

Four-day week trial confirms working less increases wellbeing and productivity

December 2 2022, by Jan-Emmanuel De Neve



Credit: AI-generated image (disclaimer)

A group of companies that have been trialing a four-day working week have <u>recently reported</u> increased revenue, with fewer employees taking time off or resigning. While it's easy to understand the effects of a shorter week on worker well-being, the positive effects on company earnings and productivity may be more of a surprise—but research



backs this up.

These firms have been participating in a trial organized by non-profit 4 Day Week Global. The four-day working week trial, which involved 33 companies and nearly 1,000 employees, saw no loss of pay for employees—organizations paid 100% of their salaries for 80% of their time. But employees also pledged to put in 100% of their usual effort over the shorter working week.

And this kind of strategy doesn't just work for nine-to-five office jobs. Iceland trialed reduced working hours between 2015 and 2019 in a scheme that included hospitals, schools and social service workers. The country considered it an "overwhelming success" and reduced hours—without a reduction in pay—has since been rolled out to 86% of Iceland's workforce.

Throughout history, our working patterns have adapted to the challenges of the day: whether that be more time toiling at an industrial loom, or a farmer shifting their hours to eke out productivity during fading daylight hours. But now, almost a century on from Henry Ford introducing the two-day "weekend" to his factories, many nations are still stuck with a 40-hour week split across five days of work, regardless of the industry. This way of working is increasingly at odds with our 21st-century lifestyles.

The latest findings from the 4-Day Week Global pilot are in line with ongoing research into working patterns that show reduced hours boost employees' mental health and their productivity. It also brings other benefits such as reducing emissions by cutting commutes and providing the basis for evaluating our lives in more than just monetary terms.

Better mental health



Despite much <u>economic growth</u> since the 1970s, very little progress has been made on freeing up time for workers. Worse, in some cases, the trend has started going in reverse: Americans now work <u>more hours than they did in 2000</u>, for example.

That is starting to take its toll on employee well-being and mental health. It doesn't take much to realize that becoming many times more productive over the past century (thanks in no small part to technology) means our human.brains are being asked to process a lot more during a five-day work week than in the past. This has led to huge increases in stress, anxiety and burnout.

This is hitting national health services and families particularly hard. But employers are also bearing the cost: accountancy firm Deloitte estimated the <u>annual cost</u> to employers of mental health issues is £45 billion in the <u>UK alone</u>. This is mostly due to absenteeism, or worse "presenteeism"—where a person is physically present at work but not engaged because they feel ill.

The UK's Office for National Statistics estimates that there were <u>17</u> million worker days lost to stress, depression or anxiety in the UK in 2021-22. And the same trends show up for most other wealthy countries.





Credit: AI-generated image (disclaimer)

Increased productivity

Of course, company bosses might think: "If my employees are working 20% less time, surely output will drop, too?"

But several studies have shown that is not the case. In fact, countries doing the least hours of work are often the most productive on an hourly basis. These countries, such as Denmark, Norway and the Netherlands, are also the happiest. All work less than 1,400 hours a year on average, compared with the US and UK average of about 1,800 hours.

My own <u>research</u>, in collaboration with British Telecom, helps explain why working less hours doesn't necessarily mean an equivalent loss in output. We were able to show the positive effect of feeling better during



the week on weekly productivity. We found evidence of more sales and more calls per hour when workers were happy.

Based on our research, we believe the work-life balance changes and improvements in well-being coming out of the 4 Day Week pilots could lead to an increase in productivity of about 10%.

Of course, a 10% increase in individual productivity will not immediately make up for employees working a day less. But these productivity gains would reduce the cost of a transition to a shorter work week. So there might still be a need for investment and subsidies from government and business alike to support this change, but people and the planet have much to gain from doing so.

Cutting emissions

It's also important to think more holistically about the benefits of the four-day week beyond productivity and well-being. A shorter week might even reduce the UK's carbon footprint by cutting commuting—assuming that most people won't travel or will travel significantly less on their day off. A four-day week could have a positive effect on gender equality as well, since the pilots suggest that women report the largest increases in well-being.

The four-day week debate also scratches the surface of an ongoing discussion among economists. GDP has long been used as the ultimate measure of a nation's progress, often with the effect of seeing policymakers chase growth at any cost. But a country is much more than its gross domestic product.

Seeing the successful results of attempts to implement a four-day working week might convince business and policy leaders to redistribute some of the gains in GDP in terms of our most precious commodity: our



time. Now that could be considered real progress.

This article is republished from <u>The Conversation</u> under a Creative Commons license. Read the <u>original article</u>.

Provided by The Conversation

Citation: Four-day week trial confirms working less increases wellbeing and productivity (2022, December 2) retrieved 25 April 2024 from https://phys.org/news/2022-12-four-day-week-trial-wellbeing-productivity.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.