



Struggling to Recruit? Consider Benefits of a Four-Day Work Week



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Hey, everybody. This is Gene Marks, and welcome to another episode of On the Mark. What is all this talk about a four-day work week? Is this just another way for people to do less work? Is this just another ruse by all the younger people to say, "Hey, we want more time off, and we don't want to come to work as often"? Is that what it's all about?

I'm going to tell you right now as a business owner, the answer is really no. Four-day work weeks, the whole topic of a four-day work week is something that is very, very much in the news, something that is being discussed by so many people, and it's a good narrative. I'm going to make an argument for you that a four-day work week, if you have it, if you want to employ it in your company, could be almost the answer to recruiting new employees and also keeping your employees retained for a while.

Listen, when I talk to my fellow business owner, my clients Let's not forget, the average age of the typical small business owner is over the age of 55, according to the Small Business Administration. So, when I bring up like a four-day work week, suffice it to say, I get a lot of rolling of the eyes. But that doesn't necessarily have to be this way. In Iceland, they did a huge test of this between 2015 and 2019 of about 2,500 workers, which is about 1% of the country's working population; The equivalent would be 16 million workers in the U.S. They say it proved an overwhelming success. It increased happiness. It increased productivity. The companies themselves were able to absorb a four-day work week without any issues whatsoever. It was a better lifestyle choice. It also helped with mental health issues as well.

Iceland's study was such a success that other governments, like New Zealand and Singapore and Spain right now, are also doing their own tests and considering their own four-day work-week models. There's been a group of congressmen led by Congressman Mark Takano, who I interviewed a couple of months ago, he's on one of our Paychex THRIVE podcasts, where he introduced legislation requiring U.S. Companies to limit their work weeks to 32 hours. Now, I'll tell you, I don't think there's a lot of chance of that actually happening. That's a pretty Draconian thing. But, you know what, a lot of companies are sort of taking the four-day work week under advisement.

There's a company out in San Francisco called Bolt, which they have 550 employees, and they implemented a four-day work week. Panasonic is doing the same thing. Microsoft tested it out in Japan and found a 40% increase in popularity. Kickstarter is doing it. Thirty companies in the UK right now are participating in a pilot program. This is a trend. This is something that's really happening.

I'd like to put it out to you and say, listen, if you are thinking of it, you can do a four-day work week as well for your employees. Now, a four-day work week isn't such a stringent definition. Your four days could be four 10-hour days. There's nothing wrong with that. If you are recruiting employees and saying, "Listen, we do four 10-hour days, and then you get a three-day weekend," that is a really great recruiting tool already in some professions like nursing, for example, and health care.

So, you'll be aware that just saying it's a four-day work week doesn't necessarily have to be a 32-hour week, although it also can be a 32-hour week, depending on how you manage your employees. Let's face it; Being an employer today, being a manager is different than it was 10 years or 20 or 30 years ago. Back then, it was always about putting in the time and doing the work, putting in the time and doing the work. New management strategies have evolved where you judge engaged employees based on their deliverables and their output and what they're actually doing. So, if you hire an employee to do specific tasks with specific deliverables, and you've got the metrics to support it, then if they do their work in 32 hours or 40 hours or 10 hours, what do you really care?

So, if that is something that your company does, or if you have jobs or job descriptions that could support something like that, then you might want to consider offering four-day work weeks to those employees that qualify or that are eligible, and as long as they meet the deliverables, why not let them just work four days a week? Or like I said earlier, maybe you can offer a four-day work week with 10-hour workdays, as well.

It's something to consider, and I'll tell you the reason why, because Robert Half, the big recruiting firm, they did a survey recently, and they found that two-thirds of employees want a four-day work week, at least more flexibility with their time. Yet, only 17% of employers are even offering it, despite the fact that other studies have shown that these working arrangements increase productivity and effectiveness and morale.

Think about it. You're trying to recruit an employee for your business. Maybe you're offering some type of four-day work week arrangement. The guy down the street's not offering that, or your competitor in the next town isn't doing it, but your offering a four-day work week in these times of short supply of labor and such a demand for good people might be the difference between you hiring that great employee, retaining that great employee as well, or losing them to another company.

Remember as well that if you offer a four-day work week, some companies that are part of this that are trying this out are having that impact their vacation plans. Maybe you have some type of a generous vacation plan, but instead you say to an employee, "Well, we're going to give you a four-day work week, but going forward, you'll only have two weeks of vacation instead of four weeks," because you can balance it out based on that.

I guess my point is is that this is an attractive and potentially no-cost benefit that you can offer if you do it correctly, and yet it's a great recruiting tool for small businesses and could be a recruiting tool for yourself. Think about this. It's a hot, trendy topic. Here you are looking for employees, you're placing job ads, you're asking around. One of the benefits that you offer, and it could be your leading benefit... "Hey, come and work for my company. If you qualify and you're eligible, we can offer you a four-day work week." People

are reading about that. They're interested. They get excited about it. I think it'll attract a few more eyeballs than if you didn't do anything like this at all.

So, consider a four-day work week for your company. I really think it's something that's going to catch on, and I think it could be a great recruiting tool for your business and for a lot of other small businesses.

My name is Gene Marks. I hope you enjoyed this conversation and my thoughts on a four-day work week. If you have any other things of advice that you'd like to get from me, topics you'd like to suggest, guests that you'd like to suggest, let me know. Visit me at payx.me/thrivetopics. That's P-A-Y-X dot M-E forward slash thrive topics. You can fill out a form there and tell us what you think, ask me any questions and also suggest any topics or guests that you'd like to see on the show.

If you'd like to see me online, visit me on Twitter, @genemarks. That's at G-E-N-E-M-A-R-K-S. Thanks again for joining me for this episode of On the Mark. I'll be back next week with thoughts on some other news topic at hand. Have a great week. We'll see you then.

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