

Employers in the Low-Skill Labor Market



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Low-Skill Jobs, Work Hours, and Paid Time Off

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Many jobs in the non-college labor market demand flexibility from workers but do not provide benefits to accommodate workers' needs for flexibility.

Today's 24/7 economy increasingly demands that businesses provide services late into the night if not around the clock and on weekends too. As such, employers must find workers to fill the night shift, work on weekends, and be flexible enough to change their schedules to accommodate the flow of work. But while some employers demand flexibility from workers regarding when and how much they work, many jobs do not provide the benefits and schedules that workers need to be responsible parents as well as good employees.

For example, jobs that have irregular work schedules or require work at "off" times—night or weekend hours—may create difficulties for workers needing to arrange care for children or other family members. In addition, the ability to take paid days off for themselves or to care for family members is also important for workers with children, elderly or sick family members, or who themselves are ill or disabled. Although all workers face the challenges of today's demanding work place, workers in low-skill jobs may find it particularly hard to meet these challenges not only because of low pay but also because their jobs offer fewer benefits

and less flexibility than higher-skill, higher-paying jobs.

This brief examines the scheduling demands employers placed on the workers they recently hired to fill noncollege jobs—jobs that do not require college degrees. It also assesses the availability of paid time off, sick leave, and other benefits that allow recently hired workers in noncollege jobs to meet their personal and family needs. Unlike other research that quantifies workers' needs for steady schedules and paid time off, this brief shows what the jobs available to less-skilled workers demand of them and provide to them. This analysis uses data from the 2007 Survey of Employers in the Low-Skill Labor Market, a national survey of employers that have recently filled a job that requires less than a college education (see box for more information about the survey).

We present results for all recently filled noncollege jobs; we also compare jobs that are entry level with other noncollege jobs that have more substantial requirements—next-step jobs. We refer to a noncollege job as a next-step job if an employer considers having a high school diploma, having prior job-specific experience, or having specific skills training an extremely important

The Survey of Employers in the Low-Skill Labor Market is a national survey of employers with low-skill jobs. Firms with four or more employees that had hired a worker into a job that did not require a college degree within the past two years were surveyed, representing about 2.1 million employers. Data were collected in spring and summer 2007, with a final sample of 1,060 employers and a response rate of 54 percent. The data in this brief are weighted to represent the job opportunities for workers in the low-wage labor market.

requirement for the job. We classify all jobs for which none of the three criteria are extremely important as entry-level jobs. About 30 percent of all recently filled noncollege jobs are entry-level jobs paying an average of \$9.25 an hour; the remaining 70 percent are next-step jobs paying an average of \$13.85 an hour.

Employer Demand for Workers with Flexible Schedules

Job applicants' willingness to be flexible about work hours is important to employers filling noncollege jobs. For half of all recently filled noncollege jobs (49 percent), employers report that a worker's willingness to work odd or flexible hours weighed heavily in their hiring decision (figure 1). Worker flexibility mattered somewhat for about a third of these jobs, and it did not matter at all for only a fifth of them. Compared with other factors that employers consider when filling noncollege jobs, flexibility about work hours is as important as work experience and more important than references or skill training. The only factors more important in hiring than worker flexibility are the soft skills of having a positive attitude, desire to work hard, and doing well in the job interview, all of which are considered very important in about three-fifths of all recent noncollege hires.

Willingness to work odd or flexible hours is also important in hiring for entry-level jobs. As shown in figure 1, in 55 percent of recently filled entry-level jobs, employers say this willingness weighed a lot in the hiring decision.

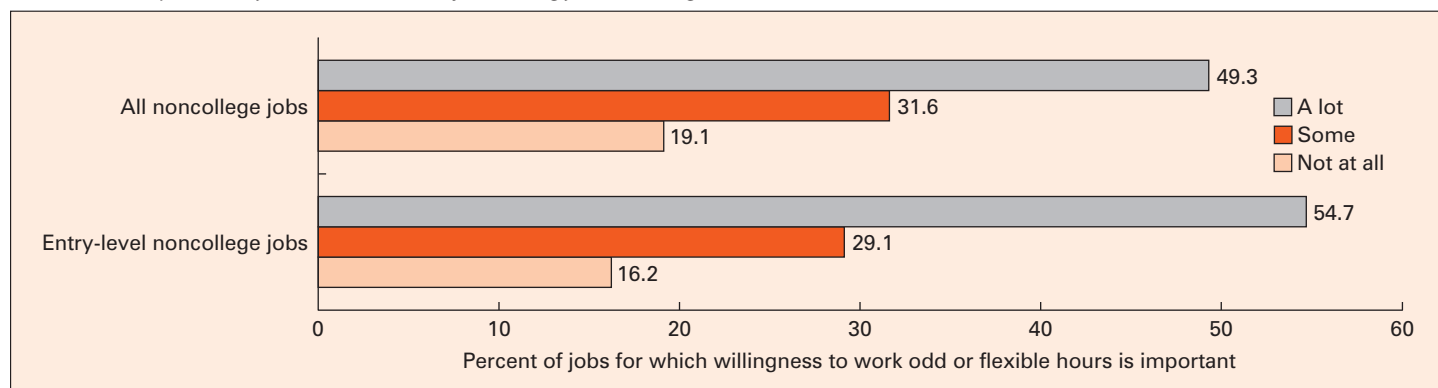
Work Schedules in Noncollege Jobs

A significant number of noncollege jobs have changing or irregular hours or require work at "off" hours, either at night or on the weekend. Table 1 shows the usual work shift for noncollege jobs and the frequency of overtime and weekend work on these jobs.

Although the majority of noncollege jobs are day shift, almost a third of them are not. One-fifth of noncollege jobs are evening or night shift hours, and another tenth have rotating shifts. Among entry-level noncollege jobs, almost one-fifth are rotating shifts. It is unclear how problematic night shift schedules are for less-skilled workers. Although paid child care options for night shift hours are more limited than for day shifts, evening or night hours may facilitate sharing care duties between two working parents or other family and friends who work day hours. Rotating shifts with changing or irregular hours pose more potential difficulties in finding care arrangements. In addition, jobs with these schedules are lower quality; they pay significantly lower wages, and they are less likely to offer health insurance than noncollege day-shift jobs.

Work on the weekends, like night shifts, may make finding formal paid child care more difficult but may make sharing care with working family or friends more feasible. About 3 in 10 noncollege jobs require frequent weekend work, and another 1 in 4 require weekend work occasionally. In entry-level jobs, these schedules are more

FIGURE 1. Importance of Schedule Flexibility in Hiring for Noncollege Jobs



Source: Authors' calculations from Survey of Employers in the Low-Skill Labor Market.

Note: Differences between entry-level and all other noncollege jobs are not statistically significant at the $p < .10$ level.

TABLE 1. Work Schedules on Noncollege Jobs

| | All noncollege jobs (%) | Entry-level noncollege jobs (%) |
|--|-------------------------------|---------------------------------------|
| Usual work shift | | |
| Day | 69.2 | 58.5* |
| Evening | 15.5 | 15.1 |
| Night | 4.7 | 7.1 |
| Rotating | 10.5 | 19.3* |
| Frequency of overtime work | | |
| Frequently | 10.6 | 17.4* |
| Occasionally/sometimes | 32.1 | 23.3* |
| Rarely/never | 57.2 | 59.2 |
| Frequency of weekend work | | |
| Frequently | 29.3 | 37.5* |
| Occasionally/sometimes | 24.3 | 28.9 |
| Rarely/never | 46.4 | 33.5* |
| Flexible time scheduling policy ^a | 26.9 | 25.2 |

Source: Authors' calculations from Survey of Employers in the Low-Skill Labor Market.

^aEmployees can define their own daily or weekly schedules.

* Difference between entry-level and all other noncollege jobs is statistically significant at the $p < .10$ level.

common with 38 percent requiring frequent weekend work, and 29 percent requiring occasional weekend work.

Off-hour or irregular-hour work schedules are just as common in small firms (fewer than 100 employees) as large firms and in rural as nonrural areas (not shown). Noncollege jobs with these work schedules are more common in low-wage industries, such as retail trade, hotel services, health services, and personal services (not shown).

Frequent overtime represents another potential difficulty in scheduling for workers with care responsibilities, although it also provides additional income. About 11 percent of recently filled noncollege jobs have frequent overtime work, and another 32 percent sometimes have overtime. Frequent overtime is more common in entry-level noncollege jobs—17 percent—than in next-step jobs, but occasional overtime is less common. We do not know how many of these hours are voluntary—that is, whether workers can decline to work overtime without negative repercussions.

On the other hand, some employers offer flexible time scheduling policies, where employees can define their own daily or weekly schedule. A little more than one-quarter of noncollege jobs are with employers that have such a policy, although we do not know if it applies to

these noncollege jobs or how easily workers are able to use this flexibility. We do know that noncollege jobs with employers that have this policy pay similar wages to other noncollege jobs. This flexibility in choosing hours may be most helpful to those working jobs that require rotating or changing shifts. However, only 15 percent of noncollege jobs with flexible hours policies have rotating shifts.

Noncollege Jobs and Paid Leave

Paid sick leave or flexible paid time off is valuable for all workers but is especially important for those with low incomes who can less afford to forgo wages even when they are sick. Further, noncollege workers with chronic health problems or disabilities may have greater need for this leave. For those workers who have care responsibilities for children or other family members, the ability to take paid time off to care for others is an important job benefit. Not all paid leave or paid sick leave allows workers this flexibility.

Some employers have moved away from offering sick leave (with requirements that workers provide documentation) to offering a specific number of paid days (or personal days) that can be used for various purposes. Because of the different value to

workers of sick leave or flexible paid leave versus paid vacation, the survey asked employers about any paid leave as well as about vacation, sick leave, and personal days separately. In addition, we directly asked employers if the worker in a noncollege job could take paid time off to care for a sick child or family member.

Many jobs in the noncollege labor market offer some type of paid leave in the form of paid vacation, paid sick days, or unspecified paid time off. Just over 71 percent of noncollege jobs have some type of paid leave (figure 2). An additional 11 percent of workers in these newly filled noncollege jobs would become eligible for paid leave if they work more hours or remain with the employer. Across all noncollege jobs, paid leave is more prevalent in large firms.

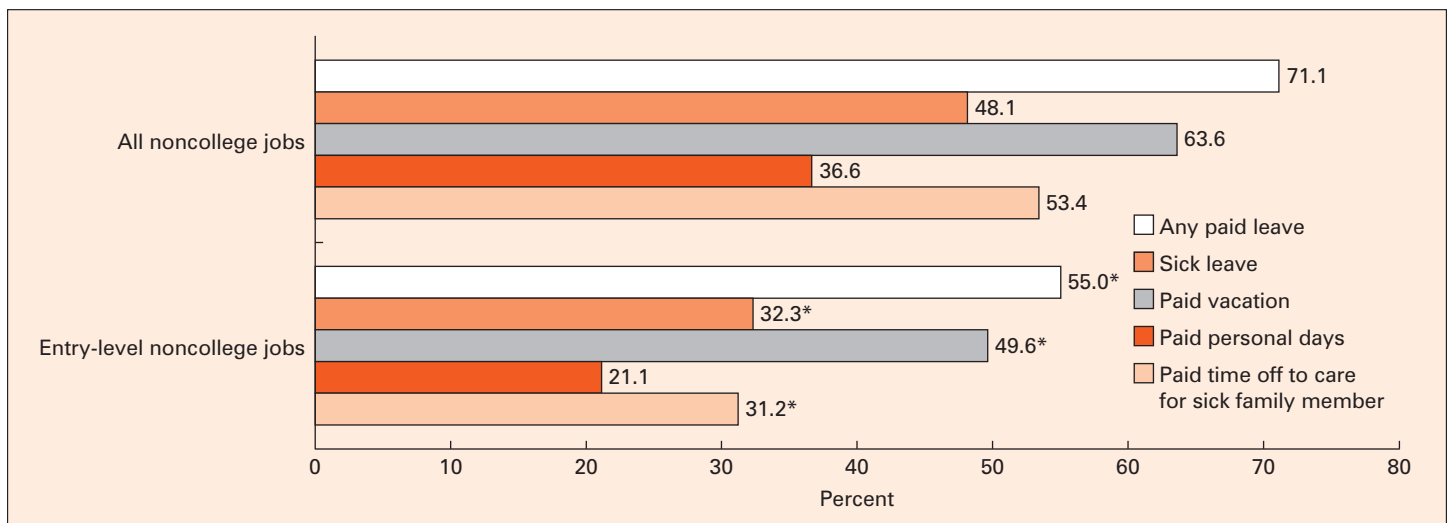
Although many noncollege jobs do offer some paid leave, substantially fewer of these jobs specifically offer paid sick leave (48 percent) or paid personal days (37 percent). Not all noncollege jobs with paid leave allow this leave to be used to care for sick family members. According to employers, 53 percent of these jobs allow noncollege workers to take paid time off to care for a sick child or other family member. Nevertheless, these types of leave are likely the most flexible, allowing workers to take leave when they are sick. Even though other forms of paid leave like paid vacation days and paid holidays are more

common (64 percent have paid vacation days), they are less flexible than paid sick leave because paid holidays occur on fixed dates and paid vacation days may require pre-approval. This makes them less useful to cover periods of illness.

Noncollege jobs offer less in the way of paid leave than jobs that require a college degree or more. For comparison, the percent of all private-sector workers with paid sick leave in 2006 is 57 percent, and the share with paid vacation is 77 percent.¹ Within noncollege jobs, entry-level noncollege jobs are less likely to offer any type of paid leave. A little more than half of these jobs have some paid leave, about a third offer sick leave, half offer paid vacation, and just over one-fifth offer paid personal days. Further, only 31 percent of entry-level noncollege workers can use paid leave to care for a sick child or other family member.

Workers in noncollege jobs without access to paid time off may be able to take unpaid leave. The Family and Medical Leave Act guarantees unpaid leave to eligible workers with health problems as well as those who need to care for family members in ill health. It also protects the jobs of workers who take unpaid leave. However, only employers with 50 or more workers are legally required to give unpaid leave, and only workers who have been with the employer for 12 months and have worked 1,250 hours are eligible. Nevertheless,

FIGURE 2. Paid Leave for Noncollege Jobs



Source: Authors' calculations from Survey of Employers in the Low-Skill Labor Market.

* Difference between entry-level and all other noncollege jobs is statistically significant at the $p < .10$ level.

almost all noncollege jobs allow workers to take unpaid leave to care for a sick child or family member. Only 3 percent of employers that recently filled a noncollege job say the worker cannot take unpaid time off for this.

Policy Implications

Many jobs in the noncollege labor market demand flexibility from workers in terms of work schedules but do not provide benefits (such as paid sick leave that can be used to care for oneself and one's family) to accommodate workers' needs for flexibility. This issue is especially acute for entry-level noncollege jobs requiring little prior experience, skills, or training.

Proposed mandates that require employers to provide a minimum number of paid sick days or paid days of leave directly address the lack of such benefits for workers. Most proposals are not restricted to low-skill work, but they may be particularly beneficial to low-skill low-wage workers covered under the proposals. Jobs with certain employers, however, like those with few employees, may be exempt.

At the federal level, Congress is considering legislation that would require employers with 15 or more workers to provide a minimum of seven paid days of sick leave for those who work at least 30 hours a week. San Francisco and Washington, D.C., have already mandated employers provide paid leave days. These cities did not exempt small employers but required fewer than seven days of paid leave. Paid leave policies are under consideration in several other jurisdictions.

Some states already provide some paid time off through state programs. For workers experiencing temporary health problems, several states including California, Hawaii, New Jersey, New York, and Rhode Island offer temporary disability insurance (TDI), which provides partial wage

replacement while workers are unable to work. California was the first state to extend the TDI program to offer six weeks of paid family leave for new parents or to care for sick family members. New Jersey has followed this lead, adding six weeks of paid family leave to its TDI program beginning in July 2009. Washington State has also passed a paid family leave program and is working out program details. In addition, California has laws requiring employers to allow workers who have accrued sick leave to use up to half of this leave to care for sick family members and to allow workers some unpaid leave time to attend children's school activities.


In addition to paid leave, supports that make holding jobs with changing schedules easier are important. These include child care that is available at off hours. Efforts to work with employers to provide more notice to employees about schedule changes and/or allow some employee choice when formulating irregular-hour schedules could also have important impacts for workers. In addition, a business case can be made for offering flexibility and paid leave: the costs of not having paid sick leave include lower worker productivity, "presenteeism" (coming to work while sick), and job loss.²

Notes

1. Bureau of Labor Statistics, data from the 2006 National Compensation Survey. Accessed June 2008 at <http://www.bls.gov/ncs/ebs/home.htm>.
2. See Vicki Lovell, "No Time to Be Sick: Why Everyone Suffers When Workers Don't Have Paid Sick Leave" (Washington, DC: Institute for Women's Policy Research, 2004).

Additional Information

For a comprehensive review of related research and a more complete discussion of the survey and findings, see Gregory Acs and Pamela Loprest, "Understanding the Demand Side of the Low-Wage Labor Market" (Washington, DC: The Urban Institute, 2008).

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