

Managerial Perspectives of the Shorter Workweek in Georgia Manufacturing Firms

ARTHUR G. BEDEIAN AND ROBERT D. COSTON*

Over the past few years, much controversy has been aroused by the expanding number of firms making use of the shorter workweek. This trend is being carefully watched because of the success that many of these companies have reported. They have credited the shorter workweek with increasing productivity, decreasing absenteeism and turnover, and boosting morale.

A unique facet of the increasing adoption of the shorter workweek is that it is being heralded as a management innovation. This greatly contrasts the historical effort of labor unions as the primary motivating force in the reduction of the number of days in the workweek. The present extent to which the shorter workweek is being used is uncertain. One estimate sets the number of companies on a four-day operating schedule as high as 3,000, with an employment totaling over one million workers. This shows a rapid increase of adoption over an estimate made three years earlier of only 40 firms employing a total of 7,000 workers [3, p. 1]. Historically, a trend toward the reduction in the length of the standard workweek has long been established. If the above estimates are correct, the movement to a four-day workweek may be the next phase in the natural reduction of the workweek's length.

*Boston University and Georgia Southern College, respectively. The authors wish to acknowledge their appreciation to John W. Newstrom and William B. Werther, Jr., both of Arizona State University.

Background

Numerous types of the shorter workweek are presently being used with the most common being four 10 hour days. Other popular variations, however, include four 8 hour days, four 9 hour days, and four 9½ hour days. All of these variations allow the worker to complete his workweek in less than five days. As employed in this research, the shorter workweek was simply defined as a workweek in which the employee completes his weekly work obligation within four days. This definition includes all the aforementioned workweek variations.

There have been several studies of firms that have adopted the reduced workweek. The earliest was undertaken in 1970 [2, pp. 15-37] and found most of the firms paid the standard 40 hour week irrespective of the total standard hours worked. In some firms, the difference in the actual total hours worked and the usual 40 hours represented a bonus that was lost if an employee was either absent or tardy. In all cases, the switch to the shorter workweek was initiated by management, not labor.

The most recent nationwide study of the shorter workweek was conducted by the American Management Association. Sampled were 2,400 A.M.A. member firms and an additional 600 firms who were either operating had a rearranged schedule or who has expressed an interest in it. Of the first group, 5 percent were found to be operating on a shortened workweek, with an addition-

al 18 percent considering doing so. Of the latter group, 84 percent reported feeling that the shorter workweek would hamper business. In contrast, of those firms already using the four-day plan, 80 percent reported positive results. As in previous cases, of the firms employing the shorter workweek, the majority reported doing so as a result of management initiative rather than labor.

Directly pertaining to the present research, a 1972 study of the apparel industry in Georgia found that 28 percent of the study participants utilized a short workweek schedule, with an additional 6 percent planning to adopt such a plan [1, pp. 26-27]. Intense competition for apparel workers in the state was found to be the motivating force behind the adoptions. Management was again found to be the initiating force behind the adoption of the shorter workweek.

The short workweek is of importance to Georgia firms for many reasons. As mentioned, many firms converting to the modified workweek have experienced increased productivity and decreased absenteeism and turnover. In a period such as today of increasing production costs, this could prove to be a great competitive advantage. In addition to offering a potential for advantage in the product market, the shorter workweek also offers a potential advantage in the labor market. The competitive nature of the labor market in Georgia is overbearing. The trend toward more leisure time has made this situation worse. Early adopters of the modified workweek have found the shorter workweek to be a great advantage in attracting workers and, thus, have been able to stabilize the size of their work force.

Nature of the Study

The purpose of the present study was to determine the attitudes of the managers in Georgia's largest manufacturing firms toward the shorter workweek. The managers surveyed were asked to justify their reported attitudes by indicating the advantages and disadvantages they associated with the shorter workweek; in addition, they were asked to comment on what they believed their employees' attitudes toward a modified workweek would be.

To determine these attitudes, questionnaires were mailed in April 1973 to Georgia's 50 largest manufacturers. To avoid non-respondent bias, follow-up questionnaires were mailed in May and June 1973. Information concerning the size and number of employees of the firms surveyed was received directly from the Georgia Department of Industry and Trade. Of the firms surveyed with more than one plant location, their largest plant site was chosen for survey use. Each questionnaire was addressed personally to the chief executive officer in charge of the plant location in question. Thirty-nine of the questionnaires were returned for a response rate of 78 percent. Of these, 30 questionnaires were usable. The total Georgia employment of the companies surveyed was 118,955. The employment of the plant locations directly sampled totaled 77,222.

Measure of Adoption

In response to the inquery, "*Are any of your full-time (40 hour) employees working less than five days a week?*" 29 of the 30 managers completing the survey responded in the negative. In an effort to account for such a relatively low

adoption rate (in comparison with national adoption rates mentioned earlier), the respondents were also asked to indicate, "*The primary reason their organization had not pursued the adoption of a shorter workweek schedule?*" Seventy-three percent indicated that they believed the advantages of the shorter workweek would not be sufficient to compensate for its accompanying disadvantages. An additional 13 percent indicated that they lacked sufficient information or manpower to pursue such a program.

Specific reasons given for not adopting the shorter workweek largely fell within two categories: (1) anticipated difficulties associated with contract delivery and scheduling, and (2) federal regulations and union contract provisions with respect to payment for extended hours in a work day, i.e. overtime in excess of 8 hours per day. An interesting additional reason for not adopting the shorter workweek was provided by one Georgia manager who commented: "We are certain employees do not like it. It interrupts evening meals in rural areas, and disrupts school driving pools in urban areas."

Initial survey data thus seem to suggest that either or both Georgia management and labor are not in favor of the shorter workweek schedule. To further investigate this point, the managers surveyed were asked: (1) to estimate the receptivity of their employees to the shorter workweek, and (2) to indicate their personal attitudes toward the adoption of such a work program.

Data in Table 1 show the 63.3 percent of the managers surveyed predicted that at least 50 percent of their workers would accept a modified workweek. If accurate, this information may be interpreted as

strongly indicating employee receptivity to such a work change. This would serve to greatly diminish the extent of any anticipated employee opposition of such a plan.

Having thus largely eliminated anticipated employee resistance as an explanation for the limited adoption of the shorter workweek among the Georgia firms surveyed, managerial feelings were next investigated. The data in Table 2 indicate the attitudes of the managers surveyed toward the adoption of the shorter workweek. As such, it provides a probable explanation for the limited adoption of the modified workweek in Georgia's largest manufacturing firms. More than twice as many (61 percent) managers opposed it as favored it (26.7 percent) with a representative number (12.3 percent) simply indifferent to the idea. Since these managers are the individuals most likely to be in a position to implement such a plan, it seems highly improbable that the adoption rate in Georgia's large manufacturing firms will increase appreciably in the near future.

Advantages and Disadvantages

To further appraise the perceived advantages and disadvantages of the shorter workweek and better interpret the collected data, each respondent was asked to indicate what he felt to be the three most advantageous and the three most disadvantageous aspects of the shorter workweek. The frequency and ranked order of these responses appear in Table 3 and Table 4.

The data in Table 3 reflect a broad range of perceived disadvantages associated with the shorter workweek. Scheduling and communications problems (Factor 1) were perceived to be

the major drawback of a modified work schedule. If Factors 1 and 5 are interpreted as pertaining to scheduling and communication difficulties, Factors 2 and 4 to increased costs, and Factors 3, 6 and 7 to employee considerations, a pattern of perceived problem areas can be identified. Collectively these three areas of perceived concern include 96.4 percent of all the responses collected.

Weighed against these perceived disadvantages is a list of indicated perceived advantages, presented in Table 4. Leading the list is a predicted decrease in employee absenteeism and turnover (23.6 percent). Closely associated with this prediction, Factor 2 (increased efficiency through better utilization of equipment) accounted for 12.7 percent of the responses received.

While no clear pattern of responses can be delineated from the presented data, major considerations seem to be centered in the perceived potential benefit of increased efficiency often associated with the shorter workweek. This especially seems true considering the grouping responses in Factor 3 (specifically 3b, 3d, and 3e).

The probability of the shorter workweek gaining wide acceptance in the immediate future by Georgia's largest manufacturers seems at best small. Additional survey information further collaborates this belief. In Table 5, respondents to the survey were further asked to report the likelihood of their organization adopting the shorter workweek concept within the next year and also within the next five years. Over 89 percent of the survey respondents indicated there was a zero probability that their organization would adopt the shorter workweek within the next year.

The likelihood of widespread adoption within the next five years seems little

better. An overwhelming 92 percent of the respondents perceived the probability of their firms adopting the shorter workweek by 1978 to be 40 percent or less.

Interpreting The Results

The results of this survey show an interesting blend of the expected and the unexpected. As anticipated, the shorter workweek has aroused much interest in Georgia's largest manufacturing firms. Its adoption rate among these firms, however, is surprisingly low. An unexpected variable uncovered in this study has been the opposition of the Georgia managers toward the adoption of the modified workweek plan as compared with the perceived receptivity of their employees. As also mentioned earlier, the majority of the firms who have reported switching to the shorter workweek have done so on management's insistence, not labor's. In the Georgia manufacturing firms sampled, these traditional roles seem to be largely reversed.

As is true of most contemplated organizational changes, both advantages and disadvantages may be recognized. These features must be individually considered and weighed one against the other. The respondents to this survey identified scheduling and communication difficulties, increased costs, and employee considerations as major drawbacks to the modified workweek. Perceived advantages included decreased employee absenteeism and turnover and increased efficiency through better utilization of equipment.

Managers should examine each of these elements and determine the extent of the applicability in their individual situations and subsequently evaluate

the appropriateness of the shorter workweek for both their industry and firm. Upon examination, many elements that now appear to be problems may prove to be opportunities for future organizational success and growth.

It should be recognized that this study was involved solely with perceptions. Data reported have been based completely upon the perceptions of managers regarding their own preferences and the preferences of their employees, and are thus highly subjective.

Conclusions

At present, great opposition exists among Georgia's 50 largest manufacturing firms toward the adoption of the shorter workweek. More than twice as many (61 percent) of the managers opposed it as favored it (26.7 percent), with a representative number (12.3 percent) indifferent to the idea. This opposition appears to be based upon anticipated

problems in the areas of scheduling, communication difficulties, costs, and employee considerations.

Employee acceptance of the shorter workweek (as perceived by the managers surveyed) already exists in approximately two-thirds of the firms surveyed. This perceived acceptance is reflected in the potential shorter workweek advantages as reported by the same surveyed managers, namely decreased absenteeism and turnover and the ease of recruiting employees.

While the probability of the modified workweek gaining wide acceptance in Georgia seems at best small, the shorter workweek movement cannot be ignored. Its advocates promise to provide the key to greater productivity, increased efficiency and improved employee relations. This study has served to determine the attitudes of Georgia's largest manufacturing firms toward what may be the accepted work schedule of the future.

TABLE I
THE PERCEIVED EMPLOYEE ACCEPTANCE
OF THE SHORTER WORKWEEK

Perceived Percentage of Employees Who Would Accept	Number of Managers Responding	Percent of Managers Responding
75-100	7	23.3
50-74	12	40.0
25-29	2	6.7
0-24	9	<u>30.0</u>
TOTAL	30	100.0

TABLE 2
MANAGERIAL ATTITUDES TOWARD
THE SHORTER WORKWEEK

Manager's Attitudes	Percent of Respondents
Very strongly favor it	0.0
Favor it	26.7
Indifferent toward it	12.3
Oppose it	43.3
Very strongly oppose it	<u>17.7</u>
TOTAL	100.0

TABLE 3
PERCEIVED DISADVANTAGES OF
THE SHORTER WORKWEEK

Rank Order	Percent of Responses	Potentially Disadvantageous Factors
1.	21.4	It would create too many scheduling and communications problems.
2.	19.1	Productivity would be lower once the novelty wore off.
3.	16.7	The long hours would be boring, monotonous, and tiresome for employees.
4.	14.3	All hours over 8 per day would probably have to be paid as overtime.
5.	9.5	Our customers or suppliers would be inconvenienced.
6.	8.3	Too many employees would be fatigued from moonlighting on second jobs.
7.	7.1	If it fails, returning to the five day workweek would be difficult.
8.	2.4	Absenteeism, turnover (or both) would be greater under a shorter week.
9.	1.2	Our employees would dislike and resist the idea.
10.	0.0	We might get bad publicity because the program is not yet widely accepted.

TABLE 4
 PERCEIVED ADVANTAGES OF
 THE SHORTER WORKWEEK

Rank Order	Percent of Responses	Potentially Advantageous Factors
1.	23.6	Absenteeism and turnover rates would be lower.
2.	12.7	Efficiency would increase through better utilization of our equipment.
3. a.	9.9	It would be easier to recruit a large supply of good workers.
b.	9.9	Less total time would be lost due to startup, washup, breaks, and cleanup.
c.	9.9	Employee morale and loyalty would be higher.
d.	9.9	It would stimulate employee motivation and higher productivity.
e.	9.9	It would provide an opportunity to implement other important changes.
4.	8.5	It would be good for public relations and create a progressive image.
5.	5.7	More employees could be scheduled at peak workload days or times.
6.	0.0	It would fulfil the firm's social responsibility to our employees.

TABLE 5
THE PERCEIVED PROBABILITY
OF ADOPTION OF A SHORTER WORKWEEK

Percent Probability Of Adoption	Percent Frequency of Responses	
	Within Next Year	Within Next Five Years
100	0.0	0.0
80	0.0	0.0
60	0.0	7.1
40	0.0	17.9
20	10.7	50.0
0	<u>89.3</u>	<u>25.0</u>
TOTAL	100.0	100.0

REFERENCES

- [1] Robert D. Coston, "Toward a Four-Day Workweek: A Survey in Georgia's Apparel Industry," *Atlanta Economic Review*, September-October, 1973.
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- [3] *Wall Street Journal*, "For Some Companies The Four-Day Week Is a Four-Day Headache," April 1973.