

## Section Five: The Seasonality Challenge

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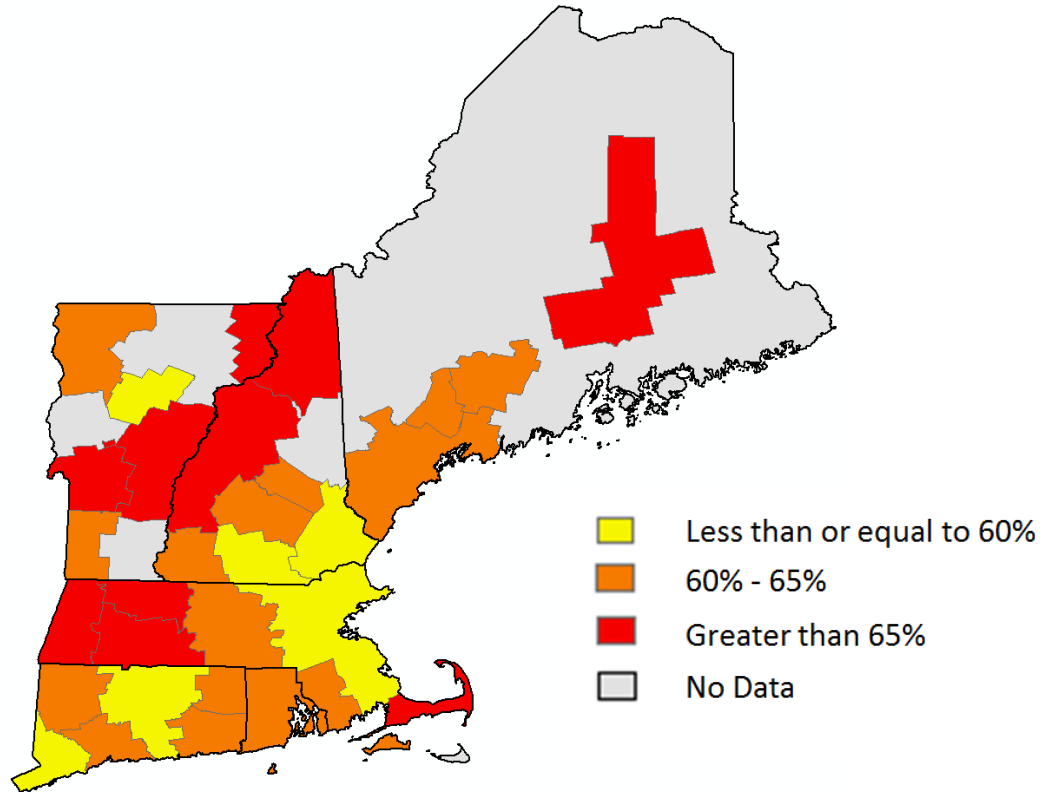
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For several New England regions whose local economies depend heavily on seasonal tourism, scheduling issues this year have translated into staffing issues: businesses are facing a serious shortage of the workers who keep the region running. One factor in this growing [staffing shortage](#) is a longer busy season that now extends well past Labor Day and into November in some areas, in part because high school and college students who work during the summer in tourism-related businesses leave those jobs and return to school around Labor Day. Another concern for employers has been the [limitation](#) placed on the number of [H-2B](#) (temporary non-farm labor) and [J-1](#) (temporary work-study visitor) visas earlier this year in the United States, as the nation's tourism, hospitality, and restaurant industries rely to some extent on those programs every year to fully staff businesses during the busy season. Very [low unemployment rates](#) in many areas mean that local labor pools have shrunk as well. Still another issue is the high cost and limited availability of housing for both seasonal and year-round employees in these regions. All of these concerns mean fewer and fewer workers are available to businesses that now find themselves competing with one another to fill their open jobs.

These emerging challenges are impacting industries in which many businesses and employees have already long contended with variable and sometimes unpredictable schedules and jobs. Weather is also a constant and unpredictable factor for shift scheduling in these regions year after year. And employees who live and work in the area year-round are often eager to work as many additional hours as they can in the summer season, knowing that they could be laid off or have significantly fewer work hours available to them over the winter months. *Invested* checks in with four business owners on Cape Cod in Massachusetts to learn more about how their businesses and employees are affected by these challenges and how they are doubling down on existing employee-friendly scheduling practices to retain their workers and stay afloat in a difficult business environment this year.

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## Percent of Individuals Employed in Service Industries



Map shows the percentage of the total workforce that is employed in services industries within New England metropolitan and micropolitan statistical areas (MSA). For most of the region, the percentage of service industry workers is greater than 60 percent. Bridgeport-Stamford-Norwalk CT and Manchester-Nashua NH MSAs have the lowest share of service industry workers (56 percent). Barnstable MA, Pittsfield MA, Berlin VT-NH, and Bangor ME MSAs have the largest share of service industry workers, with 68 percent of the workforce in service industries in Barnstable MA, Pittsfield MA, Berlin VT-NH MSAs and 72 percent in Bangor ME MSA.

Source: 2015 five-year American Community Survey estimates.

Map: Amy Higgins, Federal Reserve Bank of Boston.

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*“The reality is that if someone is not treated well in this environment, they’re just going to go across the street to the competitor.”*

**Larry Drago** is the president and owner of BizChecks Payroll, a payroll processing and tax filing company in Marstons Mills, Massachusetts, that works with nearly 1,000 businesses. This interview was conducted on August 24, 2017, and has been lightly edited.

*Client business sizes: 1 to 250 employees; typical account, 18 employees*

*Client business types: wide range including restaurants, hotels, real estate firms, attorneys, doctor practices, small retail, landscaping, home healthcare*

*Client locations: primarily on Cape Cod and along the Massachusetts South Shore*

Q: How have you seen your clients’ staffing needs affected by the seasonality of their locations?

A: In terms of industries that open and close completely for the season, we have fewer than 20, but most of our business on the Cape is affected to some degree by seasonality. We may have a landscaper, for example, that has 35 or 40 full-time employees but goes to 150 in the season; their season, depending on the weather, may be April to November. Restaurants, same deal: they may have 25 to 30 people employed in the off-season, but in season they may go to 100 employees.

When I first came to the Cape in the early 1980s, it was true that after Labor Day, the Cape closed down. You could maybe find four or five restaurants in Hyannis that were open. Now it’s much different—while there’s certainly a drop-off from August to October, typically our clients’ businesses run 12 months a year.

Q: What other factors contribute to variability in your clients’ staffing needs?

A: It’s totally dependent on their business. We do have a fair number of clients for whom we run basically the same payroll for week after week, such as dental practices or doctor’s offices, where people are working the same schedules week after week. But a majority of our clients are reacting to variable demands on the business and to the weather. In the ice cream business, for instance, when the weather’s good, they need to staff up, and when it’s raining, they don’t need as many people. Obviously, they don’t have a sense of that until that week, so it’s pretty much driven by the nature of the work they’re doing.

Q: How common is it for the businesses you work with to have employees on on-call schedules?

A: We see that typically in the trades—plumbers, electricians, and those types of businesses. They pay on-call wages to people all the time to have them available to make emergency calls. And from my conversations with some of the restaurant owners, I know that some of them have versions of that, where they have an availability list or an on-call list of people who are looking to pick up additional shifts. But typically when we see that, we see it in the trades.

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Q: What kind of considerations do the businesses that you work with have to think about when they're scheduling their employees?

A: This is an interesting season to ask that question. People down here are challenged when it comes to staff. If you drive around Cape Cod, you can drive by any landscaper and there'll be a help-wanted sign out, and pretty much the same goes for retail and restaurants. It's been a real challenge between the unemployment rate being so low, the issues with visa availability that have kind of set people back, and just generally the environment, including the high cost of housing. Folks are really struggling to staff their operations. We've actually seen restaurants that have restricted hours or are closed an additional day, and landscapers that have turned away business because they don't have enough staff to service it.

Q: Do the businesses think that shortage might be indicative of a longer-term shift? How much of that do they see as a structural change for the area?

A: There's a lot of conversation about that going on. On the Cape in particular, I know there's a lot of conversation about availability of employee housing, the cost of employee housing, the whole issue of where do the employees come from going forward, and the reliance on visas going forward. The Cape was really hit hard this year because of the restriction on visas. So I think people are very focused on it.

Q: Has there also been any drop off in local teenagers or college students wanting to work those seasonal summer jobs?

A: I think there has been, for sure. I'm not exactly sure what the reason is for that, but for sure you see that. If you go into some of these restaurants and retail operations, you see fewer and fewer high-school kids and even college kids that are working there. One of the problems is that the Cape season has expanded, and if you hire a high-school kid or a college kid who has to leave mid-August, you've still got September and October in front of you. So for some of our clients, their hardest month is in September when they lose their summer help.

Q: It seems from our conversations with employers that in smaller businesses and more service-oriented businesses, a lot of employees have a second job or other things they are trying to schedule around their shifts at their primary job. Would that be a factor for the businesses that you work with?

A: That's an interesting observation. I do think that my employees here are looking not necessarily for more money (although they certainly want to get increases), but they are more interested in flexibility in their schedule. It's important to employees to have that flexibility now, and employers have to be more creative in terms of scheduling just to respond to the marketplace. We have a lot of folks here in our business, for instance, who have families and want to work different schedules, so we try to accommodate that. I think that's the case everywhere—that you're seeing that businesses have to respond to that new reality. People are more interested in the flexibility than they are necessarily in making the highest hourly wage.

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Q: If your clients were required to ensure their businesses comply with possible new rules, such as offering employees a certain minimum number of hours each week, providing their schedules a certain amount of time in advance, or compensating them for on-call time, do you think that that would be workable for them?

A: Honestly, I think that it's difficult for the businesses that we service to comply with that type of requirement. There's such a variation in their business from week to week and from season to season. If you have a small operation of 18 employees and you have one or two people out sick, the same amount of work still has to be done, so it's a tremendous hardship for the employer. There have been a lot of other compliance issues that have kind of come down the pike, things like healthcare reform, paid family leave, and paid sick days. A lot of these companies that we deal with, they don't have a full-time human resources person—it's the business owner that's responsible for doing this. So the more compliance requirements that get put upon small businesses, the harder it is, not just cost-wise but also in terms of resources and how they get that done. Who's going to do that in a 15-person operation? You're not going to hire an additional person because you can't afford to hire an additional person, so who does it then fall to? I think that's really the challenge.

Also, as I mentioned, restaurants, ice cream shops, landscapers, and other similar businesses are so weather dependent, so how do they tackle requirements like that? I can see it with a large retail operation, but some of these guys really do have to respond to the weather. For instance, in restaurants, there's no way employees want to be sitting around on a sunny day not making any money. They'd much prefer that their schedule be adjusted so they're working the busy shifts. So that's why I think it would be difficult for a lot of folks down here to comply.

I do understand the intent of these types of policy proposals, but on the Cape the reality is that if someone is not treated well in this environment, they're just going to go across the street to the competitor. You see situations where, because of the labor shortage, a *sous* chef with very little notice will just go from one operation to another because they can make more money. So if you have an environment where someone is taking advantage of their employees, it almost seems that the market in this type of environment takes care of it because there's so much demand for employees.

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*“You can’t legislate humanity ... You’re either a reasonable employer or you’re not; you’re going to be humane or you’re not. I’ve worked for people like that, and it had nothing to do with what the labor laws were. I’ve worked in places that are no longer in business, and there’s a reason for it: the culture killed itself.”*

**David Troutman** is the owner and human resources manager of Scargo Café, a full-service, year-round restaurant in Dennis, Massachusetts. This interview was conducted on August 24, 2017, and has been lightly edited.

*Business size: 65 to 75 employees*

*Employee roles: food production, service, clerical, management, and maintenance*

*Full-time/part-time/seasonal employees: mostly full-time, some part-time, few seasonal*

*Schedule format: online interactive document where employees may swap shifts with each other*

*Schedule posted: 10 to 14 days in advance*

Q: Is there a typical shift for employees in your business?

A: Kitchen staff generally work an eight-hour shift and service staff is closer to six hours. Virtually all of our employees work a mixture of day and night shifts. We try to avoid scheduling anyone for a closing night shift prior to a day shift. Not all staff members are here to the very end of a shift, and if someone is due to work the following day, they are generally the first to be let go as business tapers off in the evening.

Q: Do you ask your employees to tell you what their availability is when they are hired? Do they usually weigh in on what shifts they prefer to work? If you have on-call shifts at the restaurant, how do they feel about that?

A: Yes, we ask for their availability and they absolutely weigh in on what shifts they want to work. They know what they’re getting into. At the time employees are hired, their availability is often a deciding factor in whether to hire them or not, due to their ability to fill our specific staffing needs as a result of the existing staff’s time limitations. The greater an employee’s availability, the more they are assured of getting their ideal number of shifts. For example, if somebody says they’re going to take a college class and it’s every Tuesday and Thursday night, we give them Tuesday and Thursday nights off. But as a result, because they are limiting us around when we can schedule them, it means they’re probably going to end up working more heavily on Sunday lunch, that sort of thing. Or they won’t get five shifts; they’ll only get four shifts, because they just eliminated two of the seven shifts that we might have scheduled them for.

Generally, though, our scheduling is very flexible. I’ve got college kids on staff who are limited in schedule for the school year, but the moment they are here for the summer, they go into full-time status and then they get priority in scheduling—so people can move from part-time to full-time. I have one young woman who has worked for us for many years, but in August, during our busiest time of year, she’s got a young child that she wants to take back to Europe to visit her grandparents when she’s out of school, so she takes the month of

August off. That's okay with me because she's valuable enough to the business the other 11 months of the year.

There's also a familiarity we build here over time and an encouraged give and take, so I think people understand and they don't mind the concept of an on-call shift. It is what it is. And we don't do that on a daily basis—we spread it around so that, presumably, the servers have one on-call shift maybe once every two weeks. Often if they get called in it's an extra shift that they wanted, or they will pass around an on-call shift if they don't want it and give it to somebody else. I've got some people who want to work four or five shifts a week and I have other people who would love to work seven or eight shifts. So there's this natural process that we allow to happen.

Q: What are the scheduling differences between your service staff and your kitchen staff?

There's a huge difference in every single aspect of scheduling between the employees in the kitchen versus tipped server employees, and their attitudes around their schedules are different. A kitchen employee wants more hours, generally, because that's how they make a living. But tipped employees, by and large, try to actively minimize the amount of time they're on the floor, because the faster they can make money in the fewest amount of hours, their hourly rate essentially goes up because of the tips they make during peak hours. So they don't want to come in early and they don't want to stay late, and they are usually dying to get out of here when it's slow. They're the ones who want to go have a drink, go to a movie, or go home because obviously it's not in their interest to make \$3.75 an hour with few or no tips. They're all about being here during peak volume, and most of them only work a 32-hour week at most.

In the kitchen, though, for the most part they want a 40-hour week. We guarantee them year-round steady work, even though we're in a seasonal location. From the employee's perspective, one of the hardest things many businesses in this area do is that they have staff working 55 hours in the summer when it's busiest, and then they cut them down to 25 or 30 hours in the winter. I don't do that; we guarantee a line cook 40 hours any time of year if they want the 40 hours. We may ask them to help paint the walls, clean the equipment, or to help with other projects that aren't normally in their realm, but at least they stay busy and fully employed. Most restaurants would just cut their hours and that's it. That's part of why I've got staff that stay with our business for many years: we provide guaranteed income year-round in a seasonal location.

Q: When an employee has to change their shift at the last minute or doesn't show up for a scheduled shift, how does that affect your business and your other employees?

A: Kitchen employees are overtaxed by having to pick up the slack, and service employees generally make more money, with the support of management. In either case, short staffing costs the business in lost revenue and tarnished reputation. Unlike many businesses, we can't postpone good service for our clientele on any given day. Paperwork can wait a day, but a lost meal period is lost business that cannot be recouped.

Q: What do you see as the greatest challenges around developing and adjusting employee shift schedules for your business?

A: Increasingly, staff have other commitments that limit their availability. We now hire 10 to 20 percent more staff than we actually require, simply to cover specific shifts that the majority of our employees are unable to cover. Add to this the shifting demands of vacation time coverage, personal issues that come up, and extended illness, and proper coverage becomes problematic.

Q: If you were required to offer all of your employees a certain minimum number of hours each week, or to provide their schedules a certain number of days in advance, or to compensate employees for being on-call for last-minute scheduling changes, how would that affect your business?

A: For the most part, all staff receive exactly the amount of hours they desire, and we are very close to scheduling shifts two weeks out; any shift adjustments after posting are offered, but employees are not required to accept an adjusted shift.

Required minimum compensation for a given shift or for on-call could be an issue, though. I need to be able to call people in and have a staff. I rarely put anyone on call in the kitchen, but if I didn't have the option to fall back on some flexibility just for safety, it'd be crushing for me to staff full-tilt all the time in anticipation of high-volume business. And that's the problem: our business is so volatile. If we had a sunny beach day, for example, we might do 100 lunches, but if it were that same day and it happened to be raining, it could be a 250-person lunch—and if I can't serve 250 people, I will turn away 100 of them because I just can't service them. So the idea of having a certain amount of kitchen staff and not being able to capture that business that was there on a rainy day—that would be a huge loss.

But if I had to staff to the hilt all the time, that wouldn't make sense either, because there would be too many sunny days where I'm losing money, the clock's ticking, I'm hitting \$800 an hour for staff and there's no income coming in. So for more expensive hourly employees like line cooks, I'm going to go short-handed and I'm just going to keep it bare bones. The reverse is true for the servers: there, I'm going to overstaff, because I want to be sure I've got enough to handle the business coming in, but they're only \$3.75 an hour, so if we're not that busy, it doesn't crush me as much financially.

So it encourages, in a de facto way, the overstaffing of the dining room and the understaffing of the kitchen. Those are probably the two worst things, because now you've got disgruntled tipped employees who are overstaffed, and you've got understaffed hourly workers who are now being forced to do the work of more people. It goes against what the employees themselves prefer, the customer is going to feel it, and the business is going to pay for it—so nobody wins.

I think the single biggest thing about this is that you can't legislate humanity. We can put in place laws and rules and guidelines, but the bottom line is that how an employer treats an employee can't be mandated to a certain point. Minimum wages and labor laws notwithstanding, the kind of employer who would take advantage of somebody and be unreasonable is going to be like that no matter what, in some other way. It might not be with a minimum four hours' pay or abuses in on-call—it might take some other form. But you're either a generous person or you're not; you're either a reasonable employer or you're not; you're going to be

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humane or you're not. I've worked for people like that, and it had nothing to do with what the labor laws were. I've worked in places that are no longer in business, and there's a reason for it: the culture killed itself. Here, we're all about the culture and the environment that we work in, because we work in it too.

*"I don't believe in the on-call system. I don't think it's right for the employee. They can't get a second job because they don't know what their commitments are."*

**Alan Davis** is the owner of Cape Cod Creamery, manufacturing and selling ice cream in South Yarmouth and Hyannis, Massachusetts. This interview was conducted on August 28, 2017, and has been lightly edited.

*Business size: 45 employees (one shop is open year round and one shop is seasonal)*

*Employee roles: servers, manufacturing, and delivery*

*Full-time/part-time/seasonal employees: mostly part-time, some seasonal*

*Schedule format: online system that employees can access*

*Schedule posted: three to four weeks in advance*

Q: Are your employees typically teenagers, adults, or a mix of both?

A: It's kind of a mix now. For the most part, it's still college and high-school students, but I have a few older people now who help manage, and then adults who make the ice cream.

Q: Is there a typical shift?

A: I have two shifts a day, typically 10:30 a.m. to 4:30 p.m., and 4:30 p.m. to 10:30 p.m.

Q: How long do your employees typically stay with you? Is there fairly regular turnover or is it pretty consistent?

A: It's fairly consistent for me, so I'm really fortunate. The average length of employment here is about six years. It's a great job for kids—we hire at 14 and 15, and then most of them typically stay through college because they know they have a job for the summer and they make good money here. And we're really flexible with the schedule here, so if somebody does have another job, we're able to work things out.

Q: When you hire people, do you ask about their availability, and do they usually weigh in on when they want to work?

A: Typically what we do is at the beginning of the year for the seasonal workers, we'll ask about what other commitments they have, whether it's a nanny job or a sports commitment or something like that. If somebody typically works as a nanny every Tuesday night, we'll give them Tuesdays off and then we'll build out the schedule from there. Sometimes it becomes difficult when you have so many people, but for the most part, it's worked out great for years, so we never seem to have an issue.

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Q: How often do you update the schedule?

A: We try to do it typically three to four weeks in advance. Sometimes we'll actually do six to seven weeks out, because for the most part everybody will have a set schedule, unless they have a one-time issue. But when you have so many people, it's easier to just ask about their regular commitments and work around them. If they can't work on Tuesdays, we won't schedule them on Tuesdays, but we'll schedule them other days. And if we post the schedule so far in advance, online they can pull it up and say, you know, in three weeks I'm working on a Wednesday, but I'm going to a concert that day—so then they'll immediately start asking their fellow workers if they can swap shifts with them. They can communicate with each other pretty easily because my turnover rate is so small, and they've all known each other for so long.

Q: Do you have on-call shifts?

A: I don't believe in the on-call system. I don't think it's right for the employee. They can't get a second job because they don't know what their commitments are. I pretty much know how many people I need per shift because we're fairly steady. The only thing that affects us is the weather, so if it's a night where it's really pouring down rain, we'll just put out a message to everybody who's on the shift. We let them know that if it's slow that night and some of them want to leave, they're more than welcome to. But I also don't take the hours away from them and say, you've got to go home tonight, because I need that employee to still be working here in three weeks—and if they lose hours, they might not want to be flexible later on or they might look for another job if they know they could get called off the shift here at any time.

Q: What are you thinking about when you plan employee shifts, and how do you manage that many competing priorities and schedules among your employees?

A: Well, we have large shifts—we have seven kids work on one shift each night, and typically we keep people's hours at around 30 hours a week. Now, they might want to change with somebody else, and one week they might work 40 and the next week they'll work 20 hours, but because they're all so flexible, again, we haven't had too many issues in that regard. Sometimes people will come to me and tell me they could use a few more hours, and when we know it's a really busy night, we'll put that extra person on for that shift.

Q: If you were required by legislation or some kind of regulation to offer a minimum number of hours, provide schedules ahead of time by a certain amount, that kind of thing, would that affect your business and, if so, is it workable?

A: It would affect me and I would hate that mandate because I might have somebody who lifeguards during the day and works at night, and she may only be able to work two days a week, but she's been with me a long time and she's a good employee. Now, if I'm mandated to give her 21 hours or something like that each week, she can't do it and I can't do it, and that means I would have to find somebody to replace her. So I'm losing a good employee who can work two days a week to replace her with somebody that I may not know.

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*“My employees are the most valuable thing I have. They’re the biggest asset in my business, so I don’t mistreat people, and I think you’ll find that the bulk of small businesses that are successful are treating their employees the same way, because good employees don’t grow on trees.”*

**Olive Chase** is the founder and owner of the Casual Gourmet, a catering and food-service company in Centerville, Massachusetts. This interview was conducted on August 29, 2017, and has been lightly edited.

*Business size: about 120 employees*

*Employee roles: kitchen staff, café staff, event staff, and administration*

*Full-time/part-time/seasonal employees: mix of full-time and part-time*

*Schedule format: online program with email alerts for open shifts/jobs for event staff*

*Schedule posted: 10 days in advance for event staff, relatively consistent for café staff*

Q: Your business covers a lot of ground between catering events and running a commissary, a concession, and three cafés in different locations within a seasonal area. How do you manage logistics with all of those employees and ensure all of your jobs are properly staffed?

A: My business is complex, and there are nine people in my office managing everything with me because it takes a lot to run this kind of company. It is seasonal, but we also work year-round and I’m always hiring or laying people off—although lately you never lay off, you just lose help. We expand a lot in season, and we contract a lot off-season. In my commissary here, in the kitchen it is mostly year-round cooks, although we always add a few seasonally, and there is one 8:00 a.m. to 4:00 p.m. shift that everybody works, five days a week. We work longer hours on Saturdays, but they get overtime. If one of them calls out, though, and there’s a wedding going out the door and it needs four cooks, we still have to have four cooks. At the cafés, at Cape Cod Hospital, it’s a busy place, and if somebody calls out, I have to cover that shift—and you typically don’t get a lot of notice to do it. And in my catering business, on a busy weekend—which is mostly from May to September—I might put 70 people in the field because there will be four or five weddings and each one will have 15 or 20 employees on it. A lot of those employees are part-time employees who have full-time jobs for other people, and then they work for me on Saturdays or Sundays. And if one of *them* calls out—this past Saturday, for example, we had four weddings going out and a bartender had a family emergency and called out about an hour before his shift started. So we had to look for someone else to work, because we can’t go shorthanded for this couple’s wedding.

I don’t have on-call shifts because I don’t think that’s fair to employees, but on a big weekend, I will staff extra people. If nobody calls out, then we have extra people on the job and I don’t worry about it. If someone calls out, I can do it, but then I have to rearrange on short notice—I have to take somebody from one event and put them on a different event, so the hours that they work might change and the location that they’re going to work in will change. But again, I’m a service business, so I have to provide service.

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For the most part, we don't have those really late shifts followed by early-morning shifts. Even if I have someone working a wedding the night before and they have signed up to do a brunch the next morning, we'll make sure they're the first people off as the brunch winds down. We work hard on scheduling because my employees are the most valuable thing I have. They're the biggest asset in my business, so I don't mistreat people, and I think you'll find that the bulk of small businesses that are successful are treating their employees the same way, because good employees don't grow on trees.

Q: What happens on the off-season? You're still working, but are the needs different?

A: Office staff works year-round—we sell events in the winter. And in the kitchen, one of the reasons why I have the contract for the concession at the Hyannis Youth and Community Center is that in the wintertime when I have too many cooks, I can put them over there because the center's season is opposite ours, and they cook at the rink. So their hours will change, but they'll get to keep working. During the first quarter, when things are really slow, I have a couple of employees who like to go someplace else. I have one very long-term employee who likes to go back to Brazil, where he has property, so he'll go most of the first quarter. At Magnolia Café at the Heritage Museums and Gardens, which is seasonal, I have two women who prefer not to work in the wintertime because they have families. So we work it out.

I rarely have to just lay someone off who doesn't want to be laid off. I sort of massage it all to keep people. Of course, you have turnover in this business, and a lot of the turnover really happens not so much in this building but in the cafés; and then an opening will come up there and you'll put one of the people here that didn't have work here in the café at Cape Cod Hospital making sandwiches or something like that. We put enormous time and effort into scheduling and taking care of our people. On average, tenure is eight years or so, and I have some 10-, 15-, and 20-year employees. I've been in business since 1986, so we've been around a while.

Q: Would you say that for your employees, this is the way they have typically worked in the industry and they're used to working in different shifts or roles depending on what's needed?

A: Yes, they're hospitality food-service people, so this is how they make their living and for a lot of them this is what they want to do. They have families. We're always saying, you know, we have a lot of people who are "refugees from a la carte"—because in restaurants you work more hours and it's longer nights, and here it's more normal because most of our shifts during the week are 8:00 a.m. to 4:00 p.m., so everybody goes home to their families at a reasonable time. Most of the year, my employees work five days a week. Over the course of the season, you might have six or seven weeks where people have to work six days, but almost my entire staff is paid hourly at fairly high rates, and they make overtime. Everybody knows that from May to October we work harder, but they are going to have fat paychecks. I have cooks making more money than me at this time of year, or making more money than the chef, who's one of the few people on salary.

Q: When you do scheduling for events and the cafés, how far out are you able to do it?

A: Typically, not more than 10 days because we have to wait on final headcounts for events and it changes. In the café at Cape Cod Healthcare, their schedules are more static because business is the same—so they tend

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to stay the same unless somebody needs a day off, and a lot of times the staff will even work out some of those changes themselves, and I don't care. They switch around some, and I'm pretty flexible with that as long as we don't compromise service.

Nobody has to say yes to an event. We publish our events through our online scheduling program and we ask event staff if they are available, and they say yes or no, depending on how their life works. So they're all volunteers coming out there on Saturday. Nobody loses their job with us because they said no to working a given event.

Q: What is the greatest challenge for you in building schedules to staff all of these events and all of these different roles?

A: My biggest issue down here right now is that we are in the midst of a significant labor shortage. We're at full employment, which is great—the economy is booming—but I've actually been curbing the amount of business I'm taking, not because my kitchen couldn't do it or my office couldn't do it but because I can't get enough staff. I have turned down opportunities for other retail operations because I can't bear to have another one of these cafés to staff, because there are no people to hire here.

I do not use the tipped wage, and I think in this entire company there are probably three people at minimum wage and mostly they're 17-year-olds. There are a ton of people making \$20.00 to \$30.00 a day in tips. Everybody's making more money, but even so, it doesn't matter what I pay—there aren't enough people. And the fact that there was this mess with H-2B visas this year made it worse. I don't use H-2B, but the people who couldn't get their workers through that program made our local labor pool that much tighter. And now that they're thinking about cutting out J-1 visas as well—I don't use a lot of J-1 workers because my season runs longer than the time those visas cover—but when the visa-based workers are not here, other people are now dipping into my labor pool to hire enough staff. All of these are problems of a great economy, and I've been in business for 30 years, so I remember the other problems pretty well.

Q: What happens when you're in the opposite situation and the economy is bad? What aspects of this change for you?

A: Well, we rode out the big recession. My workforce shrunk, but it sort of was a gradual thing where people might have moved away. Because there's always turnover, as that churn was happening, you just didn't replace them. Frequently in 2009 and 2010 I did not take a paycheck myself so my employees could get paid. During that time, the core employees kept working, but you didn't hire as many of the people who come on every summer—college kids or people who've wandered onto Cape Cod for some reason.

But this year in particular I can't get enough people to staff the jobs I have. This is the end of August, and right now the college kids we have working for us have to go back to school—but in September, it's typically the busiest month of the year, and I have 16 weddings to staff. So it's challenging from an employment standing, but I actually will bring in people from one of the big temp agencies in Boston to fill out the staff and put three or four temporary people on each of my jobs to make sure it's covered. If I have 10 cooks in my kitchen on a

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Saturday, and I need 16 cooks and I can't get them from the part-time crew that I usually get, there's another company that specializes in culinary staff and I can bring those cooks down. Both of those things cost a lot of money, but to me it's more important to maintain our reputation of service level and also not to beat my people directly into the ground with so many hours. When we get to September and October, the overtime isn't as much fun as it was back in May.

Q: You noted that all the shifts and event jobs are basically voluntary and are offered to your employees rather than required of them. Why is it important to you that your employees have some say in when and where they are working?

A: If you're good to your staff—you help them when they need time off or they need more hours or they need fewer hours—then when you need something, they help you back. The employees also become more invested in our success this way, and they're more proud about the good job we do because they're part of it. Our reputation is pretty solid, but I can't do it without these employees, so it's not really me that keeps us going—it's them. If I don't have them and they're not coming in with a "let's do this" kind of attitude every weekend, then it doesn't work. So I can only do this work well if I'm nice to them, if I give them paid vacations and health insurance and I give them full-time work. I talked to someone who has a hospitality business who said, "I won't give a dishwasher more hours because then I might have to give them health insurance," and I thought, really? If somebody wants more hours, I'll give them more hours, and not only that, if somebody wants insurance, I'll give them insurance because I've got to keep people on staff. But some of that is living here, as opposed to living in different parts of the state. We are geographically isolated and there are not as many people. It's expensive to live here—not as expensive as it is in Boston, but the difference here is that there are not quite as many high-paying jobs, and because of seasonality, there are not as many opportunities to make a steady, year-round living. The fact that I can do that gives me a leg up on even smaller companies than mine.

Q: If you had to comply with any new rules or regulations around scheduling—things like ensuring employees had a minimum number of hours each week, providing schedules a certain amount of time in advance, or compensating employees for on-call time—would that be workable for your business?

A: I am fairly familiar with some of the proposed scheduling legislation, at least on the state level, and I have to tell you that I could not possibly give people their schedule 21 days out because I don't have final counts on the weddings that far out. And exactly how do I deal with the people who call in sick? If there are 110 people and the schedules have to be in writing by 21 days before, it would be all we would do. I think, in actuality, it might put me out of business, but it would certainly lead me to at least contract my business further. It's not like I can have extra employees anyway because there aren't that many people around to hire now. If someone calls in sick, I've got to switch around three or four employees to cover appropriately, and sometimes we have someone call out and we *do* have to call someone else in. Well, how do you do that if you have to comply with rules about advance notice on schedules? I have 35 people with good year-round jobs who are paying mortgages and raising families, and when you make it difficult for me, even setting aside the part-time people for a minute, you put those people's jobs at risk.

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If I were required to offer all of my employees a certain minimum number of hours a week, that might be an issue in first quarter, although that's not really an issue the rest of the year. As for compensating employees for being on-call, I don't believe in on-call scheduling; I believe you give them a shift.

I think it's important to remember that in the last couple of years we've gone from \$8.00 an hour to \$11.00 an hour on the minimum wage. We've added sick pay; we've had an explosion in the cost of health insurance; and now we are staring down the barrel at more minimum-wage increases and paid family leave. So I think when people are looking at scheduling legislation, they can't just look at that little piece; they also have to look at what is cumulative and what is going to work well for different sizes and different kinds of businesses. Increasingly, the service industry that we're a part of is going to be the place where there's the most job growth—so there's sort of a new paradigm happening that we have to come up with here, and I would really encourage legislators to talk to people like me to be sure that they're looking at things that are going to be good for everybody.

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