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Will Rising Energy Costs Drive Manufacturers to Rethink Plant Scheduling?

Chrysler Among Companies to Consider Moving to Four 10-Hour Shifts; What's the Impact on Cost and Quality?

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The rising cost of energy and the focus on reducing carbon emissions is manifesting itself in myriad ways – among them the possibility of manufacturers and other employers moving to four 10-hour shifts as the basis of the work week.

"We're looking at doing four 10's across the shops to help reduce energy costs," Chrysler Executive Vice President of Manufacturing **Frank Ewasyshyn** said last week. Chrysler said it was looking at the move at a number of its plants, focusing on those that are "running straight-time," meaning they are running five-days, with two eight-hour shifts each day. For Chrysler, that includes some 10 assembly and parts factories across the US.

The switch to four 10-hour schedules is being made or considered by a number of entities across the US, especially local government offices. The idea is driven in part by a desire to reduce the impact of rising fuel prices on employee wallets – the theory being that they will save money by eliminating one roundtrip work commute per week. Of course, that assumes that the employees will drive fewer miles than the work commute on their extra day off – a perhaps dubious assumption for many.

It is also possible the change can drive savings for some manufacturers as well. The move would totally or nearly totally shut down a plant for an extra day, which likely would result in lower net energy costs for some operations, even though the total hours worked stays about the same.

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In Chrysler's case, the company says there are some operations, such as the paint oven, that can't be totally shut down with only a two-day weekend, but which could be with a three-day break, also saving energy.

Of course, most believe the move to a four-day week would be strongly welcomed by the majority of employees. Chrysler will have to get approval from the United Auto Workers union for the move, as would most other companies with union representation, but it does not appear the unions are opposed if the change doesn't negatively impact jobs.

Chrysler is saying the move would be permanent, not a temporary reaction to current fuel prices, and that a decision could come in as little as just a few weeks.

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Impact on Quality or Productivity?

Some commentators also wonder about the potential impact on quality and productivity with a longer day. Study after study has shown that measures of both start declining in the last two hours of a regular shift – a result that could be exacerbated by adding another two hours to a regular day. Those losses could offset the energy savings from the move to the shorter week.

On the other hand, others argue that productivity might actually increase in total as a result of improved worker morale. They also say that employers offering four-day weeks should see reduced turnover, reducing costs associated with new worker hiring and training.

While most shop floor employees are expected to approve the move, some may resist, and others find it causes problems with current schedules and lifestyles, such as day care situations that cannot accommodate the extra two hours. Many factory workers get off at 3 pm and can arrive home roughly in line with children coming home from school, a schedule that also could be impacted by adding an extra two hours on to each day.

One question under such a move is how current national, paid holidays would be handled. For example, if a company moved to a Tuesday-Friday shift, would employees be entitled to paid days for Monday holidays such as Memorial Day and Labor Day? If say July 4th fell on a weekend, would there be the need to give employees who already have a three-day weekend another paid day off?

And of course, the issue is complicated for plants currently running seven days or three shifts or both. While a move to knock one day per week off what most employees work would be welcomed by employees, the rescheduling math would be much harder or impossible for those plants, and it would not appear to offer any hopes of energy savings for the factory itself.