivers between ages 8 and 18 are not school dropouts but report that caregiving has affected their school work. In a 2005 National Alliance for Caregiving study, about 15 percent of students said that caregiving kept them from doing school work and 8 percent indicated that it caused them to miss homework (Hunt et al. 2005).

Too few U.S. workers have access to workplace flexibility to resolve this duel

Flexibility with work schedules and access to paid leave help workers meet both their job and caring responsibilities. For example, if an elder parent needs to be taken to doctors’ appointments, a worker with flexibility can schedule his work around those appointments. This flexibility enables the worker to meet both his elder care and job responsibilities; being able to juggle effectively improves job satisfaction—which enhances job retention.

Yet the trend toward flexible and responsive scheduling, which had been growing, has reversed in recent years. Fewer companies offered flexible scheduling in 2004 than they did in 2001, according to the Bureau of Labor Statistics. Only 28 percent of all full-time wage and salary workers had flexible schedules that allowed them to vary the time they began or ended work. Across the country, a majority of workers (57 percent) have no control over scheduling alternative start and end times at work (Bond et al. 2004).

Similarly, workers’ access to paid leave is often limited and has been decreasing. For example, nearly half (48 percent) of all workers do not have access to paid sick days (these data exclude federal employees and cover the period 1996-1998; Lovell 2004). According to the Bureau of Labor Statistics, access to paid sick days dropped from 69 percent to 56 percent; paid holidays dropped from 96 to 89 percent; and paid vacations dropped from 98 percent to 95 percent for employees in medium and large firms between 1988 and 1997. A new government analysis shows overall access to paid leave decreased in the 1990s among workers in both the private and public sector (federal government employees were excluded). Among these workers, access to paid sick days dropped from 56 to 51 percent, paid holidays dropped from 77 to 74 percent and paid vacations dropped from 80 to 77 percent.

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13 The period covered for sick days is 1990-1998; for both vacations and holidays it is 1990-1999. Among private-sector workers, access to paid vacations dropped from 83 to 79 percent between 1990 and 2003; access to holidays remained consistent; and access to sick days fluctuated during roughly the same period, starting at 50 percent in 1990 and hitting 53 percent in 1999 (Wallowski 2005).
LOW-INCOME WORKERS

Low-income workers are least likely to have access to workplace flexibility

When it comes to punching the clock, low-income workers are far less likely than other workers to have access to flexible, responsive schedules. When responsive scheduling is available, it tends to be in larger and more profitable firms, and for professional and managerial workers (Golden 2000; Glass and Fujimoto 1995). In at least one study, low-wage workers see themselves as having less control over their own time than higher-wage earners—including less access to time off for personal reasons, control over work hours, regular and intermittent access to flexible start and stop times (Swanberg et al. 2005).

If scheduling flexibility is not provided in the workplace, a worker may need to “outsource” a needed service, which costs money. Take, for example, the worker caring for an elder who has to be taken to doctors’ appointments. For higher-wage workers, paying for transportation services that take an elder to and from the clinic is a cost that is more readily borne. For low-wage workers, paying for such services—if they exist in the neighborhood—may dig deep into disposable income and create a clash between income from the job at work and expenses for the one at home.

Although they are by no means the only low-wage workers facing this work-family duel, women are particularly hard hit: they hold the majority (59 percent) of full-time, year-round jobs that pay below the official poverty line (Marlene 2000; Appelbaum and Golden 2003). Women with children who have full-time jobs have less access than fathers to flexible, responsive scheduling, according to the Department of Labor.14

The majority (54 percent) of working parents with family incomes below the poverty line have no paid leave—no vacation days, sick days, or personal days. Nearly one in four (39 percent) of those between 100 and 200 percent of poverty have no paid leave; only 16 percent of working parents above 200 percent of poverty have no paid leave (Ross Phillips 2004).

Paid sick days are least available to the lowest-wage workers. The difference is substantial—only 23 percent of workers in the bottom wage quartile have paid sick days while nearly 70 percent in the top quartile do. In other words, for every three high-income workers with access to paid sick days, only one at the bottom has this benefit. Workers in the accommodation and food service industry are particularly likely to lack paid sick days—just 14 percent of these workers compared to 88 percent of workers in the education industry. Within a given industry, it is the lowest-wage workers who have the least access. Even within the education industry for example, workers in the lowest wage quartile have more limited access (68 percent) compared to those in the top quartile (93 percent) (Lovell 2004).

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Low-income workers are less likely than higher-income workers to have access to parental leave—paid and unpaid. While the Family Medical Leave Act mandates employers to allow parental leave, this leave is unpaid and is restricted to those workers in businesses with 50 or more employees and who meet certain thresholds for time working for the employer. Among working parents, one in three below poverty and more than one in four below 200 percent of poverty lack access; in contrast, one in five workers over 200 percent of poverty lack such leave (Ross Phillips 2004).

Low-income parents are more likely to confront child development challenges and poor family health

Low-income parents have the most challenging workplace conditions—the least access to responsive scheduling or paid leave to address family needs. At the same time, their children typically face the greatest challenges, and fare more poorly on a range of developmental measures than children in higher-income families. Interestingly, studies do not disaggregate low-income children with working parents (80 percent) from those whose parents are not working (20 percent). However, the available data suggest that when wages leave a family with low income, these children are more likely than their peers who are not in low-income families to need supports, and probably parental time, to address developmental problems, whatever their root cause.

Children in low-income families are two times more likely to be expelled or suspended from school than children in higher-income families. Expulsions and suspensions among 12-17 year olds occurred among 22 percent of those who were low-income compared to 11 percent who were higher-income. In addition, children in low-income families exhibit poorer school engagement than higher income children—about 30 percent compared to 20 percent, respectively (Zaslow et al. 2006).

In addition, low-wage workers and their children often confront significant health care problems. Full-time workers who head low-income families report fair or poor health more than twice as much as workers in middle-income families—16 percent compared to 7 percent, respectively (Urban Institute 2005).

Low-income workers are also more likely to face significant elder care demands

Caregivers who are low-income workers tend to provide more elder care than their higher-income counterparts. In general, low-income workers (the bottom quartile) are twice as likely as high-income workers (the top quartile) to provide over 30 hours a month of unpaid elder parent care (Heymann 2000).

Low-income working caregivers are also less likely to have access to elder care referrals. Specifically, only 17 percent of low-income employees—with wages under $10 per hour in 1997—were provided elder care referrals by their employers, compared with 27 percent of higher-income employees (Heymann et al. 2002).

**BUSINESS**

Research indicates that businesses that offer workplace flexibility—including flexible, responsive scheduling—note a variety of benefits, ranging from greater employee retention and declines in health care costs to harder-to-measure gains in productivity and increased shareholder returns (Corporate Voices for Working Families 2005). Even employees’ perception of flexible working arrangements can help business. A study of IBM employees found that workers who believe that they have flexibility can work 8 hours more and still feel that they have work life balance compared to those who did not have this view (Hill et al. 2001).

In a two-year study of 1,400 workers, 70 percent of managers and 87 percent of employees reported that workplace flexibility enhanced productivity. Shareholder returns can also increase—a 2002 Watson Wyatt study attributed a 3.5 percent increase in returns to flexible work arrangements. Two factors were responsible: a “surge in productivity” created by workers using their time more efficiently, and an increase in employee retention.

**Businesses that offer workplace flexibility increase employee retention**

A large percentage of the U.S. labor force changes jobs. Nearly one in four full-time workers (22 percent) changed jobs over the past 18 months. Employers offering flexible workplace arrangements can slow this rate. According to the most recent Met-Life Survey, workers rank relationships on the job as the most important factor for joining or staying at a firm; the second most important factor is work-life balance. Fully 67 percent of workers in companies with high levels of workplace flexibility report job satisfaction, compared to only 23 percent in companies with few flexible work arrangements (Bond et al. 2004).

Managers at six major U.S. firms have reported that their flexible work arrangements enhanced retention. In a 2000 National Work/Life Measurement Project study, 76 percent of the 151 managers surveyed at Amway, Bristol-Meyers Squibb, Honeywell, Kraft, Lucent Technologies, and Motorola indicated positive effects on retention. In 2004, Women Impacting Public Policy, a bipartisan women’s business association, conducted a survey of its members

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16 Other findings from an investigation of management at 732 medium-sized manufacturing firms in three nations conclude that low or high productivity can result from work-life balance practices; there is no automatic increase in productivity as a result of work-life balance once good management is taken into account (Bloom et al. 2006).


19 See: http://www.metlife.com/Applications/Corporate/WPS/CDA/PageGenerator/0,1674,P250%257ES788,00.html.
and found that most (65.1 percent) of the organizations that offered flexibility saw a range of benefits—retention and morale ranked as the top two. Human resources professionals view flexible workplace schedules as a key to employee retention; a recent Society for Human Resource Management members' poll put this working condition in the top three ways for achieving employee retention.

Some firms fail to make the connection between employee needs and business practice; others are on the cutting edge and promoting innovative workplace flexibility strategies. A 2005 Spherion workforce study found “serious disconnects” between U.S. employers and employees, with the biggest difference centering on the role of time and flexibility—60 percent of workers rated this as a very important factor in retention while only 35 percent of employers did. In contrast, McDonald’s in Britain is testing workplace flexibility twinned with autonomy: without giving any prior notice, when two people in the same family work at the same branch they will be able to cover each other’s shifts (Reuters 2006).

Businesses that retain employees save money—even with low-wage workers

While losing and replacing a high-salaried employee comes at an obvious cost, recent research demonstrates that employers with low-wage workers can also face significant per-employee replacement costs, and better job conditions can reduce those costs (Bond 2003). Further, when a company suffers high turnover rates, that cost gets multiplied and cuts into the bottom line.

The turnover costs for hourly workers are far from insignificant—amounting to 50 to 75 percent of a departing hourly employee’s annual pay. This includes such direct costs as finding, hiring, and training replacements as well as indirect costs such as lost productivity and inefficiencies. (Salaried worker turnover costs are higher than hourly workers, amounting to about 150 percent of a salaried worker’s pay.) Per-worker turnover is clearly substantial; for large businesses with high turnover, the effect gets multiplied and can add up to millions of dollars.

Costco, which both compensates its employees at higher rates and notes flexible scheduling as a key benefit, has achieved rates of turnover far below industry norms. After the first year of employment, only 6 percent of Costco employees leave, compared with

21 Flexible workplace scheduling was ranked as the third most effective strategy of 13 (Burke and Collison 2004).
21 percent at Sam’s Club, Wal-Mart’s warehouse business (Holmes and Zellner 2004). Further, Costco’s rate of turnover is reported to be one-third the industry average of 65 percent (Helyar and Harrington 2003).

Businesses that reduce workers’ stress save money—even when workers are low-wage

Health care expenditures are nearly 50 percent greater for U.S. workers who report high levels of stress, according to the Centers for Disease Control. When workers suffer from chronic stress caused by their jobs, they are more likely to develop heart disease and diabetes than those without stress, according to a major U.K. study (Chandola et al. 2006).

Although work-related stress can be caused by numerous factors, flexible work arrangements can reduce worker stress, as demonstrated in a Royal Bank of Canada study of its employees. Among the employees with some type of flexible schedule, 70 percent reported lower stress compared to those without a flexible schedule (Royal Bank Financial Group 1998). The Centers for Disease Control notes that experts urge employers to establish work schedules that fit with demands and responsibilities outside the job.25

Flexible workplace arrangements have been found to reduce stress, including among low-wage workers. In a U.S. survey of 1,500 plant production workers, supervisor and company support for work-life balance and assistance with child care needs reduced employee stress and improved commitment. A Canadian survey of 1,000 workers in both a large food retail distributor and a health care company found that flexible schedules, part-time work, and job sharing reduced stress, improved morale, and increased employees’ sense of competence at home—but only when employees also had a greater sense of control over their time or when the work overload was reduced.27

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GOVERNMENT

The nation can not afford to let workplace flexibility remain merely conceptual. Too often, corporate policies that support flexible, responsive scheduling are promoted on paper but are not effectively put into practice (Kossek et al. 1999; Bailyn et al. 2001). Government has a stake in responsive workplace arrangements for workers at all wages—flexibility enhances worker well-being, which is essential to our future global competitiveness. Further, encouraging workplace adaptation can safeguard existing public investments in such arenas as health care, job training, family stability, and early childhood education, and can further our nation’s commitment to fairness. The U.S. government lags behind other nations when it comes to punching the clock—notably, in ensuring paid leave, the United States trails not only developed but also developing countries. In addition, the U.S. government has played a lesser role than that of some other developed nations in fostering flexible, responsive scheduling.

The government has a stake in protecting the nation’s global competitiveness

Productivity is fostered when the job and family clock are approached in new ways. How work is organized can influence productivity, as it can reduce stress and enhance job satisfaction. Ten of the Fortune 500 firms participated in a demonstration that found that team-based decisions that reflect employees’ input in shaping workplace flexibility can result in improved performance and productivity. At Pitney Bowes, for example, the team’s decision to change schedules for a call center reduced overtime costs by as much as 80 percent (Gurchiek 2005).

The United States ranks below other Organization for Economic Cooperation and Development (OECD) nations in relative productivity; specifically, Norway, Ireland, Belgium, and France do better than the United States, and the Netherlands ties when our GDP is compared, hour-for-hour (Mishel et al. forthcoming). While our total GDP is higher than other countries, this is achieved in large measure because the average annual number of hours worked in the United States is greater than all nations except New Zealand. Thus, improvements in our relative productivity may increasingly reside with improvements made in performance each hour rather than in increases in the number of total hours worked.

U.S. productivity is further challenged by the aging of the country’s workforce—between 2000 and 2015, the highest growth rate in the U.S. workforce will be among workers aged 55 to 64, according to research by AARP (Montenegro et al. 2002). This demographic trend may result in a shortage of skills unless the workplace can accommodate such workers’ working time needs and other workers’ needs to care for the aged (Pitt-Catsouphes and Smyer 2005).

29 In addition, nearly 80 percent of employees would use more flexible work options “if there were no negative consequences at work and [their] job responsibilities permitted” according to the Families and Work Institute. http://familiesandwork.org/3w/research/downloads/status.pdf.
Nations that provide work leave and workplace flexibility do not lose their competitive edge. For example, both the U.K. and the Netherlands have laws that allow workers the right to request flexible work,\textsuperscript{30} and both have laws that provide paid days off, including sick days, parental leave, and paid vacation. As noted above, the Netherlands stands with the United States in GDP productivity per hour. For the U.K., the International Monetary Fund reports that “over the past decade, the growth of real GDP per-capita has been strong and stable.”\textsuperscript{31}

Likewise, offering work leave and workplace flexibility does not erode businesses’ competitiveness. The Alfred P. Sloan Awards for Business Excellence in Workplace Flexibility recognize successful employers in a range of sectors who have taken steps to address employees’ needs for flexibility.\textsuperscript{32} Even businesses that are in direct competition can effectively compete while offering better working conditions. For example, Costco and Sam’s Club—competing warehouse retailers, as noted above—both achieve profitability, but Costco does so while offering good workplace conditions, ranging from wages to work leave. The average Costco store brings in nearly double the revenue of a Sam’s Club ($112 million compared with $63 million). The Costco CEO, James D. Sinegal, asserts, “We think when you take care of your customer and your employees, your shareholders are going to be rewarded in the long run” (Helyar and Harrington 2003). Both the high road and low road can generate profits, which may make it hard for some businesses to see the value of initiating change and providing workplace flexibility for all workers. The motivation to make change may not be pressing when profits prevail. Government—tasked with protecting the national interest over the long term—is therefore in a better position to perceive the justification for (and be motivated to foster) flexible, responsive scheduling and paid leave for all workers, not just those in businesses that most readily see its value.

### The government has a stake in protecting existing public investments in social services

It costs the nation when work conditions increase the cost of social programs or diminish their efficacy. No cost-benefit analysis has been undertaken, and more research is needed to understand the impact on a range of taxpayer investments, including the following programs.

#### Leave No Child Behind

A significant body of research documents the value of parental engagement in a child’s education since it can enhance both academic and developmental outcomes and reduce school drop out (Heymann 2006). President Clinton issued a directive for federal agencies encouraging adoption of flexible scheduling that provided “encouragement to parents to attend school functions and events essential to their children.”\textsuperscript{33} Some states have enacted laws allowing workers time off for parental involvement in school (National Partnership for Women and Families 2005). Yet, there is no similar provision in federal law, and overall, few states have taken up the matter. The question for taxpayers and policymakers is: how much of the Leave No Child Behind budget is ‘left behind’ because parents’ working conditions make it difficult or impossible for them to be engaged in children’s learning?

\textsuperscript{30} Hegewisch 2005.


\textsuperscript{32} See: http://familiesandwork.org/3w/awards/index.html.

Medicaid. According to the National Institute for Occupational Safety and Health, there is a growing body of evidence suggesting that stress plays an important role in several types of chronic health problems—especially cardiovascular disease, musculoskeletal disorders, and psychological disorders. Working conditions related to the treatment of time likely influence the level of stress. The question for taxpayers and policymakers is: what amount of the Medicaid budget is used to address illnesses influenced by working conditions related to time?

Temporary Assistance for Needy Families (TANF). No federal law provides for paid parental leave to allow working mothers and fathers to take time off for a new child. For poor working women, TANF, the nation’s welfare program, may often substitute for maternity leave. Welfare agencies in Wisconsin noted a doubling in the share of new participants who were parents of infants and “attributed this increase to women in jobs that do not provide fringe benefits using [the welfare program] as a form of paid maternity leave.” The question for taxpayers and policymakers is: what amount of the TANF budget could be spent on other TANF purposes if the nation instituted paid parental leave?

The government has a stake in protecting the nation’s commitment to fairness for all workers

As many as one in four Americans earn poverty-level wages (Mishel et al. 2005). It appears that much of the trend for new jobs in the United States is in areas with lower wages. The latest Bureau of Labor Statistics projections indicate that by 2014, among the 30 occupations with the greatest growth, more than half the jobs will either be in the very lowest or next-to-lowest earnings quartile. Workers with the lowest income from wages are the least likely to have working conditions that provide paid time off or respond to their scheduling needs.

It is important to note that many American workers are considered non-employees—for example, workers who are independent contractors and day laborers. These workers are not protected by laws governing minimum wage and overtime, workers compensation, unemployment insurance, and discrimination. Efforts to encourage flexible workplace conditions should extend to such workers.

As a nation, we value those who work hard and play by the rules and believe these workers should be treated fairly. The marketplace is changing, not workers’ work effort. The nation faces a choice. We can abandon fair treatment and allow global market forces to drive down our working conditions, or government, together with business, can take steps to demonstrate that, like other advanced economies, we will safeguard what we value—including fair working conditions for all workers.

34 From June 1998 to June 2004, new participants who were custodial parents of infants increased from 18 to 37.3 percent. See: Wisconsin Works (W-2) Program An Evaluation. 2005. http://www.legis.state.wi.us/LAB/reports/05-6HIGHLIGHTS.htm.
Government should promote solutions around the clock

The public supports a role for government in reducing the squeeze on working families. According to a 2004 poll undertaken for the New America Foundation, voters support this role by a margin of two to one, with 60 percent agreeing that government can reduce stress on families without hurting employers.37 These voters were less confident that employers would help families on their own. A central role that government can play is motivating business to consider the well-being of the nation’s future workers—today’s children. In the arena of education, business has begun to appreciate the longer-range picture. Indeed, the CEO of the Chamber of Commerce announced during a January 4, 2006 press briefing that the Chamber’s “thinking has changed” and that it plans to weigh in on school reform because of “the rise of global competitors with increasingly well educated workforces.”38

Government leadership can build upon the business initiatives that already recognize the value of restructured jobs that reflect the dual responsibilities of workers. Many of the methods of enabling workplace conditions to accommodate the family clock focus on new management strategies and come at little or no cost to employers or to government. That is not to say that change will be easy; new systems must be developed and a new business and employee culture towards work created. Government’s role should be to speed the process by which businesses restructure jobs to accommodate the family clock. Failure to reconfigure the workplace in the near future will jeopardize our global standing.

To foster working conditions that better reflect the family and job clock, federal, state, and local governments can tap a variety of tools from legislation to technical assistance and incentives. To get started, here are 10 selected action steps.

1. Establish minimum standards for paid leave

The United States—unlike many other developed and developing nations—lacks federal laws providing for paid sick days, parental leave, or vacation for workers in the private sector. In contrast to U.S. policy, 139 countries provide paid leave for short- or long-term illnesses; some nations (at least 37) also provide some type of paid time for working parents when a child is ill (Heymann et al. 2004). In addition, 163 countries offer paid leave related to childbirth. The United States stands with Lesotho, Papua New Guinea, and Swaziland in its failure to provide this work leave (Australia also does not provide job-related paid maternity leave; instead, it provides a year of unpaid job leave and a lump sum payment for new babies).39 The United States also lags behind in annual leave protections.

37 April 2004 Greenberg Quinlan Rosner Research and Public Opinion Strategies Poll (finding provided by Shelley Waters Boots in personal communication).
**Paid sick days.** The federal government should establish a minimum standard for paid sick days. In the United States, the absence of paid sick days for ordinary illnesses means that workers here have less protection than workers in many other developed and developing nations. Understandably, businesses that do not already provide paid sick days worry that doing so might cut into profits and put them at a competitive disadvantage. However, a statute that sets a minimum standard creates a level playing field for all businesses and ensures that employees, including those with low-wages, can access paid time off; the Healthy Families Act (introduced in Congress in April 2005) provides such a level playing field.\(^{40}\) In deliberations around a federal statute or state/local law, it is important to address concerns businesses may have with regard to implementation.

**Paid family and medical leave.** The federal government should immediately fund a competitive grant program so that a few states can test alternative approaches for financing and structuring paid leave for family and medical leave purposes. This would serve as guidance for a future federal scheme. The Family and Medical Leave Expansion Act has been introduced in the Senate and would establish a demonstration project.\(^{41}\) The U.S. Family and Medical Leave Act provides some employees in certain sized firms up to 12 weeks of unpaid leave for serious illnesses and for parental leave. In California, the state created a mechanism that relies on the state’s temporary disability insurance program to fund up to six weeks of paid leave (replacing about 55 percent of salary up to a cap of $840 weekly).\(^{42}\) A federal demonstration would help other states—for example, Massachusetts, where legislation is under consideration—assess alternative funding strategies.

**Annual leave.** The federal government should establish a minimum standard for annual leave. In the United States, many workers get very little—and sometimes no—vacation days. At least 96 nations, including those far less rich than the United States, offer some level of statutory annual leave (Heymann et al. 2004). It is only after 25 years of work that U.S. workers’ average number of vacation days gets close to 20 paid days. In contrast, in at least 18 other developed nations, the statutory minimum number starts at 20 paid vacation days (Allegretto 2005).

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**A Nation Behind**

The United States lags behind other developed and developing nations in the provision of governmental protections for workers’ paid leave.

**Sick leave:**
- 139 countries provide paid leave for short- or long-term illnesses
- 117 countries provide a week or more of sick leave annually
- 37 nations provide some type of paid time for working parents when a child is ill

**Childbirth:**
- 163 countries offer paid leave related to childbirth
- America stands with Lesotho, Papua New Guinea, and Swaziland in its failure to provide this work leave
- Australia does not provide job-related paid maternity leave, but does provide one year of unpaid job leave and a lump sum payment for new babies

**Paid vacation:**
- 18 developed nations set a statutory minimum of 20 paid vacation days
- 96 nations offer some level of statutory annual leave
- Only after 25 years of work does the average U.S. worker’s average number of vacation days get close to 20 paid days


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\(^{40}\) See: http://thomas.loc.gov/cgi-bin/bdquery/z?d109:s1085:.
\(^{41}\) See: S. 282 http://thomas.loc.gov/cgi-bin/query/F?c109s1:./temp/~c109sfVty=e6070:.
\(^{42}\) The $840 cap applies to benefits in 2005. See: http://www.edd.ca.gov/direp/pffaq1.asp.
2. Promote “soft touch” workplace flexibility legislation

Government could foster a change in the workplace culture through a law that promotes employee and employer dialogue about flexible work (amount of time at work; timing of work; part time work) arrangements. Under a “soft touch” approach, government could allow employees to request flexible work; employers would be required to consider a request but not to automatically approve the request. As part of the process, the employee could be expected to address a management question—that is, how should the employer accommodate the change without harming the business. To develop the legislative framework, government should establish a taskforce of employers, parents, and other workers to make recommendations regarding who should be eligible, whether any kinds of firms should be exempt, and the outline of procedures. In the U.K., a “soft touch” law has been implemented for parents of children under the age of 6 and disabled children under the age of 18.43 The law has been well received, including garnering support from the nation’s association of human resource administrators. Expansions are under consideration.

3. Model workplace flexibility arrangements

For its own employees, the federal government has been in the vanguard of responsive scheduling and paid leave. For example, federal law provides workers in federal agencies with paid sick days—13 each year for full-time employees.44 Further, “Because the federal government wants an engaged and effective workforce, workplace flexibility is the rule at government agencies, not the exception,” according to the nonprofit Partnership for Public Service.45 The Office of Personnel Management notes for example, that, “for employees who have child care and/ or elder care responsibilities, as well as those interested in phased retirement, job sharing and other part-time arrangements can be very attractive alternatives.”46 Federal rules allow each executive agency to determine its own approaches to flexible workplaces. Congress and state governments set their own policies for workplace conditions.

The federal agencies can serve as models; their experiences should be analyzed and reported so lessons learned in creating, managing, and refining such systems can be adapted. In addition, if given public attention, such reports would underscore that the federal government practices a management behavior it considers valuable. If federal employees get paid sick days, should not all employees? If federal employees are invited to consider job-sharing, should not other workers have employers who at least explore its feasibility?

44 5USC Sec 6307
45 See: http://publicservice.monster.com/articles/time/.
46 See: http://www.opm.gov/Employment_and_Benefits/WorkLife/WorkplaceFlexibilities/JobShare/
4. Provide technical assistance directly to states and through employer-to-employer exchanges

**For states.** In states ranging from Oklahoma to New York and New Jersey, bills have been introduced to launch a feasibility study of alternative work schedules for state employees, or to encourage the state office of personnel to provide technical assistance to state agencies.\(^47\) The federal government itself could provide technical assistance to state governments that are considering extending flexible workplace arrangements—this assistance could include resource materials about different arrangements used by various federal agencies, cost-benefit analyses, and implementation tips. By embarking on a special project to advise states, the federal government is signaling further the value placed on reorganizing work.

**For employers.** The government could establish a Challenge Fund that provides employer-to-employer technical assistance, similar to the Department of Labor’s Flex Options for Women project, which uses the volunteer services of mentor businesses. At the local, state, and/or federal level, government funds could be tapped to allow employers with model practices to spend time providing technical assistance to firms interested in reorganizing jobs to institute flexible scheduling. A Challenge Fund would enable a selected business to devote the time for in-depth and ongoing consultation with a mentor on operational issues.

5. Provoke states to designate an official responsible for flexible scheduling

If the federal government were to host a national meeting for states on new ways to structure workplace arrangements and encourage flexible, responsive scheduling, it would likely have difficulty identifying attendees; there is no appropriate state-level contact list because few, if any, states have an official designated to address these issues. Until these working conditions and the implications for business and families gain higher priority, they will, for the most part, remain rhetorical themes. A national meeting for state officials convened by the federal government could garner the attention needed for action and generate a mailing list, but this achievement should not be the end goal. Rather, once states have officials who are identified as the point-people on these working conditions, the federal government, businesses, and workers will be able to engage state government more readily. This should help in the exploration of innovations needed to keep the state competitive in a global market while protecting the well-being of the next generation of workers: children.

6. Build public awareness of the benefits of responsive scheduling

Federal and state government websites that offer information about the benefits of flexible workplaces are important not only in providing facts and tips, but also in giving the issue attention and momentum. While some U.S. federal portals offer relevant information—most notably, the Department of Labor website offers definitions and

information on the Women’s Bureau Flex Options project, and the Office of Personnel Management defines opportunities for flexible work for federal employees—the full scope of federal website offerings is quite limited compared to that of other developed nations’ government sites.

In New Zealand, for example, The Work-Life Balance Project offers a website established by government. The Department of Labour leads the Project with a steering group of representatives from government agencies, the Equal Employment Opportunity Trust, and the National Advisory Council on the Employment of Women. The website provides links to resources and research including materials on flexible work and developments in legislation.48

The Australian government has a new website geared towards retailers that promotes flexible working arrangements, as part of a larger web portal that offers information and links on family-friendly initiatives. The new federal website notes, “Flexible working arrangement have significant benefits for employers and employees. Why are many retailers seeking to make their workplaces more flexible for workers—including parents, mature-age people, and people with disabilities?”49 In addition to defining the benefits of more responsive scheduling, the website provides tips on how to negotiate a flexible schedule and how to evaluate changes.

7. Recognize businesses that already support workers’ dueling responsibilities

Good publicity can go a long way toward promoting effective policy. In Japan, the Ministry of Health, Labor & Welfare launched a website where employers can post descriptions of how they help employees balance work and life. In the two months since the April 2006 launch, 188 companies had already registered on the website and voluntarily provided descriptions of their actions. A law in Japan regarding child care and elder care requires employers in certain circumstances to offer one of six kinds of supports for workers. The employers post the strategies for which they wish recognition (Iwao 2006).50 Governments at local state and federal levels could do the same in the United States—with or without legislated mandates. For example, until paid sick days legislation is enacted, the government, at any level, could allow restaurants that provide sick days to register on a website.51 The website would provide good publicity for employers who support the caring needs of employees. It would also enable the public to minimize exposure to restaurant worker-borne contagious illnesses.

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50 Also, Levin-Epstein’s June 2006 personal communication with Iwao.
51 The author wishes to thank Jodi Grant for this idea. Grant, the Executive Director of the After School Alliance, formerly worked at the National Partnership for Women and Families.
8. Create a public-private partnership to support faster adaptation of model business practices

The Families and Work Institute (in affiliation with the U.S. Chamber of Commerce) has launched When Work Works, a nationwide initiative that highlights the importance of “flexibility in the workplace as a strategy to enhance businesses’ competitive advantage in the global economy.” The effort was undertaken in partnership with the Chamber of Commerce and the Twiga Foundation and funded by private funds. One component of When Work Works is the recognition of business leadership through the local Sloan Awards for Business Excellence in Workplace Flexibility. A public-private partnership with this mission could marshal greater attention to and engagement in a range of workplace flexibility issues. For example, a national award could be provided to firms that meet the current criteria. In addition, new criteria could be created—such as an award for the firm that most effectively used the “right to request” legislation (see the description of U.K. and Netherlands policies, page 11) to undertake an examination of broader work-life issues.

9. Convene a commission on “Global Competitiveness and Family Well-Being”

A national, state, or local commission of elected officials, employers, and employees could be created and charged with identifying:

- innovative workplace flexibility practices that reflect the dual role of employees and the time squeeze;
- innovative workplace flexibility practices that support worker autonomy, particularly those that are available to low-wage workers;
- innovative mechanisms for spurring adoption of such practices;
- policy and practice considerations for providing contingent workers with access to work leave and flexible arrangements;
- benchmarks for measuring progress at the local, state, and national level;
- whether and to what extent legislative approaches would be useful; and
- goals and the timelines for meeting them.

10. Offer tax breaks as incentives for quality jobs

Most voters (85 percent) support government tax incentives to firms that create good jobs, according to a 2004 Corporate Voices for Working Families survey about low-wage jobs.52 In keeping with the interest in the quality of jobs, governments at all levels should examine existing tax credit schemes and identify which, if any, could encourage employer reorganization of jobs to reflect workers needs to punch a clock that allows for both family and job time.

CONCLUSION

Most workers at all income levels have two jobs, one at work and one at home. Few jobs generally—and fewer jobs for low-wage workers—are structured to accommodate this reality. Workers need to be able to access schedules and paid time off that enable them to meet family responsibilities. Working conditions that reflect this reality can benefit both workers and business. While these benefits are increasingly gaining attention, there is a danger that the pace and the practice of adopting new approaches and policies will be inadequate if left to business alone. Government has an important role to play in fostering comprehensive solutions and innovations that protect our competitiveness and our nation’s future. To date, government has been reluctant to take action to promote better working conditions around the clock. We can not afford to wait long for leadership that demonstrates that it values families, the workforce, and our competitive global position. We need to act.

It’s about time.
REFERENCES


