

Employers sometimes overlook part-time employees as a potential source of productive personnel. Part-timers have disadvantages, of course, but with a little imaginative scheduling, they can help reduce costs and even boost output



Mini-shifts: An alternative to overtime

By William B. Werther, Jr.

PART-TIME employees constitute a major source of personnel that are often overlooked. There are several reasons why they are not actively recruited.

The most frequent excuse is a sincere concern about their dependability. To many managers, part-time employees usually mean young, immature, and unskilled help. What this misconception overlooks is the possibility of recruiting retired workers and homemakers. And by paying an hourly wage commensurate with that of fulltime employees, absenteeism and turnover stay low-even among high

school and college students. Why? Because the unreliable behavior of part-time personnel is explained in large part by their menial jobs and low wages, not by some mysterious characteristic of part-timers.

Another major reason is the guestion of availability. However, this is not a meaningful objection if wages equal to those for full-time positions are paid. This attractive rate would ensure a constant supply of serious applicants. Retired workers, homemakers, and unemployed 16 to 21 year-olds represent 30 million potential part-timers. And although some retired workers do not need to work, many more would appreciate an opportunity to supplement their income on a part-time basis to minimize the considerable impact inflation has had on this group during the last decade.

The final reason centers around their lack of skills. Admittedly, students generally lack experience in some trades. However, among retired workers, trade skills are common. With students, academically oriented abilities such as drafting, bookkeeping, mechanics, typing, and shorthand are prevalent. Even typical homemakers possess a few skills that are usefulclerical along with cooking and cleaning skills (which can be employed in the company cafeteria). In any event, these recruits can be employed in unskilled jobs with no more training than is necessary for unskilled full-time employees.

In short, part-time manpower is available, reliable, and has many of the same abilities found among full-time personnel. Three disadvantages do exist, however.

Shortcomings

One shortcoming of employing part-timers is personnel-related activities. Obviously if two (or more) part-timers are hired, this unavoidably doubles the load on personnel—interviewing, testing, recordkeeping, and training. But with the growing use of automated and computerized records, additional recordkeeping must certainly be considered minor. Likewise, training two part-time recruits simultaneously demands very little more effort or cost than training one full-timer. In fact, the comraderie among two trainees may actually speed-up train-

ing since each can help the other on a buddy system. Nevertheless, interviewing and testing double with no direct offset.

Another potential pitfall concerns the span of supervision. If part-time employees all work the same hours, the span of supervision does grow. But, as is more common, part-time personnel work back-to-back shifts. Thus, at any one moment, there are the same number of people to be supervised.

In exchange for these disadvantages are some significant advantages for the supervisor and the organization.

Advantages

Fringe benefit savings are one of the major gains that users of part-time personnel often discover. Because these benefits are not normally extended to part-timers and fringe benefit expenses constitute the fastest growing component of labor cost, the immediate and future savings can be substantial.

One other gain associated with part-timers is in the cost of absences. Unlike full-time personnel who can (and too often do) miss work without a reduction in pay, part-time help has a special interest in reporting to work—pay. Even when part-timers are absent, at least the firm's costs are held down.

Performance advantages also accrue to departments with part-time help. One mass-assembly department in a Southeast firm reported 7 percent higher output and a 12 percent lower scrap rate when it compared the production of part- and full-time workers. As might be expected, the two work

groups produced at similar quality and quantity levels during a short trial run of assembly line modifications. But when the production was compared on a longer basis (over two weeks), the part-timers turned in better performance. The only explanation management could offer was that the parttime workers were less fatigued and did not have to "pace their work" as full-timers did. The jobs were identically monotonous. The only difference was the superior performance of the part-timers and their lower cost to the firm. And this was accomplished with only one company paid fringe benefit - a one-week vacation with pay.

Another interesting advantage of an extensive program of part-time positions is the effect on turnover costs. When a full-time employee voluntarily terminates, he or she takes with them valuable experience and training. By having part-time work available, a fulltime employee may elect to move to part-time rather than quit. Or, if an employee leaves, the knowledge of part-time work may entice the worker back even though a full-time position is not feasible. This is especially true among retired workers and mothers with new-born or preschool children. Thus, at least some of the training investment is recaptured. If a worker decides to move to full-time, the supervisor "knows what he is getting" before the worker assumes full-time status.

Mini-shifts vs. overtime

The most useful aspect of parttime personnel is the tremendous scheduling flexibility they offer to managers. Out of this scheduling comes the opportunity to greatly vary the manhours worked during any day or week without having to pay premium overtime rates. Furthermore, this manpower flexibility is obtained without reducing quality or exposing employees to the safety hazards of working while overly fatigued.

Mini-shifts --- work schedules calling for less than 40 hours of work per week—are usually designed to be four hours long. Two mini-shifts, staffed with two part-time employees, are scheduled back-to-back in most manufacturing or assembly operations. This ensures all work stations are continuously staffed. Since the shift is only four hours, lunch breaks are avoided as is the necessity of staffing part-time positions during the noon hour. If the assembly line is normally shut down for lunch, one mini-shift can be designed to finish at noon and a second mini-shift is scheduled to begin at the end of the lunch hour.

Desired increases in output can be achieved in several ways. For example, part-time employees can man a second half-shift. By scheduling a shift from 5:00 p.m. to 9:00 p.m., output can be increased 50 percent. And this is done at straight time rates.

If part-timers are integrated into the full-time workforce and a small crew is needed on an irregular basis to stay and work late, the hours of the part-time help can be extended. Not only are these the least fatigued, least error-prone workers, but extending hours of production with these people does not mean premium rates. In fact, given the growing reluctance of many full-timers to accept mandatory overtime—especially among unionized workers, stretching mini-shifts may be the only reasonable method of meet-

ing output goals, with or without the availability of overtime pay.

Shrinking employment

Likewise, if production needs decrease, mini-shifts can be scaled back. This arrangement reduces the severity of layoffs to an irreducible minimum while still providing the manager with flexibility to meet unexpected or seasonal changes in demand. At the same time, it provides greater security to full-time employees and retains the skilled, full-time workforce that constitutes the core of every organization.

Further, when employment is reduced through layoffs of full-time personnel, the employer's experience and, therefore, payroll tax are adversely affected. However, part-time employees are not included in the employer's experience rating unless the part-timer is willing to accept full-time work from the state unemployment agency. And, for a multitude of reasons, part-time personnel seldom seek full-time jobs when they are laid

Other schedule variations

Absenteeism, vacations, jury duty, medical appointments, training sessions, and special assignments can leave a supervisor unexpectedly understaffed. Often the only option available to the manager is to scale back production goals. With an extensive program of part-time workers and mini-shifts, the supervisor can use the roster of part-timers as a call-in list.

More and more firms are adopting flexible work schedules. Four days/40 hours and flexible hours (and their variations) are the most common. One of the major difficulties encountered with these new approaches is scheduling problems. Here, too, part-time manpower can facilitate the manager's job.

Under four-day, 40-hour workweeks most companies take one of two approaches. Either the operation is closed three days a week or the plant is understaffed on Mondays and Fridays. Both schemes present shipping and receiving complications, not to mention underutilization of equipment. Some manufacturers have solved the understaffing problem on Mondays and Fridays by hiring part-time personnel to fill in the manpower gaps. With part-timers, the assembly line is fully staffed each day. This provides an extra bonus to full-time people because they are given greater discretion in selecting which day-Monday or Friday-they want off.

Dual mini-shifts working back to back can be used instead of closing the plant on the fifth day. This method has the advantage of using the fifth day to scale production to inventory requirements on a weekly basis. For example, the department head or the plant manager can schedule Fridav's two mini-shifts to be three, four, or five hours long, depending on the target level for inventory. During surges in demand, dual mini-shifts-using the same, already trained, part-timerscan also be added on Saturday and even Sunday. Once again, overtime is avoided and fatique-caused errors are minimal.

Flexible hours represent a scheduling concept that allows workers to report to their jobs at any time, usually within a preset number of hours. To illustrate, one popular framework is to permit individual employees to start between 7:00 and

10:00 a.m. The problem—and it is a serious problem in assembly operations—is how to maintain reasonable output?

One approach is to put part-timers on two mini-shifts: one mini-shift is from 7:00 a.m. to 10:00 a.m., and the other is during the last three hours of the workday, 3:00 p.m. to 6:00 p.m., for example. Part-timers are used to keep all positions staffed during continuous operations from 7:00 a.m. to 6:00 p.m. As a surplus of part-time manpower develops between 9:00 and 10:00 a.m. (by which time most full-timers have reported), the part-time workers are used to provide break coverage for the early-arriving

full-timers who are due for their midmorning break. The same procedure is used between 3:00 and 4:00 p.m.

Although other scheduling techniques besides flexible hours and the "forty and four" approach exist, most are variations on these two themes. Irrespective of which innovative schedule changes are selected, partime personnel can give the using manager a better chance for successful implementation while enhacing performance.

The Author: William B. Werther, Jr. is associate professor of management at Arizona State University, Tempe, Arizona.