THE RESULTS ARE IN: THE UK'S FOUR-DAY WEEK PILOT

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DAY WEEK GLOBAL

Authors

Autonomy team

Kyle Lewis Will Stronge Jack Kellam Lukas Kikuchi

Quantitative research team

Prof. Juliet Schor, Boston College Prof. Wen Fan, Boston College Prof. Orla Kelly, University College Dublin Guolin Gu, Boston College

Qualitative research team

Dr. David Frayne - University of Cambridge Prof. Brendan Burchell - University of Cambridge Niamh Bridson Hubbard - University of Cambridge Jon White - University of Cambridge Dr. Daiga Kamarāde - University of Salford Francisca Mullens - Vrije Universiteit Brussel



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Autonomy Research Ltd Cranbourne Pilcot Road Crookham Village Hampshire GU51 5RU

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Conclusions

EXECUTIVE SUMMARY___

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This report details the full findings of the world's largest four-day working week trial to date, comprising 61 companies and around 2,900 workers, that took place in the UK from June to December 2022.

- The design of the trial involved two months of preparation for participants, with workshops, coaching, mentoring and peer support, drawing on the experience of companies who had already moved to a shorter working week, as well as leading research and consultancy organisations.
- Companies, which included a range of organisations from diverse sectors and sizes, were not required to rigidly deploy one particular type of working time reduction or four-day week, so long as pay was maintained at 100% and employees had a 'meaningful' reduction in work time.
- Resisting the idea that the four-day week must be 'onesize-fits-all', each company designed a policy tailored to its particular industry, organisational challenges, departmental structures and work culture. A range of four-day weeks were therefore developed, from classic 'Friday off' models, to 'staggered', 'decentralised', 'annualised', and 'conditional' structures.

- The report results draw on administrative data from companies, survey data from employees, alongside a range of interviews conducted over the pilot period, providing measurement points at the beginning, middle and end of the trial.
- The trial was a resounding success. Of the 61 companies that participated, 56 are continuing with the fourday week (92%), with 18 confirming the policy is a permanent change.
- Some of the most extensive benefits of shorter working hours were found in employees' well-being. 'Before and after' data shows that 39% of employees were less stressed, and 71% had reduced levels of burnout at the end of the trial. Likewise, levels of anxiety, fatigue and sleep issues decreased, while mental and physical health both improved.
- Measures of work-life balance also improved across the trial period. Employees also found it easier to balance their work with both family and social commitments – for 54%, it was easier to balance work with household jobs – and employees were also more satisfied with their household finances, relationships and how their time was being managed.
- 60% of employees found an increased ability to combine paid work with care responsibilities, and 62% reported it easier to combine work with social life.

- However, other key business metrics also showed signs of positive effects from shorter working hours. Companies' revenue, for instance, stayed broadly the same over the trial period, rising by 1.4% on average, weighted by company size, across respondent organisations. When compared to a similar period from previous years, organisations reported revenue increases of 35% on average - which indicates healthy growth during this period of working time reduction.
- The number of staff leaving participating companies decreased significantly, dropping by 57% over the trial period.
- For many, the positive effects of a four-day week were worth more than their weight in money. 15% of employees said that no amount of money would induce them to accept a five-day schedule over the four-day week to which they were now accustomed.

INTRODUCTION

INTRODUCTION

RESEARCH AND PRACTICE

Over the past five years, the four-day week has seen an incredible journey from the fringes to the mainstream, emerging as one of the most exciting workplace policies to be adopted by organisations worldwide. The central idea, shortening working hours for no loss in pay, might once have clashed with the received wisdom of dominant burnout culture - that working more = working better but following the success of pilot schemes around the world, overwhelmingly positive research, and societal shifts driven by Covid, working time reduction appears an increasingly 'common sense' approach to the world of work. Frustrated by poor work-life balance, and more accustomed to the flexible working patterns brought about by the pandemic, for many the four-day week has only become a more popular and enticing prospect.¹

Just as significant a development, however, has been the four-day week's shift from a policy considered desirable, to one that appears eminently achievable too. As supportive voices, research programmes and on-the-ground practitioners have expanded, a future in which we might all work less has begun to look increasingly credible. A number of interlinking factors are disarming scepticism and moving the shorter working week from an attractive, if abstract, ideal, to a plausible, realisable alternative across the economy.

¹ Suvation (2022) 'Poll: Voters in 'red wall' seats back four day working week' Available at:<u>https://www.survation.com/poll-voters-in-red-wall-seats-back-four-day-working-week/</u>

First, recent years have seen the research base on working time reduction expand greatly. In the UK alone, think tanks such as the New Economics Foundation, Women's Budget Group and the Institute for Public Policy Research have all produced research projects and policy briefings on the benefits and feasibility of shorter hours policies.² Henley Business School, meanwhile, have also written a number of useful business-focused papers on productivity and associated metrics.³ Autonomy, specialists on the topic, have supported regional governments in devising four-day week policy;⁴ been commissioned by Wales' Future Generations Commissioner to analyse the policy's potential social and economic impacts;⁵ and published the results from Iceland's public sector shorter hours trial.⁶ The economic desirability and feasibility of the four-day week – from the affordability of 'overnight' transitions,⁷ to funding packages for public sector implementation and beyond⁸ – now stands on a much surer footing.

Second, a growth in the number of public voices backing shorter working hours has helped to breed confidence and visibility. From the press and social media coverage garnered by groups such as the 4 Day Week Campaign – allowing the policy's success stories to speak out – to the international cooperation facilitated by initiatives such as the European Work-Time Network and burgeoning national campaign groups – spreading from Wales to Ireland, the USA and Germany – a broad 'movement' has cohered to lend the four-day week significant momentum. Trade unions such as the Communication Workers Union (CWU) and PCS Scotland have begun shorter hours campaigns – in certain cases successfully negotiating shorter hours for their members – while politicians from across the UK's party system have backed the policy in debating chambers nationwide.

² NEF (2020) 'Making up for lost time'. Available at: <u>https://neweconomics.org/2020/06/making-up-for-lost-time</u>; WBG (2022) 'A shorter working week could help to close the gender pay gap'. Available at: <u>https://wbg.org.uk/media/shorter-working-week-feminist-green-new-deal/</u>; IPPR (2021) 'Changing times: The future of working time in Scotland'. Available at: <u>https://www.ippr.org/research/publications/changing-times</u>

³ Henley Business School (2022) 'The four-day week: The pandemic and the evolution of flexible working'. Available at: <u>https://www.henley.ac.uk/news/2022/the-pandemic-has-made-a-four-day-working-week-more-attractive-to-workers-and-businesses-study-finds</u>

⁴ Autonomy (2019) 'The Future of Work and Employment Policies in the Comunitat Valenciana'. Available at: <u>https://autonomy.work/portfolio/valencia/</u>

⁵ Autonomy (2022) 'A Future Fit for Wales: a Shorter Working Week for All'. Available at: <u>https://autonomy.work/portfolio/a-future-fit-for-wales-a-sww-for-all/</u>

⁶ Autonomy (2021) 'Going Public: Iceland's Journey to a Shorter Working Week'. Available at: <u>https://autonomy.work/portfolio/icelandsww/</u>

⁷ Autonomy (2020) 'The Day After Tomorrow: stress tests, affordability and the roadmap to the four-day week'. Available at: <u>https://autonomy.work/portfolio/dat/</u>

⁸ Autonomy (2020) 'Public Sector as Pioneer: shorter working weeks as the new gold standard'. Available at: <u>https://autonomy.work/portfolio/publicsectorpioneer/</u>

A Ten Minute Rule bill legislating for a four-day week was recently discussed in the House of Commons,⁹ the Welsh Senedd's Petitions Committee has backed a public sector trial,¹⁰ while the Scottish Government has directly committed to support shorter hours pilot schemes in the country.¹¹ Alongside further ambitious working time reduction experimentation around Europe, one is never too far from hearing a voice speaking up for the benefits of a shorter working week.¹²

Finally, the last few years have been most notable for the expansion of private and third sector trials, which have helped to cement the 'business case' for shorter working hours. Following noteworthy pilots carried out by Microsoft in Japan and Unilever in New Zealand,¹³ as well as prominent public sector trials in Iceland, more and more organisations have sought to test out a shorter working week - whether individually, or as part of co-ordinated, supported trials. In late 2022, 4 Day Week Global published the results from a large, coordinated 6-month pilot with 33 participating companies across the US and Ireland, and found encouraging results across all of the metrics tracked.¹⁴ This year, the government of Valencia, Spain has also begun recruiting for a region-wide pilot of shorter hours in the private sector – stemming from work completed with Autonomy in 2019-20.¹⁵ Meanwhile, in the UK, larger employers such as Awin and Atom Bank have successfully trialled and implemented a fourday week, acting as the more prominent members of a trend that saw the UK 4 Day Week Campaign accredit over 115 official four-day week employers by early 2023.16

⁹ Peter Dowd MP (2022) 'A four-day week is already changing British lives: my new bill could make it open to all'. The Guardian. Available at: <u>https://www.theguardian.com/commentisfree/2022/</u>oct/17/four-day-week-british-new-bill-workers-businesses

¹⁰ Senedd Cymru (2023) 'Committee calls for a four-day working week pilot in Wales'. Available at: <u>https://senedd.wales/senedd-now/news/petition-committee-calls-for-four-day-working-week-pilot-in-wales/</u>

¹¹ Xander Richards (2021) 'Nicola Sturgeon says SNP will fund four-day working week pilot in Scotland'. *The National.* Available at: <u>https://www.thenational.scot/news/19236021.nicola-sturgeon-says-snp-will-fund-four-day-working-week-pilot-scotland/</u>

¹² See Ashifa Kassam (2021) 'Spain to launch trial of four-day working week' The Guardian. Available at: <u>https://www.theguardian.com/world/2021/mar/15/spain-to-launch-trial-of-four-day-working-week</u>; James Badcock (2022) 'Four-day week trial set for Portugal after ruling Left-wing party wins snap election', The Telegraph. Available at: <u>https://www.telegraph.co.uk/world-news/2022/01/31/portugal-could-bring-four-day-week-ruling-socialist-party-wins/</u>

¹³ Kari Paul (2019) 'Microsoft Japan tested a four-day work week and productivity jumped by 40%', *The Guardian*. Available at: <u>https://www.theguardian.com/technology/2019/nov/04/microsoft-japan-four-day-work-week-productivity</u>; Ainsley Thomson (2022) 'Unilever Expands Four-Day Work Week Pilot to Australia After NZ Pilot', *Bloomberg*. Available at: <u>https://www.bloomberg.com/news/</u> articles/2022-11-01/unilever-expands-four-day-work-week-to-australia-after-nz-pilot

^{14 4} Day Week Global (2022) 'Assessing global trials of reduced work time with no reduction in pay'. Available at: <u>https://www.4dayweek.com/us-ireland-results</u>

¹⁵ C. Aparicio (2022) 'València probará en abril la jornada laboral de cuatro días a la semana', La Razón. Available at: <u>https://www.larazon.es/comunidad-valenciana/valencia/20220914/</u> djt6zdfdlvdd7hslgnpppi7q5q.html

¹⁶ Jasper Jolly (2022) 'A hundred UK companies sign up for four-day week with no loss in pay', The Guardian. Available at: <u>https://www.theguardian.com/business/2022/nov/27/a-hundred-uk-companies-sign-up-for-four-day-week-with-no-loss-of-pay</u>

The present study looks to add to all three of these trends. It is a comprehensive assessment of the world's largest co-ordinated four-day week trial to date, involving over 60 companies and approximately 2,900 employees, organised by a range of prominent actors and advocates, and delves into the details of impact and implementation. Drawing on similar methods to the recent 4 Day Week Global international trial - supplemented by staff interviews that give an even richer sense of the four-day week experience - the analysis contained herein leaves us with stronger evidence than ever about how best to make shorter working hours a reality. Endowed with a growing dataset of four-day week organisations, from increasingly diverse sectors and sizes, it provides advocates of working time reduction with a wealth of experience to confidently answer questions of not only 'why?', but also 'how?'

The following pages set out findings from the trial, and are the joint product of the research teams at Boston College, the University of Cambridge and Autonomy – with the section below detailing the trial's collaborative team in greater detail.

First, the report sets out the methodologies and forms of data collection employed in the course of the trial research, introduces key components of the four-day week trial's design, and offers a breakdown of the participating organisations. We then turn to an analysis of data collected over the course of the trial: first, looking at the key metrics in company performance, such as revenue and staff turnover, before turning to employee-focused data, including health, well-being and work-life balance.

Finally – and as an important addition to much of the previous four-day week trial research – we offer a range of 'perspectives from the shopfloor', drawing on extensive interview data from trial participants, staff and managers alike. We include focused case studies that highlight standout examples of differing practice across the four-day week companies, showing how participants, in their own words, tackled challenges, perceived the impacts, and reflected on the trial experience.

THE COLLABORATIVE TEAM

The coordination of the world's largest, multi-organisation four-day week trial drew on the collaboration of a number of actors, each offering their own expertise and experience.

Since 2018, **Autonomy** – a research organisation focused on the future of work – has been working with firms, charities and public organisations to deliver working time reduction pilots, evaluating performance and staff experience from end to end. Alongside their consultancy practice, Autonomy have also published wide-ranging research into shorter working hours: from business affordability, to public sector implementation and successful pilot schemes in Iceland.

4 Day Week Global is a not-for-profit community established by Andrew Barnes and Charlotte Lockhart to provide a platform for like-minded people interested in supporting the idea of the four-day week as a part of the future of work. Formed following the successful deployment of a four-day week within their firm Perpetual Guardian, they have overseen pilots in North America, Ireland, Australasia and following this study - alongside Autonomy and the 4 Day Week Campaign - the UK also. They have plans for similar initiatives in other parts of the globe in this ever-expanding space, with new pilots in Europe, South Africa, Australasia and Brazil launching this year. In 2023 they formed a partnership with Alex Soojung-Kim Pang to further develop their global consultancy and broaden their research.

The UK's **4 Day Week Campaign** is arguably the most active and successful of its kind. In the last two years alone, they have accredited more than 115 UK companies and organisations as four-day week employers, worked with South Cambridgeshire District Council on the first ever Local Authority pilot, launched a petition backing the policy signed by over 130,000 people, and regularly filled the airwaves with stories about the benefits of a four-day week.

Prof. Juliet Schor is based at Boston College and has been researching and writing on the topic of shorter hours and overwork for decades, where her Overworked American (1991) remains a landmark text. More recently, her 2022 TED talk setting out the case for a four-day week has been viewed over 2 million times. Her team at Boston college were responsible for collecting, processing and helping analyse the company and employee survey data.

Dr. David Frayne and Prof. Brendan Burchell - who led the trial's qualitative research team - are based at the University of Cambridge and both offer extensive academic expertise on issues of working time. Prof. Burchell has published widely on work intensification and the effects of labour market experiences on psychological well-being, while Dr. Frayne has worked for over ten years developing theoretical and policy perspectives on the future of work and welfare. David and Brendan oversaw the interviews for the study.

TRIAL FORMAT

TRIAL FORMAT

At the start of 2022, the 4 Day Week Campaign, 4 Day Week Global and Autonomy began recruiting companies and non-profit organisations to participate in a six-month trial.

The design of the trial involved two months of preparation, with workshops, coaching, mentoring and peer support, drawing on the expertise of those who had already implemented four-day weeks in their own companies and individuals who had helped companies shift to shorter working hours. Participating organisations were asked to provide a small donation to help defray the costs of running the trials. In addition to support with preparation, the trials offered research support, conducted by independent academic researchers at Boston College, University of Cambridge and Autonomy.

DATA GATHERED

The research looked at data from two parties: administrative data from companies and survey data from employees.¹⁷ For both types of data, we employed a pre- and post- methodology. In the pre-trial phase, companies completed an 'onboarding' survey with basic details about themselves, and provided six months of data to be used as a comparison with corresponding data collected during the six-month trial. Once the trial began, companies provided monthly data on a small set of common metrics (revenue, absenteeism, resignations, and new hires) plus two optional custom metrics of their choice. The absence of productivity and other performance metrics in the common set was because the organisations in the trial vary considerably in what kinds of data they collect in the normal course of business operation. Of the 61 organisations who participated in the trial, between 44-51 provided survey data for the performance analysis in this report. The research team has also contacted all 61 organisations to confirm their continuation, or otherwise, of the four-day week policy.

¹⁷ All research protocols were approved by the relevant ethics boards at each university and organisation.

The employee surveys were completed at three points: immediately before the trial began (baseline), mid-way through the trial (midpoint) and at the close of the trial (endpoint).

The survey was administered through Qualtrix, and the research team at Boston College contacted employees directly via email using address lists supplied by the participating organisations. This separation of survey administration from the employer is an important part of the research methodology: by assuring employees that their answers are confidential and will be unavailable to their employers, we are better able to collect honest and accurate information. Only companies with enough employees to ensure the confidentiality of answers are receiving the survey results, and then, only in aggregated form.

The employee surveys at baseline and endpoint include questions covering work experience, well-being, family and personal life. The mid-point survey is much shorter and includes a small set of well-being questions, plus a time-diary which asks respondents how they spent their most recent day off. Where available, we used existing, academically-validated scales to measure well-being, work situation, and other outcomes. In other cases, we created our own questions.

For the time diary we drew from the 25 harmonised activity codes laid out in the Multinational Time Use Study (MTUS) user guide. We adapted these activities slightly to suit our research needs, for example, splitting the 'paid work' activity into 'main paid work' and 'other paid work' and adding an activity for 'transit' between other activities.

INTERVIEW DATA

Employee interviews were carried out by the research team at the University of Cambridge, in order to complement and provide context to the survey data. Before the pilot began in June 2022, researchers created a selective sample that included a spread of industries. A key contact in each of the selected companies was then approached with an invitation to sign up to the interview strand of the pilot research. The companies that consented took part in one or more of the following engagements, depending on their availability.

- Pre-pilot interview with a senior staff member (usually the CEO).
- Mid-pilot interviews with a selection of individual staff members.¹⁸
- End-of-pilot interview with a senior staff member (usually the CEO).¹⁹

¹⁸ In cases where a large number of staff from a particular company volunteered for an interview, the researchers prioritised including a mixture of roles and seniority levels.

¹⁹ Senior staff were invited to an endpoint interview if they had already taken part in a pre-pilot interview.

58 interviews were conducted over the pilot period, lasting approximately one hour each. These covered a spread of 23 companies, including representation from manufacturing, hospitality, the creative industries, the third sector, finance, education, marketing and professional care.

The UK pilot was the largest-scale pilot of its kind to include interview research and can be seen as providing a map of topics that future pilots may wish to investigate further. With this in mind, the interviewers took a semi-structured approach, combining a standard set of questions with opportunities for interviewees to introduce their own topics and provide extended responses. The interview findings can be found in the 'Perspectives from the shopfloor' chapter.

PARTICIPANTS

ORGANISATIONS

Of the 61 companies that took part, the largest group derives from the marketing/advertising sector, with eight firms (18%).²⁰ The second largest subset is professional services with seven (16%), with charities/nonprofits being the third largest group (11%). Beyond that the companies are distributed over a range of industries, including healthcare, arts & entertainment, retail, construction and manufacturing.

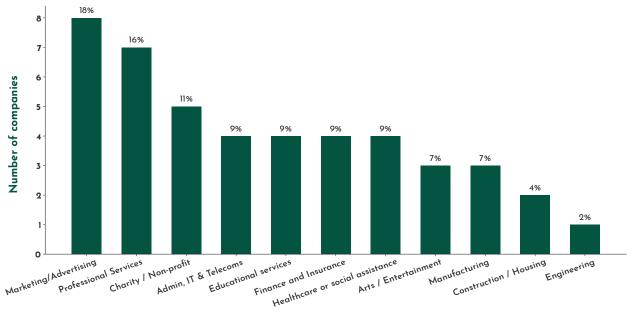




Figure 1: Participating companies by industry

²⁰ Initially, 70 companies had signed up to take part in the pilot – however, 9 of these did not begin the trial. A number of reasons were given for this. Most common was a sense that the organisation was not sufficiently prepared, and therefore needed to postpone the start date. Other reasons include difficulties measuring performance in some departments, struggles with the 'great resignation', and two companies who decided shorter working hours were not right for them.

One characteristic which stands out among the cohort is the large number of small companies. While the size distribution is wide – with one company of around 1,000 staff – 66% have 25 or fewer employees. 22% of firms have 50 or more staff.

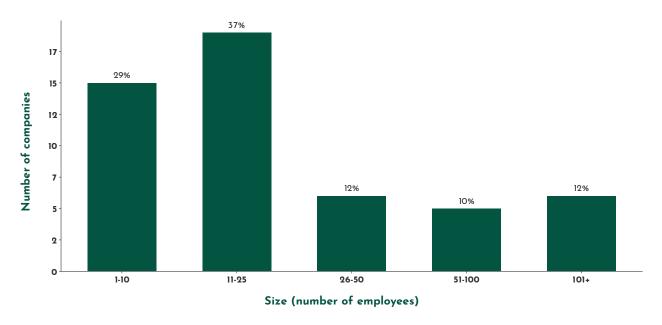


Figure 2: Size distribution of participating companies by number of employees

EMPLOYEES

Around 2,900 staff took part in the pilot overall. At baseline, 1967 out of the 2548 employees who received the survey went on to complete it, resulting in a response rate of 77%. The response rate is somewhat lower at midpoint (67%) and endpoint (58%), which is typical in panel surveys.

Of those who completed the baseline survey, 70% participated in the endpoint survey as well, making it possible for us to track changes from before to after the trial. All findings reported below rely on this sample.

Regarding cohort demographics, a majority of the sample's gender composition is female, with 62% self-identifying as women, 37% as men, and 1% as the 'Other' category.

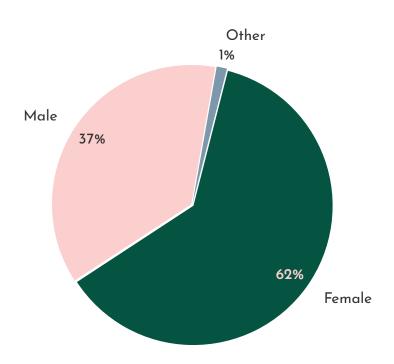


Figure 3: Gender composition of participating employees

Almost nine-in-ten (88.8%) lived in the UK when surveyed, followed by some living in Australia (3.7%), Canada (3.5%), US (2.0%) or Other (2.1%).

Most employees in the sample were White (90%); 4% Asian/Asian British; 2% Black, Black British, Caribbean or African; 3% 'Mixed or multiple ethnic groups' and 2% identify as 'Other ethnic group'.

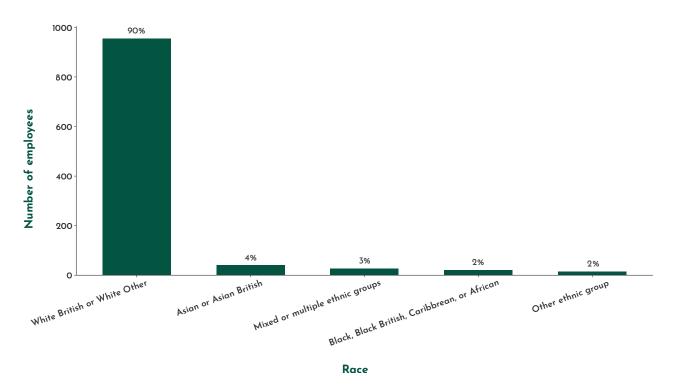


Figure 4: Racial composition of participating employees (sample)

Age is fairly evenly distributed across the cohort. Just over one third (37%) of respondents are below age 35; 30% are between 35 and 44, and around 33% are 45 years of age or above.

68% of the sample have at least an undergraduate degree. 18% of the sample are executives and managers and 49% are professionals of one kind or another, with the most commonly held occupations being 'business and administration professionals' (16%) and 'legal, social and cultural professionals' (15%).

70% of employees in our sample are either married or living with a cohabitation partner, and about half (52%) have at least one child.

WHAT KIND OF FOUR-DAY WEEK?

To participate in the pilot, companies were not required to rigidly deploy one particular type of working time reduction or four-day week. They were able to join so long as they maintained pay at 100% and gave employees a 'meaningful' reduction in work time. Resisting the idea that a four-day week policy must be 'one-size-fits-all', each company designed a policy tailored to its particular industry, organisational challenges, departmental structures and work culture.

We found the following types of four-day week being piloted.²¹

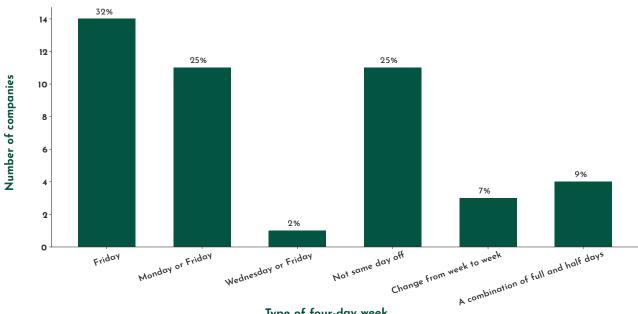
| Fifth day stoppage | The company shuts down operations for one additional day per week. This was a popular choice in companies where staff collaboration is more important than five-day coverage. |
|-----------------------|--|
| | Example: A video game studio opted for a fifth day stoppage, because it was important for staff to be present at the same time for collaboration. After polling staff on preferences, the studio decided they would suspend work for everybody on Fridays. |

²¹ There was sometimes overlap between these models. For example, a company could have an 'annualised' four-day week, on a 'staggered' pattern, or have a 'decentralised' model, involving a 'conditional' element.

| Staggered | Staff take alternating days off: For example, the staff may be divided into two teams, with one team taking Mondays off, and the other taking Fridays off. This was a popular choice in companies where five-day coverage was important. | |
|---------------|--|--|
| | Example: A digital marketing agency organised its staggered days off using a 'buddy' system. Staff members pair up with a partner who has similar knowledge and skills. The partners alternate their day off, in order to ensure a five-day coverage of key functions. | |
| Decentralised | Different departments operate on different work patterns, possibly resulting in a mixture of the two models above. This may also incorporate other arrangements, such as some staff working a four-day equivalent over five shorter working days. A decentralised model was chosen in companies whose departments had highly contrasting functions and challenges. | |
| | Example: A housing association included departments specialising in everything from administration, to community outreach, and building repairs. Each department was asked to take the lead in devising a four-day week model fit for its own purposes. | |
| Annualised | Staff work a 32 hour average working week, calculated on the scale of a year. | |
| | Example : A restaurant whose business is highly seasonal opted to pilot an annualised four-day week, with longer opening times in summer compensated by shorter opening times in winter. | |

| Conditional | Staff entitlement to the four-day week is tied to ongoing performance monitoring. Seniors in the company may decide to temporarily suspend the four-day week for certain departments or individuals, if there is evidence that staff are failing to meet agreed performance targets. This may lead to uneven situations where some staff/departments are continuing to work five days over periods of time. |
|-------------|--|
| | Example: A company adopting a decentralised model required each department to agree on a set of KPIs that would need to be met, in order to retain a four-day week. This meant that some departments and individuals entered the pilot later than others, and some were suspended from the four-day week during the 6 month pilot period. |

Of the 44 companies that responded, 32 switched to a four-day week for all employees. In 12 companies, a subset of employees (usually part-time workers) did not change their working hours. 14 of the companies (32%) gave everyone Fridays off, while 11 of them (25%) did not have a common day off among staff. A few companies chose other options, with Mondays or Wednesdays off or a different day off each week. 7% of respondent firms had staff who changed their days off from week to week.



Type of four-day week

Figure 5: Types of 'four-day week' chosen by participating companies

In the context of a short term pilot study, it is undoubtedly good practice for managers to brief their staff to understand that the four-day week might be subject to certain contingencies, as the company adapts to new arrangements. In some companies, staff were also permitted to reclaim any hours worked as a result of emergencies and contingencies arising on their day off. Within this context, our interviews uncovered different norms and regulations in place when it came to protecting the fifth day as a non-working day. These can be roughly grouped into three tiers.

HIGHLY PROTECTED

In companies where the four-day week was highly protected, the fifth day had a similar status to a Saturday or Sunday, meaning that company seniors made a special effort to ensure working would never be necessary.

Example: A consulting firm implementing a fifth day stoppage hired a legal expert to produce a temporary amendment to its staff contracts for the pilot, guaranteeing a four-day week. The firm also 'rehearsed' taking Fridays off during the build-up to the pilot, to make sure they could stick to it when the time came.

WEAKLY PROTECTED

In a minority of companies we interviewed, the fifth day was weakly protected, either because of the potential for staff to be called into work, for their scheduled day off to be altered at short notice, or because they work within a more conditional four-day week model (described above).

Example: Staff in the small number of conditional companies we interviewed were less able to make plans for their day off. A lack of predictability might mean being unable to use the day for a regular leisure appointment, leaving town, or earning a second, part-time income.

PROTECTED

In companies where the four-day week was protected, staff expected to take their day off. However, managers did require staff – through formal or informal agreements – to pledge to be available for work in certain exceptional situations.

Example: The manager of a small-scale manufacturer using a staggered model recognised that the business could be vulnerable in an emergency, on days with lower staff coverage. In the middle of the pilot, there was a power outage that stopped production. The four-day week was suspended during that week, in order to make up for lost production time. The staff interviewed all said they felt a sense of common purpose at work and accepted this as a fair part of the company's four-day week policy.

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TERMS AND CONDITIONS

As pioneers of the four-day week, pilot companies were also responsible for deciding how the policy ought to interact with certain terms and conditions.

A significant question concerned how the four-day week ought to impact annual leave policy. Whereas some companies decided to keep annual leave allowances the same, others implemented a pro rata reduction in bookable leave days alongside their four-day week. It should be noted that in the cases of a pro rata reduction in annual leave, staff still benefited from significantly more days off than they would have had on a five-day week model.

A similar question arose in relation to bank holidays. Once again, whereas some of the companies we interviewed made sure staff would enjoy bank holidays in addition to the usual day off associated with a four-day week, other companies decided that a bank holiday would 'count' as the day off for that particular week.

Finally, pilot companies also grappled with the question of what to do for their part-time workers. Those we interviewed chose one of a number of approaches.

- Part-time staff received a pro rata working-time reduction.
- Part-time staff continued on their existing hours, and received a pro rata pay rise, to match the new pay rate of their full-time (four-day week) colleagues.
- Part-time staff were permitted to choose between the two options above.
- Part-time staff received a small increase in bookable annual leave.
- Part-time staff were excluded from/opted-out of the pilot.

The most novel solution for part-time workers was observed in a non-profit organisation. Senior members of the organisation decided that part-time workers would receive a pro rata reduction in working hours. However, after speaking with a union representative, they were concerned this would create an inequity among staff, if the reduction for part-timers did not result in an increase in full non-working days (as it did for their full-time colleagues). It was decided that the working time reduction for part-time staff would be calculated on the scale of a month, as opposed to a week, enabling part-time staff to have a regular additional full day off.

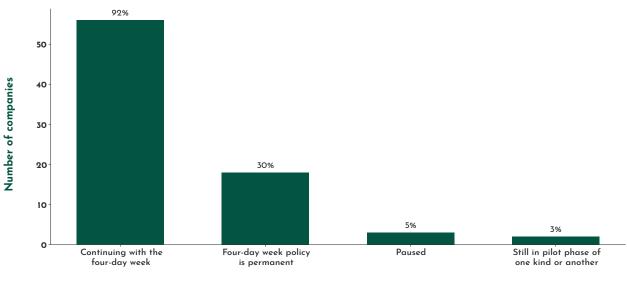
COMPANY DATA FINDINGS.

COMPANY DATA FINDINGS

For the organisations, the trial has been a success. Of the 61 companies that participated, 56 report that they are continuing with the four-day week immediately following the pilot. 18 of these continuing companies have said that the policy is permanent.²²

Of the 5 who are not continuing, 2 have opted to extend their trials of shorter working hours (one started late and is still in the pilot phase and the other is experimenting with a four-and-a-half day week). 3 others have paused the four-day week in their organisation for the time being.

On a scale of 0-10 where 0 is very negative and 10 is very positive, the cohort rated their overall experience of the trial as 8.3 on average. The vast majority of companies were also satisfied that business performance and productivity were maintained. When asked about how their overall company performance was affected by the trial, the average score was 7.5. In response to a question about how their company's productivity has been affected by the trial, the average score was 7.5.



Plans following trial period

Figure 6: Participating companies were asked what their plans were subsequent to the trial.

COMPANY PERFORMANCE

Given how varied the pilot companies are in their size, industry, and data collection practices, we confined the data collection to a small set of metrics that it was expected every company would be able to provide. These were revenue, the number of employees in the company, resignations, new hires, and sick and personal days taken.

We also asked about energy usage but because many companies were unable to provide such data, this has not been included. Since not all companies provided data on all of the metrics, there is a slight variation in the number of companies included in our calculations across metrics.

We were also mindful that some of the data we were collecting may have seasonal variation, over the six months of the trial. Before the trial started, we therefore asked for data from the same six month period a year earlier – which was in most cases June to December 2021, but in others was a different, comparable period. In the table below, we call this the 'comparison' period. For a number of the metrics we compare trial performance to the comparison period.

Of course, as is the case with other findings in the report, companies remained susceptible to a range of exogenous factors during the trial period – including changes in the economic climate – which can also take effect on such metrics. As such, we should be attentive first and foremost to broad tendencies.

The first metric is revenue, perhaps the most global measure of performance. We compared revenue at the end of the trial to the beginning of the trial for the 23 companies who supplied sufficient data across the six months. For a separate 24 organisations, we compared revenue from a prior comparison period to that of the trial period.

We weighted the data by company size, so that the very small (or big) companies would not have too much (or too little) impact on the results.

REVENUE

EMPLOVEES

The first revenue measure is the simple change in revenue from the beginning to the end of the trial. As a headline figure, this stayed broadly the same, rising by 1.4% on average, weighted by company size, across those 23 organisations who gave the data.

We then compared the change in revenue from a comparable, prior six month period to the trial period. We did this by calculating the average revenue during the comparison period, the average revenue during the trial period, and the percentage change between the two periods for each company. We then calculated a size weighted average percentage change across the 24 companies that supplied sufficient data. Here we see a much larger increase of 35% on average.

Across the period the number of employees in the participating companies stayed effectively the same, dipping by just 1.3% (weighted average) in the 34 organisations that supplied this data.

| Metric | Number of companies | Weighted change % | |
|---|------------------------|----------------------|--|
| Revenue: % change from start of trial to endpoint | 23 | 1.4 | |
| Revenue: % change from comparison to trial period | 24 | 34.5 | |
| No. employees: % change from start of trial to endpoint | 34 | -1.3 | |

COMPANY METRICS: REVENUE AND NUMBER OF

Table 1: Change in key company metrics over trial period for those companies that provided this data

RESIGNATIONS, NEW HIRES AND ABSENCES

We also asked about a number of other trends that we expected might be affected by the four-day week schedule. The first was resignations. The trial took place during a period popularly known as the 'Great Resignation,' where workers have been quitting their jobs at record rates.

However, in the four-day week companies, there was a substantial decline in the likelihood that an employee would quit between the comparison period and during the trial. Measured as the number of resignations per 100 employees, we found a decline from 2 to 0.8 from the comparison to the trial period (57%). This suggests that the four-day week helped reduce exits from these organisations.

We also found a downtick in new hiring, from 3.4 per hundred employees to 2.4 (a 37%). There was a change in absenteeism, measured as sick and personal days per employee per month. Those fell from a reported 2.0 in the comparison period to just 0.7 during the trial (a 65% reduction). In part because of the small numbers in the sample, and in part because of labour market contingencies, we are unable to say that these three trends are statistically significant.

EMPLOYEE DATA FINDINGS_

EMPLOYEE DATA FINDINGS

WORKING TIME REDUCTIONS

We turn now to the data we collected from employees. When we report a 'change', this means the difference between the baseline and endpoint values is statistically significant.

Our findings show that the trial changed the workplace in important ways. As expected, work time declined, from 38 hours per week on average to 34. While this isn't a full reduction to 32 hours, this can be attributed to a few companies executing less than an 8 hour reduction (and starting from above 40 hours on average). In other organisations, people were still doing some work on the day off. Nevertheless, there was a significant average reduction of a full 4 hours of work across the week.

When measured by the number of people whose work time went down (or up), we find that 71% of the sample reported a decline in working hours, while 15% were working more and 13% experienced no change. Similarly, the average number of days worked went from 4.86 to 4.52 (slicing off roughly a third of a day). It appears that many employees experienced four-day weeks, but occasionally carried out modest amounts of work on the fifth day.²³

In other positive findings, the frequency of overtime also fell, both on average and in terms of individual experiences, with over a third (34%) of employees reporting reductions in overtime. However, 49% reported no change in their overtime hours. It is also notable that the amount of days spent remote working declined slightly over the trial, from an average of 2.88 days per week to 2.66 (a 34% reduction), even though, at the end of the trial, more people reported working remotely at least some of the time (with 9% increasing their level of remote working, compared to 6% decreasing).

²³ This was corroborated by the interview component of the research. See 'Perspectives from the shopfloor' chapter.

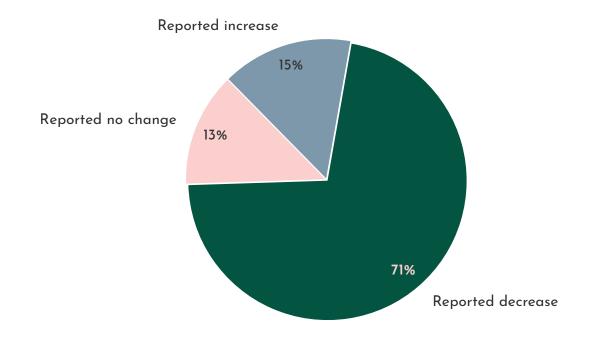


Figure 7: Change in participating employees' working time between baseline and endpoint surveys. Employees were asked to report how many hours they worked a week.

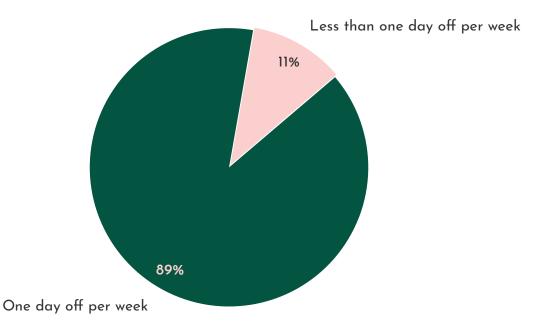


Figure 8: Participating employees were asked what their working time arrangement was during the trial period.

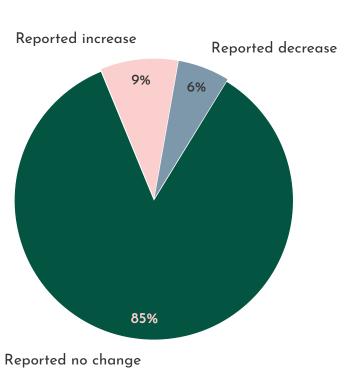


Figure 9: Change in participating employees' remote working patterns between baseline and endpoint surveys. Employees were asked to report their remote working status on a 3 point scale (from 'never' to 'fully' remote).

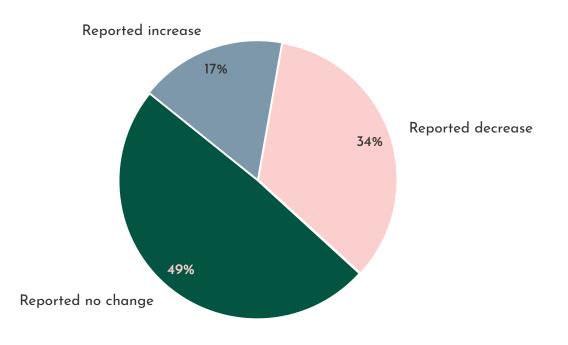


Figure 10: Change in participating employees' overtime between baseline and endpoint surveys. Employees were asked to report how often they worked overtime on a 4 point scale ('never' to 'daily').

"You have no idea what this will mean to my family - the amount of money we will be able to save on childcare"

(Staff member, non-profit organisation)

HEALTH & WELL-BEING

In view of the strong positive changes in employees' work situations, it is not surprising that health and well-being outcomes also show noticeable improvements after the six month trial. Some well-being outcomes are specifically related to work. Of course, as with the other findings in this report, participants are subject to a great many personal life events outside of work, as well as contingencies in work that are separable from working time. To this end, we should be attentive, first and foremost, to broad tendencies.

STRESS, BURNOUT & JOB SATISFACTION

We found that work stress decreased over the trial period. On a 1-5 scale from 'never' to 'all the time', the frequency of reported work stress declined on average from 3.07 before to 2.74 after the trial. While nearly 13% of employees did experience an increase in stress, three times as many (39%) were less stressed, with the remainder (48%) recording no change in stress levels.

Burnout also declined on average from a score of 2.8 to 2.34 (captured through a score amalgamated from 7 associated criteria ranked on a 1 to 5 frequency scale, capturing experiences of tiredness, exhaustion, frustration, and more). A significant 71% of employees reported lower levels of burnout, compared to only 22% who registered a higher burnout score.

Corresponding to the decreases in work stress and burnout, employees are more satisfied with their job, registering a significant average increase from 7.12 to 7.69 on a O to 10 scale, and with 48% of employees more satisfied than when they started.

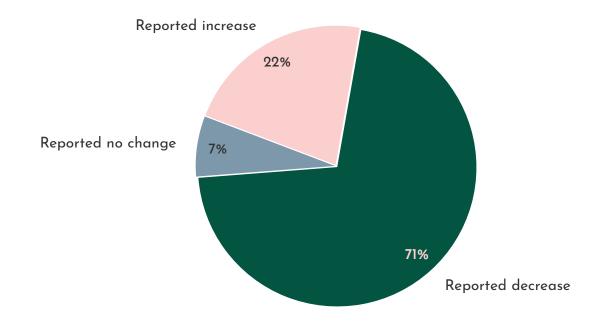


Figure 11: Change in participating employees' reported levels of 'burnout' between baseline and endpoint surveys. Employees were asked, using a 5 point frequency scale ('never' to 'always'), to grade how often they had experienced different markers of burnout ('exhaustion', 'frustration', etc.) in the preceding 4 weeks, from which a combined score was calculated.

EMOTIONAL, MENTAL AND PHYSICAL WELL-BEING

Other well-being outcomes also improved by the end of the trial. The average mental health score (ranging from 1 'poor', to 5 'excellent'), for example, increased from 2.95 at the beginning of the trial to 3.32 by the end (43% reporting an increase in mental health versus only 16% a decline). Anxiety and negative emotions also both fell substantially. Experiences of anxiety (1-4, 'never' to 'daily'), fell slightly from 2.26 to 1.96 on average, and 54% of employees reported a reduction in negative emotions.

Positive emotions amongst employees (taking an average score from 5 different categories, each measured on a scale of 1-5) increased from 3.13 to 3.58 (with 64% of employees reporting an increase). It is also encouraging to see that participants reported slight improvements in their physical health. With 37% of employees reporting improvements in physical health (versus 18% decreases), the study suggests that a four-day work week has the potential to reduce costs associated with health care.

FATIGUE AND SLEEP

These improvements in physical and mental health might dovetail with the changes in fatigue and sleep that employees experienced. We found improvements in fatigue, with the average fatigue score falling from 2.56 to 2.12 (on a scale of 1-4, from never to daily), and 46% of employees reported a reduction in fatigue (with only 14% reporting an increase).

The prevalence of insomnia and general sleep problems declined significantly. 40% saw a reduction in sleep difficulties, whilst 45% saw no change and only 15% saw increases.

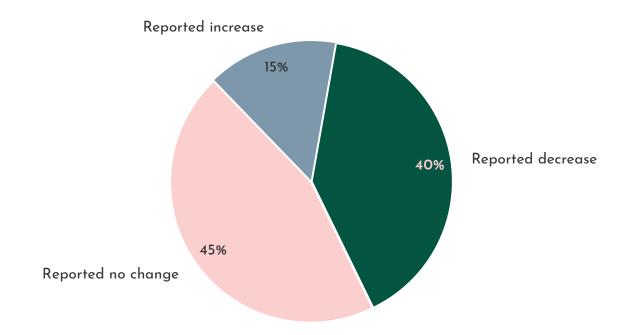


Figure 12: Change to participating employees' sleep difficulties between baseline and endpoint surveys. Employees were asked to report how often they experienced sleep difficulties or insomnia on a 4 point scale ('never' to 'daily').

FAMILY AND HOUSEHOLD LIFE

Positive changes also occurred at the intersection of paid work and family/ other parts of life. When asked about the ease of combining paid work with care responsibilities, the average score increased from 2.76 to 3.58 on a 1 ('very difficult') to 5 ('very easy') scale. 60% of employees reported that balancing care responsibilities had become easier.

Similarly, the experience of balancing employment with social life benefited, with an average reported increase from 2.9 to 3.78 (again with 1 as 'very difficult', and 5 as 'very easy'). In correspondence with these findings, conflicts between work and family time decreased: over the course of the trial 54% of employees found they were less likely to feel too tired to do household jobs following the trial (compared to 10% who felt they were more likely).

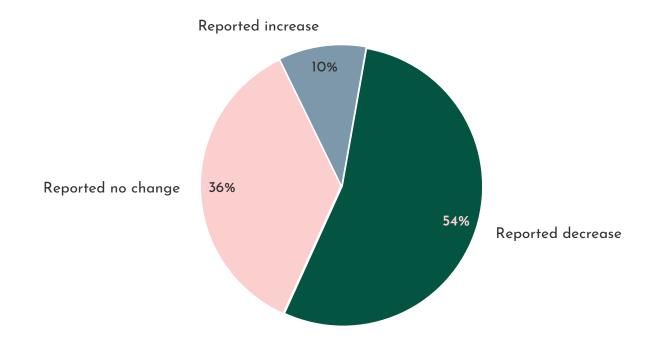
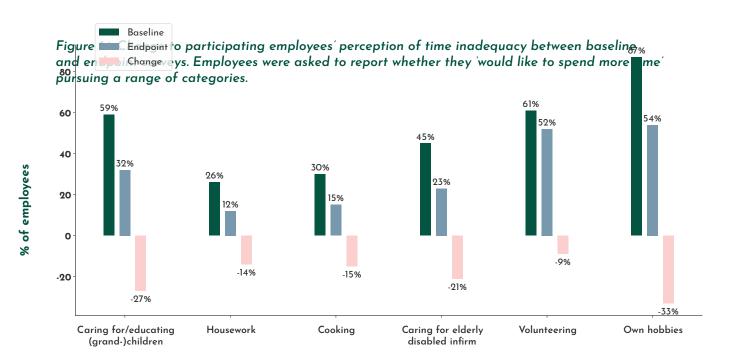


Figure 13: Change to participating employees' experience of 'work-family conflict' between baseline and endpoint surveys. Employees were asked to report how often they were 'too tired from work to do household jobs' on a 3 point scale ('never' to 'several times a week').

More specifically, we can observe a general decline in the feeling of time inadequacy when it comes to a number of activities outside of paid work. Employees generally seemed more satisfied in this regard.



In general, we can say that employees within the cohort experienced increases in life satisfaction.

At the beginning of the trial, when asked how satisfied they are with their life (from 0 'not satisfied at all', to 10 'completely satisfied'), participants responded with an average of 6.69 out of 10. This measure had an almost full point increase, to 7.56. Employees are also more satisfied with other domains of life, including household finances (44% reported an increase) and relationships (45% reported an increase). Most notably, employees recorded an increase in over two points regarding satisfaction with time, from 5.28 before the trial to 7.51 after. 73% said that they had greater satisfaction in this regard.

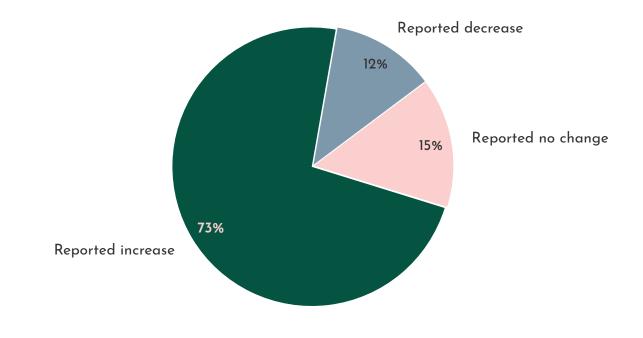


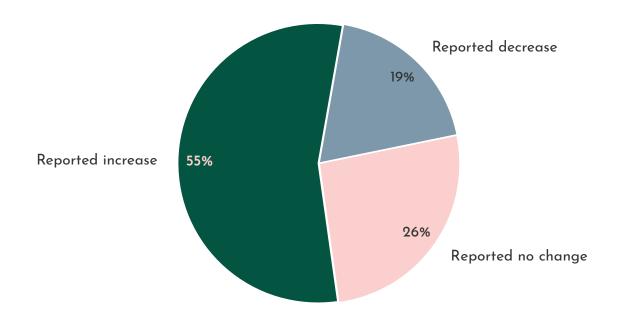
Figure 15: Change to participating employees' time satisfaction between baseline and endpoint surveys. Employees were asked to report, on a 0-10 scale ('not satisfied at all' to 'completely satisfied') how satisfied they were with the amount of time they have to do the things they like doing.

GENDER EQUALITY

How did a four-day week affect gender equality in the household division of labour for our cohort? The rationale for many advocates is that with more free time available, men may spend greater time in housework or childcare, thereby narrowing the well-documented gender gap in unpaid domestic and care work. In the trial, the time men spent looking after children increased by more than double that of women (27% to 13%), but the share of housework between these two genders stayed almost exactly the same (68% reporting no change for men and women).

CHANGES

When we consider the quality and experiences of work during the trial, a number of different metrics stand out. First, we asked employees how their current work ability compared to their lifetime best. Before the trial began, average self-rated ability was 7.06 on a scale from 0-10. At the end of the trial, it had risen significantly, to 7.88. In short, people felt that they were doing a better job at work with the shift to a four-day week. Overall, 55% of employees reported an increase in their ability at work.





We found that employees were also able to exercise an increased level of control over their schedules. We assessed schedule control using a multi-item scale (from 1 'very little', to 5 'very much') which includes control over days worked, number of hours, time off work and when each workday begins and ends. Before the trial began, the average value was 3.55, which increased modestly, to 3.59, with 44% of employees reporting an increase in control, while 38% reported a decrease.

There was also a reported increase in the pace of work. 62% of employees thought their pace of work increased, 36% thought it was the same (a very small group – 2% – felt it decreased). However, although the pace of work may have increased, for most employees (78%) there was no significant increase in workload (although 20% did perceive an increase).

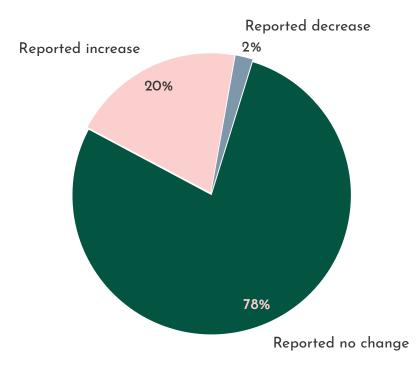


Figure 17: Change to participating employees' workload over the course of the trial period. At the endpoint survey, employees were asked to report whether their workload had increased, decreased or remained the same.

Interestingly, 52% of employees reported an increase in leisure travel, while 44% reported no change in this regard. 21% of employees reported a reduction in childcare costs (versus 1% who reported an increase).

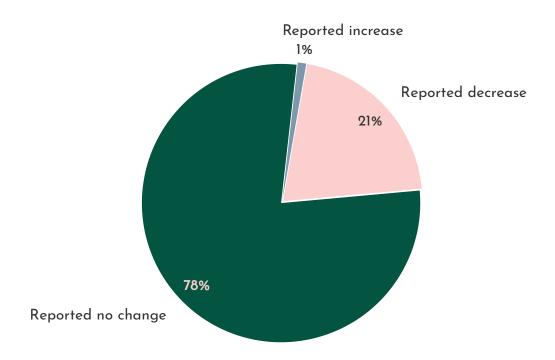


Figure 18: Change to participating employees' workload over the course of the trial period. At the endpoint survey, employees were asked to report whether their workload had increased, decreased or remained the same.

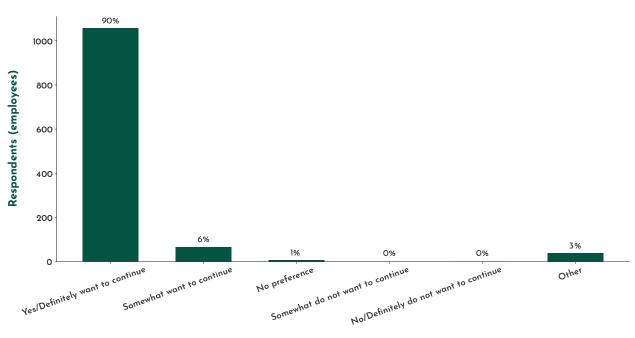
CONTINUITIES

In addition to the changes reported above, our surveys found that many things did not change, which is a welcome finding in various cases. Perhaps most importantly, while there was a small, weakly statistically significant increase in 'average' work intensity over the course of the trial (from 3.64 to 3.69 on a '1 to 5' scale), across individual respondents perceived changes were roughly evenly split. While just over a third (36%) of employees did register an increase, nearly as many (31%) believed it had declined, and the remainder (33%) saw no change in their work intensity.

We also found that the perception of complexity within people's work another kind of intensification - did not rise on average. 42% of employees did have some increase in complexity, but another 42% had a decrease and the remainder (16%) had no change. Another reassuring finding is that employees' perception of job security remained very similar over the course of the trial (measuring a slight reduction on average of 3.59 at startpoint to 3.54 at the end, taken from a 4 point scale from 1, 'very likely' to 4, 'not at all likely'). Likewise, there was a significant decrease in the employees being likely to leave their jobs, with 30% less likely to change jobs at the end of the trial than the beginning.

EXPECTATIONS GOING FORWARD

In general, cohort employees had an excellent experience of the four-day week trial. From O (very bad) to 10 (very good), the average score was 9.04. When asked whether they would want to continue with the four-day week trial, 90% replied 'Yes/Definitely want to continue'. Only five people (0.43%) said that they 'somewhat do not want to continue', and no one reported that they 'definitely do not want to continue'.



Preference for continuing a four-day week trial

Figure 19: Participating employees' preference for continuing a four-day week trial in their organisation at endpoint survey.

We also asked employees about their preferences for working schedule, between four or five day weeks (or 'no preference'). 96% had a preference for four-day working weeks.

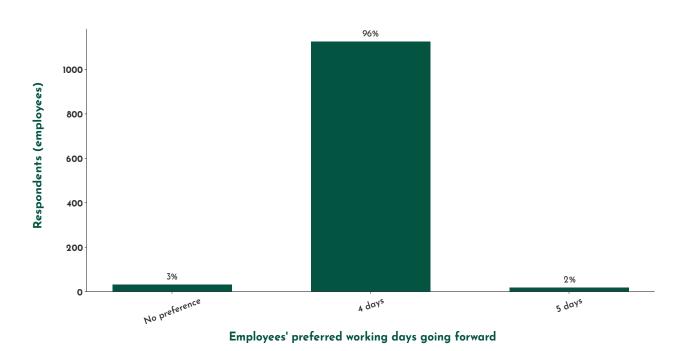


Figure 20: Participating employees' preference for different lengths of working week at endpoint survey.

Finally, we were curious about the monetary value of the four-day week - or rather, what sort of hypothetical trade-off between money and time people would make, having experienced the four-day week. While the 'four-day week' policy strictly requires that employees maintain the same level of pay – and this is not to suggest employees ought to 'pay' for shorter hours – this provides a way of quantifying value placed on reduced working time.

For those who noted that they preferred four days (96% of the sample), we asked them how much money they would expect at their next job in order to go back to a five-day schedule. 46% (the first two categories) reported they'd take a five-day job with a pay increase of 0-25%. 29% would require a 26-50% increase. 8% said they'd only go back to 5 days if their pay were more than 50% higher. And, interestingly, another 15% said that no amount of money would induce them to accept a five-day schedule.

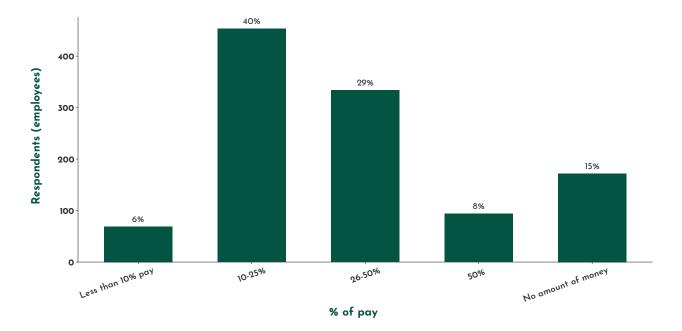


Figure 21: How much do participating employees value a four-day week in financial terms? At the endpoint survey, employees were asked how much money they would expect at their next job in order to go back to a five-day schedule.

"I don't want to retire and go 'what the hell do I do now?'... I need to start doing things now that are going to sustain me when I finish working"

(CEO, care organisation)

PERSPECTIVES FROM THE SHOPFLOOR

PERSPECTIVES FROM THE SHOPFLOOR

In addition to company and employee surveys, the UK pilot included a series of research interviews with the pilot companies. These were co-ordinated by social researchers at the University of Cambridge, assisted by Autonomy. From these we can glean richer testimonies about the day-to-day practice of the pilots, from staff at various levels.

These interviews sought to understand why companies took part in the pilot, how exactly they implemented the four-day week, how staff were experiencing the pilot, and thoughts on the future of the four-day week in the company.

MOTIVATIONS

The pre-pilot interviews with company seniors gave insight into what attracted companies to the pilot. Almost all of the senior managers interviewed told us that they had been aware of the four-day week for some time, citing news stories and examples of pre-existing four-day week experiments. The public sector trial in Iceland was a common source of inspiration.²⁴

A 2022 employer survey by the CIPD found that 34% of respondent organisations thought the four-day week will be a reality for most UK workers during the next ten years.²⁵ This is consistent with the feeling among senior managers we interviewed, who saw the pilot as an opportunity to be at the forefront of historical change. We were also commonly told that putting oneself forward as a pioneer maximises the competitive advantages of having a fourday week, such as its benefits for reputation, recruitment and retention.

²⁴ Autonomy (2021) 'Going Public: Iceland's Journey to a Shorter Working Week'. <u>https://autonomy.</u> work/portfolio/icelandsww/

²⁵ CIPD (2022) 'The Four Day Week: Employer Perspectives on Moving to a Shorter Working Week'. <u>https://www.cipd.co.uk/knowledge/fundamentals/relations/flexible-working/four-day-week#gref</u>

That should give us a competitive advantage

(Senior manager, Insurance firm)

Other companies focused on their aspirations as employee-focused organisations, describing the four-day week as a logical next step in their existing commitment to staff well-being. Often the four-day week was introduced on the back of existing policies such as the option of flexible working patterns or a policy of no evening working.

In some cases, the four-day week was an attempt to improve over previous initiatives. The senior manager of a financial firm, for example, grew to see its previous policy of quarterly monetary prizes as divisive. The four-day week was an opportunity to provide a benefit that included everybody. In other cases, the four-day week was described as preferential to happiness 'gimmicks' such as staff game rooms or chillout zones, common in the creative and craft industries. By contrast, the four-day week was represented as a substantial material change for staff – 'more concrete and grown up', as one interviewee put it.

THE FOUR-DAY WEEK POST-COVID

In some cases, the four-day week was described by senior managers as a rational business response to the Covid pandemic. Several cited the idea of the 'Great Resignation', or described significant difficulties in recruiting and retaining staff since Covid. In these cases, the four-day week was seen as a way to attract talent and give the company a competitive edge in the post-Covid labour market.

I think we have come out of the pandemic with a new outlook on life... There's a greater expectation around flexible working, hybrid working - people are taking that opportunity to think 'I want to do something completely different.'

(Senior Manager, Manufacturing Company)

The CEO of a creative company, for example, recognised the growing popularity of homeworking in the industry since Covid, but felt that a policy of unlimited homeworking could damage the company's working culture. The four-day week was seen as an alternative way of attracting and retaining staff. Several smaller companies also said the four-day week was a compelling option in a period of business recovery post-Covid, which had left them unable to attract staff through significant salary increases. On top of these practical reasons for introducing a four-day week post-Covid, it was common for companies to associate the pandemic with a kind of moral insight. Company seniors explained how the pandemic had shone a light on their staff's personal lives. They had seen their staff suffer through mental health difficulties and bereavements. Video-conferencing had allowed staff to see one another's homes and children. Several company seniors said these experiences had increased their sense of moral responsibility towards employees, as well as sensitised them to the business need for a healthy workforce.

In any organisation people are the key. You need to look out for them.

(CEO, distribution company)

We want to give people the gift of time - if that doesn't sound too chocolate box-y - because [remote working means] we've all got to know so much more about our colleagues' lives, their living rooms and their pets and their kids... I hated the pandemic, but it's made us all see each other much more in the round, and it's made us all realise the importance of having a healthy head, and that family matters.

(CEO, non-profit organisation)

It is important, however, not to overstate the influence of the pandemic on pilot companies' decision to take part. Many told us a shorter working week had been tabled before the pandemic (and in some cases that Covid had only delayed plans). This was often the case in companies with emotionally involving or demanding work. In organisations supporting brain injury patients, teaching pupils with special educational needs, or advising citizens experiencing poverty, for example, senior managers stressed the emotional pressures on their staff, along with a hope that the four-day week would give staff some necessary distance from work.

I don't want to retire and go 'what the hell do I do now?'... I need to start doing things now that are going to sustain me when I finish working.

(CEO, care organisation)

In other cases, the four-day week was described as a response to industry-wide problems of overwork. A video game studio, for example, pointed to several high-profile industry cases of crunch and burnout. The company was started with the express purpose of differentiating from an industry that can 'treat people like economic units', and the four-day week was seen as consistent with this goal. The CEO's belief was that long-hours culture is not only bad for staff health - it also fails to produce results.

If you know you're going to be there until 10 o'clock at night, you think - 'I'm going to be here all night, so I'll just do the work I need to do'.

(CEO, creative company)

PREPARATIONS

You're looking at giving people 40, 50 extra days a year, which is incredible really... If we can make it work, it's very precious.

(CEO, non-profit organisation)

All of the companies we interviewed described a preparatory period prior to the pilot start date. The nature of preparations varied between companies, both in terms of their thoroughness and the level of staff involvement.

In general, methods of preparation tended to mirror the pre-existing culture of the organisation, i.e. those with a more democratic governance structure tended to implement their four-day week in a more democratic way, whereas those accustomed to top-down ways of working tended to make key decisions and conduct preparations from above.

The lead-in period typically involved the following kinds of activities:

- Asking staff to submit questions about the policy and creating an FAQs document to share within the organisation.
- Seeking legal advice on terms and conditions during the pilot.
- Consulting/surveying staff about their preferred model for implementing the four-day week.
- Creating an 'opt-in' agreement for staff including ground rules for the pilot, such as the protocol for what happens if there is a work emergency on someone's day off.
- Auditing work processes and devising new productivity initiatives using staff consultations and workshops.
- Introducing software to help staff see when others are working.
- Polling clients for their opinions on the four-day week and informing them of any changes.
- Developing a set of metrics to track the impact of the pilot (in addition to those being tracked as part of the official pilot evaluation).

'It has got to work for everybody'

PREPARING FOR THE FOUR-DAY WEEK IN A HOUSING ASSOCIATION

A housing association with approximately 250 employees has many functions, including building maintenance, running a community youth service, operating several community centres and keeping the neighbourhood tidy. The CEO describes the organisation as an anchor in the community.

The association is run as a mutual, guided by a democratic body made up of employees and tenants. The democratic body is responsible for electing a board, whose CEO compares the organisation to a fan-owned football club: 'it's power sharing'.

In line with these governance principles, the organisation was firm about the fact that any fourday week policy would have to be shaped in a democratic fashion, and also be flexible enough to include all staff. This meant that the daily challenges of office teams, community-facing teams, and trades teams all had to be considered.

To incorporate this diversity, the organisation opted for a decentralised four-day week, with different working patterns in different departments. The CEO believed that staff with experience on the ground are the best equipped to make key decisions. Each department was therefore supported to design its own four-day week model.

We took the decision that everyone knows their own job better than anyone else (CEO).

In the buildup to the pilot, all staff members took part in pre-trial workshops with their teams, envisioning how the four-day work week might change their lives and debating the best implementation model to fit the nature of their work. Each team then produced a two minute video explaining their chosen four-day week model, and these videos were shared across the organisation.

Staff we interviewed about the preparation process described a need to find a sweet spot between coverage needs and staff preferences. Some teams had opted to use a rolling four-day week rota system, in which staff book their days off at the start of each month. This allowed staff to fit work around their personal priorities on a shifting basis.

Reflecting on the pilot preparation period, staff always praised the pilot as a catalyst for innovating around work processes. The CEO repeatedly described the pilot process as 'refreshing'.

The conversations people were having, they would not have had if not for the shared incentive of making this work... It has been like flicking on a switch for some folks. (CEO)

We heard a lot of stories about the time-saving ideas generated in the preparatory workshops. The trades staff have reduced their travel time to and from the building supplier by having more foresight about what materials are needed and finding better ways to organise their van. They also now feel comfortable going home early when there is less to do. Office teams are automating certain processes and redesigning others to involve fewer personnel, and communityfacing teams have taken lessons forward from remote working, having realised that some smaller issues can be dealt with adequately over the phone.

The staff and CEO were all clearly proud of the collective approach taken to the pilot preparations, describing it as a positive experience. Staff knowledge and involvement were seen as key to making the four-day week a sincere and realistic policy, rather than an empty gesture.

What we don't want is this underground of people who are notionally working a four-day week but secretly working at the weekend to catch up. (CEO)

FINDING EFFICIENCIES

The pilot interviews gave insight into how organisations planned to reduce their working hours without significantly compromising their business or, in the case of non-profit organisations, their civic mission.

While one obvious way to do this might be by growing the workforce, it is notable that only two organisations we interviewed used additional recruitment as part of their strategy to achieve a four-day week. Separate from these organisations, senior managers of two further companies also told us that their plans for a permanent move to a four-day week may involve increasing their reliance on subcontractors, who would not be working a four-day week.

Comparably, only a small handful of companies considered reducing output as part of their strategy. One company, for example, decided to save time by letting go of a small number of minor clients, whereas another cancelled a small number of projects that were not seen as core to the organisation's purpose. A third company also believed so much in the benefits of the four-day week for staff, its CEO said he would be prepared to tolerate a small loss in profit to keep the policy in place.

In all other cases, the companies we interviewed aspired to maintain 100% of their output on a four-day week, without additional recruitment. The policy was implemented with an attempt to increase productivity.

Some interviewees suggested that the required increase might, to some extent, be an automatic effect of the four-day week, which provides staff with a strong incentive to finish their work, and sees people returning to work feeling more energised than they would on a five-day week.

No company we interviewed, however, relied on this faith; all took practical measures to reform certain work processes and increase productivity. Indeed, over the course of the pilot, managers and staff alike repeatedly praised the value of the four-day week as a catalyst for organisational change, and explained how the promise of the policy had energised staff to think in fresh ways about what they did and how they did it.

You can't change things without things changing

(Staff member, Sales and operations)

Several organisations asked staff to sign an 'efficiency charter' or 'productivity agreement', in order to cement an understanding that the four-day week included a commitment to increase productivity. Other companies required departments to submit plans about the changes they would be making to accommodate a four-day week.

The most common ways of improving productivity we heard about included:

- Reforming the norms around meetings, making them shorter, less frequent, and with clearer agendas and objectives.
- Reforming email etiquette, encouraging staff to be more attentive to the purpose of their messages and who needs to be involved.
- Asking staff to analyse and time each step of the manufacturing process, to identify ways to save time and develop a new set of production targets.
- Introducing a 'heads down' or 'focus' period a designated time of day for staff to conduct independent work uninterrupted.
- Automating aspects of work (for example, introducing auto-filling reports, email templates or automating certain aspects of customer service).
- Adopting new project management software, or consolidating internal communications and documents into a single piece of software.
- Reorganising calendars to promote 'monotasking', eliminating the time wasted on switching between tasks.
- Creating a task-list before leaving work, in order to hand over to colleagues or hit the ground running on the following day.
- Reducing the number of staff involved in a particular process.

A craft brewery has been in business for around ten years. We spoke to one of its founders, who started the business with hopes of differentiating it from bigger, more growth-focused operations. A founding principle of the company was to 'create jobs that fit around our lives.'

We're a bit more mellow-paced. When we started the business we wanted to change the way we worked.

The current manager became interested in the four-day week because he hoped the brewery 'could become a leader in something positive'. He also saw the policy as consistent with their broader ambition to reduce the carbon footprint of the business, through investments in green energy. Being in manufacturing, he feels he has a point to prove.

If you can do this in a small production environment, it demonstrates that the five-day week is a construct and something that could have been gotten rid of a long time ago.

How were they going to make it work? The brewery adopted a staggered four-day week model in order to maintain production over 5 days. The plan was to split the production team into two groups, with one taking Mondays off and the others taking Fridays (swapping each month).

Staff also told us about the significant preparation period before the pilot. As part of the lead-in, the brewers studied their brewing process closely, breaking down the tasks involved, running their phone timers in their pockets, searching for new efficiencies, and developing a new set of production targets. One brewer describes an atmosphere of excitement, solidarity and challenge around finding ways to reduce working time.

It's like cooking a huge Sunday roast, trying to get everything to finish at the same time.

A phrase we heard a lot in our conversations with staff was 'mucking in'. On days where not everyone is present, staff could be required to jump in on tasks that may have previously been outside their remit, helping with brewing, packaging, or picking up the phone. The staff we interviewed celebrated the sharing of skills and sense of collective effort this involved. The manager said 'the whole team now does what the manager does', by forecasting busy periods and identifying what needs attention. When we asked him whether he was worried about work becoming more intense, he said they were busier, but less stressed.

Being busy doesn't make you stressed, being out of control is what makes you stressed... We want to be more busy, less stressed. I don't like being bored at work, I like it when there's an atmosphere of things happening... If we're busy it means there is a lot of beer going out of the door and things are going well.

PERSONAL IMPACTS

A temporary pilot of six months can never reveal the full impacts of a four-day week policy. Reducing the working week is a significant change, and it takes time for individual experiences, behaviours and priorities to shift. However, it is notable that our mid-point interviews with staff – 3 to 4 months into the pilot – already indicated the policy's significant impacts on people's lives, both inside and outside of work.

THE DAY OFF

When we asked staff what they had been doing on their additional day off work, the most common answer by far was 'life admin' – a term used to describe essential tasks such as food shopping, attending medical appointments, doing household repairs or cleaning. Many people explained that being able to complete these tasks on their fifth day enabled the weekend to become free for genuine leisure and self-initiated activities, as opposed to chores.

It feels like you're easing yourself into the weekend… By the time Saturday and Sunday comes, it feels like I've done my life admin, washed the car, tidied the garden, whatever it is

(Senior manager, Care services provider)

For parents with young children, an additional day off mid-week was highly valued, either because it enabled savings on childcare expenses, or in one case, because it allowed a partner to work an extra salaried day instead of performing childcare.

You have no idea what this will mean to my family – the amount of money we will be able to save on childcare

(Staff member, Housing association)

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For parents with older children, we also heard how a day-off mid week meant that they could take some rare and valuable time for themselves. Being off work when family were still busy was sometimes described as a personal bonus, rather than a drawback.

At the time of interview, few staff members had taken up entirely new activities as a result of the four-day week. We heard of one staff member using his day off to take a recently bereaved grandparent on regular day trips. However, most reported being able to spend more time on the activities they already enjoyed. This involved everything from playing music, to spending time with friends, playing sport, exercising, painting, cooking, dog-walking, watching television, visiting family out of town and volunteering at an animal shelter. A small number of participants were also using their fifth day to undertake professional qualifications.

'I 100% want the four-day week to continue' A WORKING PARENT'S PERSPECTIVE

Owen works as a surveyor in a non-profit organisation, where his wife is also employed. He has been with the organisation for 10+ years in a number of different roles. In our interview, we discussed his experiences of the four-day week in relation to being a parent of two school-age children.

Owen finds that his children's activities occupy a large portion of the weekend; he is 'taking them here, there and everywhere'. While he supports his children, he often feels wildly busy and that his household chores end up unfinished. In the context of this time pressure, Owen described feelings of guilt associated with taking leisure time for himself, and a concern that he was unable to balance his responsibilities.

Owen associated the four-day week with a tremendous relief of pressure. On his days off, he did the school runs and took care of home maintenance tasks that would otherwise creep into the weekend. He initially found it hard to break the habit of checking his work phone and emails on his day off, but said that he was getting better at it. Now the phone and tablet go off and in the drawer.

Owen said a major advantage of the four-day week is that he feels less guilty when he takes some time for himself – something we heard several times from working parents. He will play golf with a friend, when the weather allows, and watch a football match at the weekend, comfortable in the knowledge that key household chores have been done.

Owen also raised how helpful the four-day week was in managing school holidays. He is one of two pilot participants we interviewed, whose partner was also involved in the four-day week pilot. Both interviewees described how indispensable the four-day week had become for covering childcare in school holidays, without eating into annual leave. Reflecting on their health and mood during the pilot, interviewees overwhelmingly described the four-day week in positive terms, especially if they worked in emotionally taxing roles. It was common for interviewees to describe a reduction in stress, or a greater ability to 'switch off' or 'breathe' at home. One interviewee described a disappearance of the 'Sunday dread' – the anxiety commonly felt in anticipation of a new working week.

Only one staff member interviewed had significant concerns about the personal impacts of the four-day week. This interviewee said she thrived on the mental challenge of her work. Her personal preference was for a 'soft four-day week', where the fifth day is used to pursue personal projects in the office

Our interviews also pinpointed some negative feelings among staff in companies adopting a conditional four-day week model. An administrator we interviewed complained about a perceived lack of staff involvement in shaping the policy at her company, and said that the rules of conditionality in her workplace were opaque. Her team had been prevented from beginning the pilot alongside other teams in the company, having been told by a senior manager that their performance statistics were too low. The interviewee said that such conditions had not been applied to others, and felt frustrated by the lack of transparency behind this decision.

'What are my staff doing with their time?' DISINTEREST, INTEREST AND CONTROL

As well as giving insight into what staff were doing with their additional days off, pilot interviews also allowed us to ask company seniors about their hopes for staff time-use outside of work.

Responses were split between **disinterest**, **interest** and **direction**. In **disinterested** companies, senior management were pleased that their staff would be gaining additional free-time, but did not make any active enquiries into what staff were doing with their time off. In **interested** companies, by contrast, senior management hoped to create a sense of collective purpose around the pilot by encouraging staff to share stories and pictures of their days off, either in meetings or on message boards.

The third category, **direction**, refers to a small selection of pilot companies that tried to actively shape how staff used their time off. The CEOs of two organisations, for example, were disappointed with the low uptake of voluntary work among staff during the pilot, and were exploring ways to nudge staff toward spending their free-time on prosocial contributions.

The question of direction also arose in relation to an interview prompt about senior managers' tolerance for staff using the fifth day to work a second job. Several managers in the disinterested/interested companies saw the fifth day as a potentially attractive opportunity for staff to top up income (especially in the context of a cost of living crisis). The CEO of a non-profit organisation imagined that plumbers in the organisation might use the fifth day for contracting: 'they can bring in a bit more money for their family'. We indeed interviewed several staff who told us they had been doing freelance work on their fifth day.

In the more directive companies, by contrast, earning additional income was prohibited, either through a written agreement or less formally, through internal communications. Managers in these companies believed that staff who used their day off to earn further income would be breaching their side of a bargain, i.e. to use the time off to rest, in order to come back to work refreshed.

The idea behind the four-day week is that they rest, they have more leisure time, family time, battery recharging time. So no, they cannot get a second job.

(Senior manager, insurance firm)

WORK CULTURE

In line with the very high satisfaction ratings recorded for overall staff experience of the pilot, most of the staff we interviewed described positive changes to work culture, tied to the introduction of a four-day week. Some staff talked about the sense of energy and shared purpose arising from the collective effort of making the four-day week work. Others talked about feeling valued by their employers or being proud of their organisation, due to its willingness to try something novel. Others still described colleagues as having a 'bounce in their step', or said they enjoyed having conversations with colleagues about what they were doing on their days off.

We know from the pilot surveys that roughly two thirds of staff did not register an overall increase in work intensity, but we did interview a small number of staff who were concerned about this problem. In one larger company (that did not appear to benefit from a significant period of pilot preparation) several staff had clear concerns about their workload. Some described their work as intensifying, or a battle to work through lengthy to-do lists in the time available. We also heard several second-hand accounts about colleagues who were regularly working into the evenings since starting the pilot, in order to get things done.

Some managers and staff also expressed concerns that the focus on efficiency may be making the workplace less convivial. One staff member felt it had become taboo to interrupt colleagues, and said there was now notably less socialising in communal spaces like the kitchen. The decline in conviviality appeared to be a particular concern in the creative companies we spoke to, who told us that unstructured encounters at work can be important for generating new ideas. Several managers said they were giving special attention to these concerns. Managers with concerns about their culture were considering, for example, pairing the four-day week with initiatives such as designated team days or a requirement to attend the office for a certain proportion of the week. Their responses underline the importance of focusing on job quality, in the process of implementing reduced working time.

"When you realise that day has allowed you to be relaxed and rested, and ready to absolutely go for it on those other four days, you start to realise that to go back to working on a Friday would feel really wrong stupid actually"

(CEO, consultancy company)

CONCLUSIONS

CONCLUSIONS

As the four-day week has continued to spread around the world, a wide-range of benefits have been touted by those making the shift to shorter hours: from improved well-being and productivity in the organisations and employees undertaking the change, to improved recruitment and retention among staff, and even improved revenue.

To assess these claims, this report studied a wide range of UK companies and employees piloting a four-day work week with no reduction in pay in 2022, as part of one of the largest coordinated trials to date.

As the report makes clear, the results of these trials have been resoundingly positive. While companies, through their leaders, have expressed that they are extremely pleased with performance, productivity and their overall experience, it has been a similar case for employees themselves too. The four-day week, simply put, is a popular policy for those who work it.

However, the results captured throughout the trial – owing to the specific research design that has informed it – allow us to capture the positive impact of reduced working hours on a range of variables far beyond these headline figures.

With 'before-and-after' data for a wide range of metrics, we have been able to measure the beneficial impact of a four-day week 'across the board'. Focusing on the narrow, 'business case', for instance, we found that revenue stayed approximately the same (rising slightly by 1.4% over the trial), and was up 35% in comparison to the same period in 2021, while there were also improvements in hiring, absenteeism and resignations.

Looking more broadly however, it is also clear that employees found themselves in a much improved position at the close of the trial than they did when it commenced. Shorter working hours left them less stressed and burned out, with their feedback also suggesting improved mental and physical health – perhaps not surprising given their increased time exercising and lower levels of fatigue. As a result of the four-day week many employees therefore reported that their *life satisfaction* had improved.

While self-assessments of work performance increased significantly, the data shows that this was not due to any increase in work intensity. Through careful planning, and the input of staff, companies' efforts to revise working practices successfully improved productivity without any knock-on ill effects. We shouldn't be too surprised, then, that employees' job satisfaction therefore improved by the end of the trial.

For many, there was little desire to return to old ways of working. Asked to make a hypothetical trade-off between working time and pay, 70% of employees noted that they would require a higher salary of between 10-50% to go back to a full, five-day schedule. A further 8% claimed that they would need more than 50% extra pay or more. For 15%, there was no amount of money that could take them back from the four-day week.

Taken as a whole, results from the UK trial therefore make clear that the four-day week is ready to take the next step from experimentation to implementation. Those looking to move to shorter working hours now have access to a growing base of organisations already 'ironing out' the four-day week in practice, by adapting different models and structures to the demands of their own size and sector, and building up a toolkit of tips and tactics to be drawn upon by others. The benefits of a shorter working week for no reduction in pay are now both well-known and well-evidenced: employees are happier and healthier, and the organisations they work for are often more productive, more efficient, and retain their staff more readily. To this, the UK trial adds a wealth of 'on-the-ground' knowledge for the next wave of adopters to make the four-day week a reality.



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Autonomy Research Ltd Cranbourne Pilcot Road Crookham Village Hampshire GU51 5RU