
First Status Report on Job Sharing in Hawaii State Government

A Report to the
Governor
and the
Legislature of
the State of
Hawaii

Submitted by

THE AUDITOR
STATE OF HAWAII

Report No. 91-7
February 1991

Foreword

By Act 244 of 1989, the Legislature established a job-sharing pilot project in Hawaii's state government starting in FY1990-91 and ending in FY1993-94. The act directed the auditor to monitor and evaluate the project and to submit annual status reports. This first report focuses on initial implementation of the project.

We acknowledge the cooperation and assistance of the agencies covered by Act 244.

Newton Sue
Acting Auditor
State of Hawaii

February 1991

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Chapter 1

Introduction and Background

Act 244, SLH 1989, established a job-sharing pilot project in Hawaii's state government to start in FY1990-91 and end in FY1993-94. The Legislature directed the auditor to monitor and evaluate the project, and to pay particular attention to the efficacy of the job-sharing concept and factors that facilitate or hinder its implementation. The Legislature also instructed the auditor to submit status reports in each of the years from 1991 through 1994. This is the first report.

Objectives of the Study

The objectives of the four-year study are:

1. To evaluate the efficacy of the job-sharing concept and to make recommendations concerning its use by the State as a part-time employment option.
2. To monitor and evaluate the implementation of the job-sharing pilot project and to recommend improvements.

Scope and Methodology

The study covered the offices of the governor and lieutenant governor, all the executive branch departments, the Judiciary, the Legislative Reference Bureau, the Office of the Auditor, and the Office of the Ombudsman. Since the project was just starting up, we focused on the second objective, monitoring the progress of implementation.

We reviewed project guidelines of individual agencies and those developed for the executive branch by the Department of Personnel Services. We interviewed agency administrators and personnel staff to determine which agencies were participating in the project, how implementation was progressing, and why an agency might choose not to participate. Also reviewed were the reports of the auditor on prior job-sharing pilot projects, legislation associated with those projects, and state personnel laws and rules. Data were gathered between July 1, 1990, and November 1, 1990, prior to the preparation of this report. We conducted this assignment in accordance with generally accepted government auditing standards.

Job Sharing in Hawaii's State Government

For over a decade the Legislature has promoted job sharing in an effort to provide Hawaii's people with opportunities for more flexible employment. In 1978 it established the first job-sharing pilot project in the Department of Education for full-time, certificated, tenured teachers.¹ This three-year project grew to include other similar personnel of the department (except for educational officers) and was extended to six years.²

In 1982, the Legislature started a second pilot project in the department, first for librarians in the public library system,³ and later for library assistants and technicians.⁴ For nurses in the Department of Health, the Legislature established a third project that ran between FY1986-87 and FY1989-90.⁵

The Legislature asked the auditor to monitor and evaluate these early projects. Over the years, we found job sharing to be a feasible, desirable, and cost-effective work arrangement, and we recommended it as a permanent option for those positions tested. To facilitate implementation of the pilot projects, we recommended, among other improvements, removing unnecessary restrictions on participation. Since 1984, we have also recommended that job sharing be made available by statute to all state agencies to use at their discretion.

In 1984, the Legislature established permanent job-sharing programs in the Department of Education for full-time, tenured, certificated personnel (excluding educational officers) and in 1986 for all full-time employees of the public libraries.⁶ A measure to establish a similar program for all full-time employees of the Department of Health was passed by the Legislature in 1990 but vetoed by the governor as premature since the Act 244 pilot project would provide more information for developing a permanent job-sharing program for the entire State.⁷

Provisions of Act 244

Act 244 sets up a job-sharing pilot project from FY1990-91 to FY1993-94 to test the efficacy of job sharing throughout state government. The act covers permanent, full-time employees in the executive branch, the Department of Education, the University of Hawaii, the Judiciary, the Legislative Reference Bureau, the Office of the Auditor, and the Office of the Ombudsman. A ceiling of 150 permanent positions is allocated to each of these participants for job sharing.

In the executive branch and the Judiciary, employees eligible for job sharing must belong to collective bargaining units 2, 3, 4, 8, and 13.

These units include supervisory employees in blue collar positions, nonsupervisory and supervisory employees in white collar positions, personnel of the University of Hawaii other than faculty, and professional and scientific employees other than nurses. The act excludes persons allowed to share a job at the Department of Education and at the Department of Health under previous legislation.⁸

Participation is voluntary for both the agencies and the employees. Agencies that participate must develop implementation guidelines in consultation and agreement with representatives of appropriate bargaining units. The agencies must announce the project to eligible employees and follow procedures for responding to applicants.

Definition and conditions of job sharing

Act 244 defines job sharing as “the voluntary sharing of a full-time, permanent employee’s position with another employee, with each working one-half of the total number of hours of work required per month, and each receiving one-half of the salary to which each is respectively entitled and at least one-half of each employee benefit afforded to full-time employees.”⁹ In other words, one permanent full-time position is divided into two job-sharing positions. One job-sharing position is filled by the employee whose position was designated for job sharing, and the other position is filled by another permanent employee or a new hire.

Certain benefits and rights remain unchanged for full-time, permanent employees who choose to share a job. They include (1) no loss of membership in an employee bargaining unit and normal dues and service fees; (2) the same contribution by the State for prepaid health, dental, and group life insurance plans as for full-time employees; (3) coverage under the State’s employment security and workers’ compensation laws; (4) service credits on the same basis as for full-time employees; (5) retention points on the same basis as for full-time employees for a reduction-in-force procedure; and (6) return rights to the full-time position held prior to participation in the pilot project.

Parties in a job-sharing arrangement must enter into a contract; the employee has the option to contract for one or more years. No job-sharing position is to be converted to full-time status before the end of the contract period. In the event one party vacates the position, the agency must fill it by recruiting another job sharer. At the end of the contractual agreement, the two job-sharing positions must be reconverted to a full-time position.

Chapter 2

Status of the Job-Sharing Pilot Project

We describe here the status of the job-sharing pilot project established by Act 244, SLH 1989, as it stood a few months into the first year, and we suggest ways to encourage job sharing.

Findings

1. Interest in the job-sharing pilot project is low. For various reasons, most executive agencies are not participating. So far, no employees have applied for job sharing in the designated executive, legislative, or judicial agencies.
2. Certain provisions in Act 244 and guidelines issued by the Department of Personnel Services could be made more flexible.

Few Agencies Participate in the Pilot Project

Only four departments in the executive branch are participating in the pilot program: the Department of Accounting and General Services, the Department of Health, the Department of Human Services, and the Department of Labor and Industrial Relations. All three legislative service agencies are participating: the Office of the Auditor, the Legislative Reference Bureau, and the Office of the Ombudsman. The Judiciary will take part in the pilot project, but it has not determined which of its divisions will be participating. Table 2.1 shows the status of participation among agencies in the executive, legislative, and judicial branches.

Implementation by participating agencies

In response to a request from departmental personnel officers, the Department of Personnel Services (DPS) developed overall guidelines for the executive departments and issued them in February 1990. These guidelines gave direction to the project, reiterated the provisions of Act 244, and detailed policies and procedures. They included steps for implementation, a model for departmental guidelines, and sample forms.

In the executive branch, the Department of Accounting and General Services and the Department of Labor and Industrial Relations have completed the initial steps and are ready to accept applicants.

The Department of Accounting and General Services has adopted supplemental guidelines that DPS has reviewed and approved. The departmental guidelines set the eligibility criteria, saying that applications will be considered on a case-by-case basis for only the

following employees: (1) clerk series, all levels; (2) clerk-typist series, all levels; (3) parking control officer I; (4) clerical positions in the Stadium Authority; and (5) all positions in the Archives Division. On June 27, 1990, the comptroller issued a memorandum to all departmental employees announcing the job-sharing project, the DPS guidelines, and its own guidelines. The department has not yet received any requests for job sharing.

TABLE 2.1
Agency Participation in the Act 244 Job-Sharing Pilot Project

Agency	Yes	No
EXECUTIVE BRANCH		
Office of the Governor		X
Office of the Lt. Governor		X
Department of Accounting and General Services	X	
Department of Agriculture		X
Department of the Attorney General		X
Department of Budget and Finance		X
Department of Business and Economic Development		X
Department of Commerce and Consumer Affairs		X
Department of Defense		X
Department of Education*		X
Department of Hawaiian Home Lands		X
Department of Health	X	
Department of Human Services	X	
Department of Labor and Industrial Relations	X	
Department of Land and Natural Resources		X
Department of Personnel Services**		X
Department of Public Safety		X
Department of Taxation		X
Department of Transportation		X
University of Hawaii		X
JUDICIAL BRANCH	X	
LEGISLATIVE BRANCH		
Office of the Auditor	X	
Office of the Legislative Reference Bureau	X	
Office of the Ombudsman	X	

*The Department of Education's full-time, certificated, tenured personnel (excluding educational officers) and full-time employees of the public libraries are eligible for job-sharing under other statutes.

**The Department of Personnel Services is not offering job-sharing under Act 244 to its own employees because none are members of bargaining units covered by the act. The department is participating in the implementation of the project by developing guidelines for other executive agencies.

The Department of Labor and Industrial Relations in its own guidelines also adopted a case-by-case approach but did not specify eligible classes or work units. On October 2, 1990, the department posted an announcement of the job-sharing project, asking interested employees to contact the department personnel office for further information. As of October 5, there were no requests for job sharing.

The Department of Health and the Department of Human Services were in the process of developing their departmental guidelines and procedures. Similarly, the Judiciary was drafting its guidelines and had not announced the project to its employees.

All three of the legislative service agencies had established their guidelines and procedures and had announced the pilot project to their employees. At the close of our fieldwork, there had been no applicants for job sharing in these agencies.

Nonparticipating agencies

The remaining executive departments and the offices of the governor and lieutenant governor are not participating in the pilot project. A few departments said that they were still considering the matter, and most indicated that they would reconsider if the need or demand arose. DPS is not participating because none of its employees fall within the designated collective bargaining units.

Most of the departments gave similar reasons for not participating, frequently citing the employees' lack of interest and the department's need for full-time workers. Most employees, according to the departments, need the income from full-time employment. The shortage of workers and the difficulty of filling vacancies in the current tight job market also discourage participation. Other reasons given were that the work their employees do is not suited to job sharing, and the departments have other options for employees who do not want to work full-time. There was also concern about administrative burdens such as having to recruit a second person to share the job and having to negotiate a contract between the department and two individuals.

The departments also point to certain provisions in the law that may create problems or reduce a department's flexibility. These are discussed below.

Statute and Guidelines Can Be Made More Liberal

Act 244 has most of the same provisions as the job-sharing laws covering teachers and librarians. The differences that administrators see as possible problems are the provisions relating to the reconversion of the job-sharing positions to full-time and the ceiling of 150 positions per participant. We bring these constraints to the

attention of the Legislature, but we make no recommendations to amend the law at this early stage in the pilot project. In addition to constraints in the law, some of the guidelines issued by the Department of Personnel Services may limit participation.

Constraints on reconversion

Act 244 requires a contract among the parties, giving them the prerogative of contracting for one or more years. The act differs from earlier programs in prohibiting the conversion of job-sharing positions to full-time until the contract is terminated. Section 3(7) says:

A job-sharing vacancy created by the resignation, retirement, or other permanent or temporary severance of employment with any department on the part of any person *shall not be converted to full-time status until termination of the contractual agreement* and shall be filled immediately through recruitment of another person pursuant to this Act [emphasis added].

This can be interpreted to mean that neither the initiating employee nor the agency can cancel a job-sharing arrangement before the end of a previously established contract period. Should one sharer leave and no replacement be found, the agency could be left with a vacancy for an extended period. This may discourage some administrators who would be more willing to consider job sharing if they had the flexibility to reconvert job-sharing positions when vacancies remain unfilled.

In contrast, the statutes relating to job sharing for teachers and librarians allow the department to fill a vacancy by recruiting another person or increasing the remaining half-time position to full-time employment *by agreement between the department and the person in the position*. Because the provision gives administrators more flexibility to reconvert the job-sharing position when vacancies occur, it may make job sharing more attractive.

Disproportionate ceilings

Limiting participation to 150 permanent full-time positions per “participant” creates disproportionate ceilings. The provisions of Act 244 give the relatively small legislative service agencies a ceiling equal to that allocated to the entire executive branch. The Department of Personnel Services plans to allocate the 150 positions by offering ten positions to each of the first 15 executive departments that participate.

No employees have yet applied for job sharing under this project, but some may eventually want to join. There were over 60 full-time teaching positions and 18 nursing positions in the job-sharing pilot projects of the Department of Education and the Department of Health. The Legislature allowed 100 positions for teachers to the

***Executive branch
guidelines for job
sharing***

Department of Education and 100 positions for nurses to the Department of Health. When the Legislature established the permanent job-sharing programs, it specified no ceilings.

Given the limited interest in job sharing, a ceiling is probably not needed. It would be best to allow departments the discretion to determine the number of positions that they can support for job sharing.

The guidelines drawn up by the Department of Personnel Services may limit unnecessarily what the departments might consider including in their own guidelines. In particular, the guidelines for scheduling work arrangements, determining a position's suitability for job sharing, and selecting applicants are narrowly drawn and could be perceived by the agencies as requirements.

Act 244 requires those who share a job to work one-half of the total number of hours required per month. The DPS guidelines, however, offer departments only two scheduling options: (1) working four hours per day, or (2) working eight hours per day, every other day. The guidelines do not suggest other options, such as working 20 hours a week on specified days, or the first or second half of a week, or every other week.

The DPS guidelines present three options for employee participation: (1) on a case-by-case basis, (2) by specific classes or positions, or (3) on a case-by-case basis within a work unit. In explaining the second option, the guidelines say that unlike repetitious work of short duration, work involving long-term projects is not normally suited for job sharing. This statement is not necessarily true. Classroom teachers, whose work can be considered long-term, make up the largest group of job sharers thus far.

Finally, the guidelines instruct the departments to apply only four criteria in selecting among applicants for job sharing: (1) job or work unit requirements, (2) health reasons, (3) family considerations, and (4) length of continuous service in the work unit, branch, or division. Other criteria may be important to departments and their employees. For example, job-sharing guidelines issued by the Community Hospitals Division of the Department of Health under its pilot project include length of continuous service, the employee's transition to retirement, and enrollment in professional education.

Since the criteria on scheduling, suitability, and selection developed by the Department of Personnel Services are not required by law and may restrict unnecessarily the job-sharing project, they should be clearly presented as *options* for the departments to consider in developing their guidelines. The departments themselves should

determine how monthly work hours should be divided up by the job sharers, what types of work are suitable for job sharing, and what selection criteria are most appropriate.

Recommendation

To encourage agencies to participate in job sharing, the Department of Personnel Services should clearly state that its guidelines for scheduling, suitability of work, and criteria for applicant selection are not requirements and can be modified by the agencies.

Notes

Chapter 1

1. Act 150, SLH 1978.
2. Act 105, SLH 1981, and Act 128, SLH 1982.
3. Act 139, SLH 1982.
4. Act 256, SLH 1984.
5. Act 73, SLH 1986 and Act 108, SLH 1988.
6. Act 147, SLH 1984 and Act 88, SLH 1986.
7. Statement of Objections to Senate Bill No. 2157 and Proclamation to the Members of the Fifteenth Legislature from Governor John Waihee, June 26, 1990, p. 1.
8. Section 1, Act 244, SLH 1989.
9. Ibid., Section 3(5).

Response of the Affected Agency

Comments on Agency Response

We transmitted a draft of this First Status Report on Job Sharing in Hawaii State Government to the Department of Personnel Services on January 10, 1991. A copy of the transmittal letter to the department is included as Attachment 1. The response from the department is included as Attachment 2.

The department says it does not object to our recommendation that its guidelines for scheduling, suitability of work, and criteria for applicant selection under Act 244 not be considered as requirements. These guidelines, says the department, were never intended to be requirements and the agencies are free to modify them as needed. The department also says that the guidelines are not the reason why few agencies are taking part in job sharing.

ATTACHMENT 1

STATE OF HAWAII
OFFICE OF THE AUDITOR
465 S. King Street, Room 500
Honolulu, Hawaii 96813



(808) 548-2450
FAX: (808) 548-2693

January 10, 1991

C O P Y

The Honorable Alfred C. Lardizabal, Director
Department of Personnel Services
Keelikolani Building
830 Punchbowl Street
Honolulu, Hawaii 96813

Dear Mr. Lardizabal:

Enclosed are three copies, numbers 6 to 8 of our draft report, *First Status Report on Job Sharing in Hawaii State Government*. We ask that you telephone us by Monday, January 14, 1991, on whether you intend to comment on our recommendations. If you wish your comments to be included in the report, please submit them no later than Thursday, January 24, 1991.

The Governor and presiding officers of the two houses of the Legislature have also been provided copies of this draft report.

Since this report is not in final form and changes may be made to it, access to the report should be restricted to those assisting you in preparing your response. Public release of the report will be made solely by our office and only after the report is published in its final form.

Sincerely,

A handwritten signature in cursive script that reads 'Newton Sue'.

Newton Sue
Acting Legislative Auditor

Enclosures

JOHN WAIHEE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF PERSONNEL SERVICES
830 PUNCHBOWL STREET
HONOLULU, HAWAII 96813

ATTACHMENT 2

SHARON Y. MIYASHIRO
DIRECTOR

LAWRENCE ISHIMI
DEPUTY DIRECTOR

January 24, 1991

RECEIVED

JAN 24 3 57 PM '91

OFF. OF THE AUDITOR
STATE OF HAWAII

The Honorable Newton Sue
Acting Legislative Auditor
Office of the Auditor
465 S. King Street, Rm 500
Honolulu, Hawaii 96813

Dear Mr. Sue:

Thank you for sharing your draft report on "First Status Report on Job Sharing in Hawaii State Government". Our comments are provided below.

We have no objections to your recommendation that our guidelines be considered by the user agencies as such, and not as requirements; they may, of course, be modified according to the needs of each agency regarding scheduling, suitability of work, and criteria for applicant selection.

It is our opinion, however, that regardless of the guidelines, agency participation in job-sharing under Act 244 is minimal. Your findings on non-participating agencies indicate that none of the departments had reported the "restrictiveness" of our procedures and guidelines as being a reason for their non-participation.

We want to stress that our "guidelines" were not intended to be "requirements", nor did we ever state that they were to be construed as such. Please recall that, except for the Department of Education, Library Services and County/State personnel staff, none of the other executive agencies had any experience in job-sharing and therefore, the procedures and guidelines were drafted in depth for their benefit.

January 24, 1991

Finally, before our guidelines were issued in February, 1990, we solicited input from representatives of key departments, (Human Services, Health, Transportation, Education and Labor) on our first and second drafts. None of them felt that our guidelines were too restrictive; one agency requested more guidance on scheduling of work. Also, as required by the Act, we had "consulted and agreed" with the exclusive representative (in this case, the Hawaii Government Employees Association) before we finalized the procedures and guidelines.

Thank you for the opportunity to comment.

Sincerely,

SHARON Y. MIYASHIRO
Director