



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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Director, Office of Management
and Budget
The Chairman, Civil Service Commission

There has been continuing emphasis on the importance of productivity in both the private and public sectors. Presidential statements have underscored the importance that has been attached to productivity. In October 1974 the Office of Management and Budget issued a memorandum to the heads of all departments and agencies stressing the importance of the Federal productivity effort. This effort has been centered in the Joint Financial Management Improvement Program. In connection with this program, the Civil Service Commission operates a Clearinghouse on Productivity and Organizational Effectiveness that is a focal point for collecting and disseminating information about productivity measurement and improved personnel management techniques. The Congress has also shown an increased interest in productivity by establishing the National Center for Productivity and Quality of Working Life. In addition, a number of congressional committees have shown special interest in productivity.

In recognition of this interest, we have been reviewing alternative arrangements of workdays and workhours. As part of this effort, we surveyed management's treatment of working hours and lunch periods for Federal civilian employees. Our focus was on how work schedules are accommodated within the 40-hour week required by law.

During the survey we:

- Met with officials at 19 activities and obtained information on 38 civil and military installations in the Washington metropolitan area.
- Reviewed 1,046 agreements between Federal agencies and labor organizations which contain lunch period provisions.
- Reviewed agreements to determine the minimum increment of annual leave that employees are permitted to use.

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--Contacted 64 State and local governments and private firms to determine their lunch period schedules.

CIVIL SERVICE COMMISSION REGULATIONS

Implementing regulations issued by the Commission in 5 C.F.R. 610.121 state that:

"WORK SCHEDULES"

"§610.121 Establishment of work schedules.

"Except when the head of an agency determines that the agency would be seriously handicapped in carrying out its functions or that costs would be substantially increased, he shall provide that:

"(a) Assignments to tours of duty are scheduled in advance over periods of not less than 1 week;

"(b) The basic 40-hour workweek is scheduled on 5 days Monday through Friday when possible, and the 2 days outside the basic workweek are consecutive;

"(c) The working hours in each day in the basic workweek are the same;

"(d) The basic nonovertime workday may not exceed 8 hours;

"(e) The occurrence of holidays may not affect the designation of the basic workweek, and

"(f) Breaks in working hours of more than 1 hour may not be scheduled in a basic workday."

PRACTICES IN THE FEDERAL SECTOR

Although Commission regulations do not address the structure of the lunch period, they do allow agency heads to schedule breaks in the workday of up to 1 hour. Although 1-hour breaks are permissible, most of the 38 military and civilian installations we contacted have scheduled only a 1/2-hour break for lunch. The schedules do not appear to be based on factors such as availability of adequate dining facilities to allow lunch within 1/2 hour. The practice seems to have been customary since about World War II.

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Most agency officials with whom we spoke agreed that employees generally take 3/4 to 1 hour for lunch. Some Officials attributed this to a lack of adequate dining facilities in some Federal buildings; in addition, some locations have no dining facilities; so unless employees bring their lunches, they must leave the building to eat.

Neither the custom of taking longer than 1/2 hour nor the awareness of its relationship to the lack of adequate dining facilities is of recent origin. In 1963 the General Services Administration reported to the Bureau of the Budget on a study it conducted of public transportation and Federal employee working hours. The study:

- Showed many Government buildings did not have adequate cafeterias to permit all employees to eat within 1/2 hour.
- Concluded that 3/4 hour would be more realistic and recommended its adoption with the addition of 15 minutes to the workday to maintain the 40-hour workweek.

Although no action was then taken, several agency officials we talked with said they favored such an arrangement. However, most stated that such actions could decrease morale.

Additionally, we analyzed agreements between Federal agencies and labor organizations by using a computer search of the 2,863 agreements in the Federal sector as of December 9, 1975. A total of 1,200 provisions in 1,046 agreements pertained to lunch periods. Although many made vague references to lunch periods, 823 were relatively specific. Our analysis of these was as follows:

| <u>Number of agreement provisions</u> | <u>Length</u> (minutes) |
|---------------------------------------|----------------------------|
| 2 | 15 |
| 129 | 20 |
| 446 | 30 |
| 8 | 30 to 45 |
| 67 | 45 |
| 77 | 60 |
| 61 | 30 to 60 |
| 21 | not less than 30 |
| 2 | 45 to 60 |
| <u>10</u> | unspecified |
| <u>823</u> | |

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PRACTICES IN THE NON-FEDERAL SECTOR

We contacted 64 non-Federal organizations, including several private firms in various industries and geographic locations. Some companies had more than 1 policy regarding length of lunch period and we found a total of 89 policies covering about 394,000 employees. Although there is no single prevalent practice, 60 minutes and 30 minutes prevailed 40.5 percent and 32.6 percent, respectively, based on number of policies and 35 percent and 47 percent, respectively, based on number of employees. Additional detail is contained in enclosure I.

IMPACT OF NONPRODUCTIVE TIME

Nonproductive time of 15 minutes a day equates to 3.1 percent of the statutorily required 40-hour week. Straight application of 3.1 percent to the total Federal civilian payroll of approximately \$40 billion equals \$1.2 billion in lost productive time per year. We acknowledge that the 15-minute estimate used for this computation may be too little or too much and that extended lunch periods are not practiced by 100 percent of the work force every workday. However, as an example of the potential significance of the nonproductive time, if 50 percent of the workforce extends their lunch period 15 minutes half the time, productive time valued at \$300 million a year is lost. Morale and other motivational forces not considered in this survey could also affect net productivity of the work force.

Both the President and the Congress are concerned with increasing national productivity. A January 14, 1975, Presidential statement highlighted the significance of increased productivity. Similarly, the President in his January 19, 1976, State of the Union address, spoke of the need to hold down Government costs. The additional importance that has been attached to increased productivity dates back to 1971 when the National Commission on Productivity and Work Quality was given legislative recognition. Then, on November 28, 1975, the National Commission's activities were incorporated into a new organization, the National Center for Productivity and Quality of Working Life. Emphasis was placed on increasing the rate of productivity through better use of human resources. The Congress directed it to review the impact of Federal personnel policies, statutes, and regulations affecting the productivity of Federal agencies and the quality of working life of Federal employees as well as private sector employees. The Federal Government's effort to improve agency productivity has been centered in the Joint Financial Management Improvement Program, which was given responsibility for

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a continuing Federal productivity program by the Office of Management and Budget in 1973.

CONSIDERATIONS IN MINIMIZING NONPRODUCTIVE TIME

Obvious among approaches to reduce nonproductive time is more frequent application of 45 or 60 minute lunch periods, thereby extending the workday accordingly. This approach would not appear necessary at installations where lunch facilities are adequate to accommodate the work force in less time. However, in some cases it may be the most viable alternative.

Flexible work schedules may also be a potential solution with relatively broad application. For example, a flexible schedule might incorporate a flexible band in the middle of the day, perhaps 11:30 a.m. to 1:30 p.m., in addition to flexible bands during arrival and departure times. Thus, an employee might choose to arrive at work at 7 a.m., work until 11:30 a.m., take an hour for lunch, and leave work at 4 p.m. The employee could then take an extended lunch period, if necessary, to eat more slowly, to conduct personal business, or merely to provide a longer break in the workday routine, and would not adversely affect those employees needing only 30 minutes.

Additionally, we note that Commission regulations permit agencies to grant employees leave in increments of less than 1 hour. Allowing the use of leave in smaller increments should better enable employees to use the lunch period in a manner consistent with their needs without having to take a full hour's leave when only a smaller amount is necessary. However, most installations contacted allow employees to use leave only in 1-hour increments. We also found only two agreements with labor organizations that provided for leave use in less than 1-hour increments. Thus, a potential benefit to both the employer and employee may have been overlooked.

Finally, the 40-hour week has been prevalent in the Federal sector since near the end of World War II. We noted in some of the Bureau of Labor Statistic's studies of private industry that the average workweek in many instances is something less than 40 hours. Recent studies of average standard weekly hours indicate variance from 37.5 to 40 hours, depending on the occupational group and type of industry. Our survey did not include this issue and we take no position on whether the 40-hour week should be reduced. We have assumed the validity of the 40-hour week in this report and consider it a different issue to be dealt with separately and on its own merit.

The considerations in this report are not intended as all inclusive solutions. However, we believe there is ample evidence that this issue presents significant potential for productivity improvement. Solutions that could be applied may require additional study including consideration of morale and motivational factors and the views of labor organizations. There may also be considerable impact from the existing negotiated labor agreements.

RECOMMENDATIONS

We recommend that the Civil Service Commission and the Office of Management and Budget jointly consider the matters discussed in this report to insure that lunch period arrangements in Federal agencies comply with statutory requirements for a 40-hour week. We believe it would be useful to discuss this matter with the agency personnel directors of the Inter-agency Advisory Group to determine the extent of the problem and a possible study approach. Similarly, the views of labor organizations should be solicited. Such a study, whether undertaken by the Commission, Office of Management and Budget, or a task force, should make a considerable contribution in an area of concern to both the Congress and the executive branch.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions he has taken on recommendations to the House and Senate Committees on Government Operations not later than 60 days after the date of the report and the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.



Comptroller General
of the United States

Enclosures - 2

SCHEDULE OF LUNCH PERIOD POLICIES

OF 64 ORGANIZATIONS SURVEYED

| <u>Type</u> | <u>Industry</u> | <u>60 minute lunch</u> | | <u>45 minute lunch</u> | | <u>30 minute lunch</u> | | <u>Other lunch periods</u> | | <u>Total</u> | |
|-------------------------------------|-----------------|------------------------|-------------------------|------------------------|-------------------------|------------------------|-------------------------|----------------------------|-------------------------|------------------------|-------------------------|
| | | <u>No. of Policies</u> | <u>No. of Employees</u> | <u>No. of Policies</u> | <u>No. of Employees</u> | <u>No. of Policies</u> | <u>No. of Employees</u> | <u>No. of Policies</u> | <u>No. of Employees</u> | <u>No. of Policies</u> | <u>No. of Employees</u> |
| Manufacturing | | 16 | 48,060 | 5 | 12,500 | 12 | 94,500 | 2 | 1,700 | 35 | 156,760 |
| Paid | | 1 | 18,000 | 1 | 2,600 | - | - | 2 | 1,700 | 4 | 22,300 |
| Unpaid | | 15 | 30,060 | 4 | 9,900 | 12 | 94,500 | - | - | 31 | 134,460 |
| Transportation and Public Utilities | | 5 | ^a 13,100 | 4 | 9,602 | 5 | 20,200 | 1 | 1,500 | 15 | 44,402 |
| Paid | | 2 | 1,400 | 1 | 152 | 2 | 2,300 | - | - | 5 | 3,852 |
| Unpaid | | 3 | 11,700 | 3 | 9,450 | 3 | 17,900 | 1 | 1,500 | 10 | 40,550 |
| Wholesale and Retail | | 7 | 27,358 | 3 | 2,600 | 1 | 3,000 | - | - | 11 | 32,958 |
| Paid | | 1 | 158 | - | - | - | - | - | - | 1 | 158 |
| Unpaid | | 6 | 27,200 | 3 | 2,600 | 1 | 3,000 | - | - | 10 | 32,800 |
| Finance, Insurance, and Real estate | | - | - | 1 | 3,800 | 3 | 10,000 | 4 | ^b 19,500 | 8 | 33,300 |
| Paid | | - | - | 1 | 3,800 | - | - | - | - | 1 | 3,800 |
| Unpaid | | - | - | - | - | 3 | 10,000 | 4 | 19,500 | 7 | 29,500 |
| City and County Gov't. | | 5 | 42,465 | 1 | 5,800 | 3 | 30,800 | - | - | 9 | 79,065 |
| Paid | | 2 | 4,065 | - | - | 1 | 1,800 | - | - | 3 | 5,865 |
| Unpaid | | 3 | 38,400 | 1 | 5,800 | 2 | 29,000 | - | - | 6 | 73,200 |
| Hospitals | | 2 | 6,300 | - | - | 3 | 7,500 | - | - | 5 | 13,800 |
| Paid | | - | - | - | - | - | - | - | - | - | - |
| Unpaid | | 2 | 6,300 | - | - | 3 | 7,500 | - | - | 5 | 13,800 |
| Miscellaneous | | 1 | 600 | 3 | 13,781 | 2 | 19,317 | - | - | 6 | 33,698 |
| Paid | | - | - | - | - | - | - | - | - | - | - |
| Unpaid | | 1 | 600 | 3 | 13,781 | 2 | 19,317 | - | - | 6 | 33,698 |
| TOTAL | | <u>36</u> | <u>137,883</u> | <u>17</u> | <u>48,083</u> | <u>29</u> | <u>185,317</u> | <u>7</u> | <u>22,700</u> | ^c <u>89</u> | <u>393,983</u> |
| Paid | | 8 | 23,623 | 3 | 6,552 | 3 | 4,100 | 2 | 1,700 | 14 | 35,975 |
| Unpaid | | 30 | 114,260 | 14 | 41,531 | 26 | 181,217 | 5 | 21,000 | 75 | 358,008 |
| Percent | | 40.4 | 35.0 | 19.1 | 12.2 | 32.6 | 47.0 | 7.9 | 5.8 | 100.0 | 100.0 |

^a Includes 1 organization employing 1,100 with the lunch period partly paid.

^b Includes 3 organizations employing 18,000 on flexible schedules.

^c There are 89 policies as some of the 64 organizations varied their lunch period practice by groups of employees.

ENCLOSURE I

ENCLOSURE I

ENCLOSURE II

ENCLOSURE II

UNITED STATES GOVERNMENT

GENERAL ACCOUNTING OFFICE

Memorandum

March 18, 1976

TO : Heads of Divisions and Offices

FROM : Comptroller General

James B. Steele

SUBJECT: Hours of Duty

A new order, No. 0811.1, will be issued shortly dealing with hours of duty. The new order will contain two significant changes.

The first principal change is that the 8-hour workday may now be scheduled between 6 a.m. and 6 p.m., Monday through Friday, rather than 7:30 a.m. and 5:30 p.m. In establishing times within that framework, you should take into consideration the needs of your specific functions--i.e., accessibility of other divisions and offices within GAO and of other agencies--as well as the needs of their employees--i.e., carpools, public transportation, and reporting for duty or leaving during darkness.

The second principal change is that the lunch period for the General Accounting Office is now established as 45 minutes, rather than 1/2 hour. This change will have an impact on the workday for your division or office, inasmuch as a workday is comprised of 8 hours exclusive of the lunch period. This change was necessitated because of the crowded conditions in the cafeteria and relative unavailability of other luncheon facilities in the area. The 45 minute lunch period will provide employees the opportunity to have a more leisurely lunch and a longer break from the daily routine. This should benefit both the employee and overall productivity.

Each head of a division or office shall establish an 8-hour workday for the employees under his supervision which accommodates a 45-minute lunch period. When this has been established, the Director, OAS, will be so advised in order that the information may be in the Attachment to GAO Order 0311.1.