Advantages and Disadvantages of the Different Types of Working Hours' Organisation

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Abstract

The variety of existing work schedules offers advantages and disadvantages for workers, as well as for their employers. While some flexibility in working hours is oriented to the needs of workers (beyond the minimum standards required for the protection of the employed), another is focused on meeting the needs of businesses (in the literature concerning the working hours, it is often called “variation”).

Keywords: Flexibility of working time, Organization of working time, Traumatic occupational injuries, Work and health

1. Introduction

The purpose of the study is to highlight the advantages and disadvantages of different types of working time ‘organization for both workers and employers in a working market economy.

The organization of the working time can be beneficial as only for the workers or only for employers, but it might be fruitful to both parties simultaneously. The structure and organization of the working hours affect the extent to which the employment agreement complies with the needs of the workers, of the employer and of both parties together.

2. Materials and Methods

Studying the ways and best practices in which the working hours are organized for a specified period. Summarizing the advantages and disadvantages of different types of working hours arrangements from the perspective of both workers and employers.

3. Results

The advantages and disadvantages of the different types of working time’ organization both for employees and employers, such as: overtime, working on shifts, working part-time, floating working time, compressed work week and hourly work are summarized in a tabular form.

It is important to emphasize that the different forms of flexibility can interact with each other: for example, temporary employment can be used by enterprises in combination with temporary flexible working hours. Also, the enterprise may use different forms of flexibility in terms of working hours; employers react to fluctuations in market demand by increasing or decreasing the number of employees or by increasing or reducing the working time of employees. In fact, the last years of global economic crisis clearly showed how the emphasis on flexibility of working hours could promote job stability, since

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1 Currently in the EU and beyond there is some confusion about the concept of working time or time flexibility, especially in the context of the ongoing debate in the EU on ‘flexicurity’. The focus of our research is solely aimed at flexibility of working hours, which is defined as flexibility in the ways in which work is organized during a specified period of time. This kind of flexibility implies a certain number of workers with variable or flexible working hours and should not be confused with flexibility in terms of number of employees.
there were significantly fewer job losses in companies and countries (such as Germany and the Netherlands) which due to the reduced market demand preferred to optimize the organization of working time of employees rather to proceed to staff cuts.

Table 1: Advantages and disadvantages of different types of working-time arrangements for employees and employers

<table>
<thead>
<tr>
<th>Type of working-time arrangement</th>
<th>EMPLOYEES</th>
<th>Disadvantages</th>
<th>EMPLOYERS</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overtime</strong></td>
<td>+ Higher earnings &lt;br&gt; + Longer periods of paid leave (if compensatory time off is granted instead) &lt;br&gt; + Greater possibility for the employees to control the organization of working time</td>
<td>- Potential negative impact on health and safety at work and on the balance professional life – private life &lt;br&gt; - Work intensification, especially in certain periods</td>
<td>+ Opportunity to better synchronize working hours with the production or services requirements &lt;br&gt; + Increased production in response to the increased demand</td>
<td>- Additional costs for overtime payment &lt;br&gt; - Potential reduction of marginal productivity &lt;br&gt; - Increased risk of work diseases and accidents</td>
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<td><strong>Shift work</strong></td>
<td>+ Higher income in case of premiums for certain types of shifts &lt;br&gt; + Longer periods of paid leave if compensatory time off is granted instead &lt;br&gt; + Better reconciliation of work and family life</td>
<td>- Potential negative effects on health and safety at work and on the balance work life - family life, especially in the case of night work &lt;br&gt; - Other difficulties, (e.g. lack of transportation and training)</td>
<td>+ Extended operating (more intensive use of facilities and equipment) &lt;br&gt; + Better coping with FMCG / perishable goods &lt;br&gt; + Better use of increased productivity of human capital and capital resources &lt;br&gt; + Better budget planning, with predictable costs</td>
<td>- Higher labour costs and wages &lt;br&gt; - Greater complexity in terms of work organization &lt;br&gt; - Potential negative effects on health and safety at work, particularly in the case of night work</td>
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<tr>
<td><strong>Part-time arrangements</strong></td>
<td>+ Better balance between work and personal life, due to the smaller number of working hours &lt;br&gt; + Means of (re) entering the labour market for women</td>
<td>- Lower quality of work in terms of remuneration, job security, training, social protection &lt;br&gt; - Higher risk of poverty among workers</td>
<td>+ Improved adaptation to fluctuations in consumer demand &lt;br&gt; + More flexible work planning &lt;br&gt; + In certain cases, tax incentives</td>
<td>- Potentially higher administrative costs &lt;br&gt; - Higher taxes and social contributions in the event that working part-time cover the same hours for full-time</td>
</tr>
<tr>
<td>Table</td>
<td>Description</td>
<td>Benefits</td>
<td>Challenges</td>
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<td><strong>and youth</strong></td>
<td>+ Gradual transition from full-time work to retirement</td>
<td>- Possibility to reduce the payment if overtime is eliminated and basic remuneration is not increased</td>
<td>+ Increased ability to predict future periods of higher workload</td>
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<tr>
<td><strong>Floating working hours</strong></td>
<td>+ Ability to optimally use worker’s time, which therefore has a positive impact on their health and well-being</td>
<td>- Potential inconvenience for some workers, due to new schedules</td>
<td>+ Better adapt to changes in workload</td>
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<td></td>
<td>+ Strengthen the stability of employment</td>
<td>- Potential risk of overload in order to save time (limiting the degree of time sovereignty)</td>
<td>+ Increase productivity and motivation of workers</td>
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<tr>
<td></td>
<td>+ Guaranteed stable income</td>
<td>- Possibility to reduce the payment if overtime is eliminated and basic remuneration is not increased</td>
<td>+ Extended operation (more intensive use of facilities and equipment)</td>
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<td></td>
<td>+ Greater possibility for the employees to control the organization of working time</td>
<td>- Loss of control on actually worked hours (particularly in the case of individual contracts)</td>
<td>+ Reduction in the cost of overtime and related compensation thus reducing the labour cost</td>
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<td></td>
<td>+ Easier commuting (less traffic congestion and less overburdening of public transport during peak hours)</td>
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<td>+ Reduction in turnover</td>
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<td></td>
<td>+ More balanced distribution of time between work, family and private life</td>
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<td>+ Reduction in absenteeism</td>
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<td></td>
<td>+ Extra time for training, rest, private life</td>
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<td><strong>Compressed work weeks</strong></td>
<td>+ Fewer working days</td>
<td>- A longer working day</td>
<td>- Potential administrative difficulties in keeping and monitoring documentation</td>
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<td></td>
<td>+ Reduced commuting time and transport expenses</td>
<td>- Increased fatigue and risk of accidents</td>
<td>- Increased complexity of work schedules (creating additional costs)</td>
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<td></td>
<td>+ Better reconciliation of work and private life</td>
<td>- Labour intensification, especially in certain periods</td>
<td>- Possible loss of control over certain aspects of working time</td>
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<td></td>
<td>+ Larger paid leaves with better planning of leisure</td>
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<td><strong>Annualized hours arrangements/other forms of hours</strong></td>
<td>+ Stable income, regardless of variations in hours</td>
<td>- Unpredictable and irregular working hours</td>
<td>- Complex administrative procedures and</td>
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<td></td>
<td></td>
<td>+ Better adaptation to changing production requirements or services</td>
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*Note: The table above summarizes the advantages and disadvantages of different working hours arrangements. The benefits and challenges are listed in a tabular format.*
averaging

worked + Potentially increased influence (control) of employees on their working time + Better reconciliation of work and private life

- Workloads with varying severity - Problems with balancing work and personal life - Possibility to reduce the payment if overtime is eliminated and basic remuneration is not increased
- More unsocial working hours without compensation (in particular the loss of compensation for overtime)
- Loss of control on actually worked hours (particularly in the case of individual contracts)

provision + Increased opportunity to reduce overtime and the related compensation, thus reducing labour costs + Reduction in labour costs in the event that there is no overtime payment + Reduction in absenteeism + Reduction in turnover

associated costs - Possible loss of control over certain aspects of working time

4. Discussion

The main advantages of the various types of organization of working hours for workers result in higher income, longer periods of paid leave (in case of admission of compensatory rest), better reconciliation of work and family life, the opportunity for optimal use of workers' time, thus resulting in a positive impact on their health and well-being, etc., and among the disadvantages we would highlighted: potential negative effects on health and safety at work and on the balance of work-life, intensification of work, especially at certain times, a longer working day, increased fatigue and risk of accidents at work, intensification of labor, especially at certain times, etc.

With regard to employers as advantages we can highlight the possibilities for better synchronization of working hours with the requirements of production or services, increased production in response to increased demand, more intensive use of facilities and equipment, improved adaptation to fluctuations in consumer demand, more flexible work planning, and as disadvantages the extra costs for payment of overtime, potentially reduced marginal productivity, an increased risk of diseases and accidents at work, complicated administrative procedures and related costs, etc.

5. Conclusion

In order to optimize the working time in XXI century it is necessary to find a reasonable balance between the needs of workers (which require protection in terms of occupational health and safety and personal / family life) and the requirements of enterprises, which also take into account public needs.

Clearly defined rules on the organization of working hours in enterprises in the following posts would largely minimize and eliminated the tension between workers and employers:

- Limits on daily working hours (maximum duration of the work shift and minimum daily rest periods);
- Limits on weekly working hours;
- Breaks during the working day; paid annual leave;
- Protection for night workers;
- Equal treatment of workers with a temporary employment;
- Atypical/ precarious organization of working time;
- Achieving balanced flexibility of working time;
- “Work sharing”;
- Social dialogue and collective bargaining on working time.

The improvements in the work organization by introducing policies and regimes, developed on the basis of physiological, social and health-based requirements, and in accordance with the specifics of the labor process can significantly reduce the health risk and the level of occupational injuries in terms of micro and macro economical aspect.

References

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