

Four day week "huge potential"

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Reduced work hours even help some spousal and family relationships - new study.

Perpetual Guardian's move towards paying its 240 staff five days' pay for a four-day working week carries huge potential for New Zealand companies and employees, according to a leading academic who studied the firm's four-day working week trial.

Dr Helen Delaney, a senior lecturer from the University of Auckland Business School, was one of the academics who studied the trial, collecting qualitative and quantitative data.

Delaney, a senior lecturer in the Department of Management and International Business, is still putting together the results of her study but says Perpetual Guardian's trial has already forged a strikingly thought-provoking path.

The company is now deciding whether to implement the four-day working week officially but Delaney says some conclusions for other New Zealand companies and workforces can already be drawn: "On the whole, I would have to say the whole trial was overwhelmingly positive."

Much has already been made of the massive increase in staff engagement in, and satisfaction with, their work with no drop in productivity after CEO Andrew Barnes came up with the idea of a four-day week, carried out over the eight-week trial.

Before the trial, 54 per cent of staff felt they could manage their work and non-work lives. Afterwards, that increased to 78 per cent, a leap of 24 percentage points.

Delaney says: "The outcome of the trial was hugely beneficial. First, staff found it really improved the quality of their working life. Second, it improved their non-working lives too.

"The most exciting thing about this trial is that it was imagined and led from within the enterprise itself – it wasn't mandated by government. That genuinely changed the innovative boundaries in a way that wouldn't have happened with a state-mandated move."

While the issue of work-life balance is slowly becoming recognised worldwide, it tends to hinge around government action. In 2000, France famously legislated a 35-hour working week. New laws there ask companies to negotiate with workers if they want them to work outside office hours – a factor known to compound stress and impact work-life balance.

In the US, researchers have found workers are productive for about four hours a day – the rest said to be "padding" and large amounts of anxiety. In Sweden, a government-funded study showed workers who did six hours a day for an eight-hour salary enjoyed a leap in productivity, less sick leave and reduced stress.

Delaney said the motivation that arose from Perpetual Guardian's trial stemmed from the company involving its employees in implementation: "That's what makes it so interesting compared to other international cases – it involved all employees from the get-go. Barnes invited them to think about how they could work the four-day week in their particular business unit.

"Instead of adopting a traditional top-down management approach, the staff had a significant amount of involvement and voice in how they would make the four-day week work in their particular operation within the business. They had to work out what productivity meant in their area and how to measure it. They had to figure out their new rosters together and how they could work smarter.

"They found it intellectually stimulating, it got their creativity going and, for most people, it made them think about their lives, inside and outside work."

The vast majority implemented new behaviours and initiatives to work more productively and efficiently. They adopted a "head down", "just do it", approach to work, with reduced hours meaning they sustained more intensive work patterns and were more motivated upon returning to work.

"They also reported an increase in collaboration and teamwork," she says, "and felt a mutual willingness to help each other out to get the same amount of work done in less time."

Most of the workforce had more time to accomplish tasks in their personal lives – tasks previously crammed in, put off or rushed because of work commitments.

"That feeling of personal productivity spilled over to the workplace as an overarching feeling of motivation and productivity. Another dominant theme was having more time for family life – with some reporting improved spousal and familial relationships."

While the "overwhelming majority" enjoyed the trial and results, Delaney says it wasn't universal. A minority found increased stress and pressure to complete tasks within a shorter timeframe; others worked 10 hours a day for four days, not reducing their hours.

Delaney says some managers also had reservations about whether the trial would work for them: 'You can see their point. Modern management is a complex and diverse function and some of them were thinking: 'How can I reduce my workload?

"Many of the managers supported the change," Delaney says, "while some raised questions about the long-term sustainability of a reduced working week."

In the end, she says, it may be that new technology and innovations like job-sharing are needed to employ the four-day week at its most productive level.

"But it was overwhelmingly positive. There is so much said and written about employee engagement – well, here is an example of how engagement increases when you give employees a reward they really want: time and autonomy."