

Possibility Brief | April 2024

DOING MORE WITH LESS: POSITIVE RESULTS OF A FOUR-DAY WORK WEEK IN THE COMMUNITY IMPACT SECTOR



Land Acknowledgement: As beneficiaries of ongoing colonialism, we recognize the privilege in being able to build a life here in Mi'kma'ki, the ancestral and unceded land of the Mi'kmaw People. This territory is covered by the Peace and Friendship Treaties. This land is also the birthplace of Black heritage and culture in what is now known as Canada following the forcible displacement of people of African descent. We are committed to carrying out the long overdue, vital reconciliation and anti-oppression work.



POSSIBILITY BRIEF

DOING MORE WITH LESS: POSITIVE RESULTS OF A FOUR-DAY WORK WEEK IN THE COMMUNITY IMPACT SECTOR

Written by: Lydia Phillip and Annika Voltan

of four-day work week participants reported less burnout (4 Day Week Global)

54%
report increase
in work capacity
(4 Day Week Global)

63%

found it easier
to attract talent
(4 Day Week Global)

Resignations dropped by

57%

(UK's 4-Day Work
Week Pilot Report)

of organizations continue a four-day work week after the pilot (4dayweek.com/why-pilot)

Modern workplaces are burning people out and added anxieties related to climate change, war, social injustice, and polarization are compounding the effect. These trends combined with the current unaffordability crisis are leading people to exit the Community Impact (Nonprofit) Sector, leaving many organizations struggling to meet the growing demands. COVID-19

drastically and quickly changed how people work. Across sectors, we see asks for greater flexibility as employees increasingly seek out workplaces driven by values and human-centered approaches. In this "possibility brief" on the four-day work week, we explore how non-financial measures can help address recruitment and retention challenges.

The Issue:

People working in the Community Impact Sector play a critical role in providing supports and improving lives. Despite increasing demands, they remain undervalued, earning ~33% less than other industries. Many staff are burnt out and on the brink of requiring the supports they are offering due to low wages and benefits, leading them to exit the sector.

Why It Matters:

Impact organizations (nonprofits and charities) play a critical role in community wellbeing. They are needed to address homelessness, provide mental health supports, contribute to community safety, protect the environment, and offer welcoming places for newcomers. But without staff, organizations cannot effectively provide these services, exacerbating the challenges and lowering quality of life for all.

The Possibility:

Providing a four-day work week increases organizations' ability to compete with other sectors for talent, decreases burnout and turnover, attracts more qualified and diverse candidates, and reduces gender and racial wage disparities. A healthy, happy sector means greater ability to address complex issues and lead transformative change.

HOW WE DEFINE A FOUR-DAY WORK WEEK: A four-day work week is a shift from regular full-time hours (e.g., a 37.5 or 40-hour week) to 30 or 32 hours per week with no reduction in pay. Some models (often called a "reduced-hour work week") allow staff to allocate 32 hours over the week to have shorter days to support caretaking and other unique situations for staff rather than specifying one day off. Four-day and reduced-hour work weeks challenge extractive capitalist notions of productivity and "grind culture" in favour of recognizing human needs, wellbeing, and life outside work.

Point of clarification: A reduced hour work week is not a compressed hour work week – which maintains a 40-hour work week in fewer days (e.g., 10-hour days for four days).

CALL TO ACTION:

Organizations need to respond - To value staff, promote wellbeing, job satisfaction, and fairer compensation, trial a reduced-hour work week at the same pay for all employees.

THE CONTEXT:

The need for greater work-life balance is a determining factor influencing broad labour force shifts. Four-day work weeks are becoming a more normalized concept given the research supporting their contribution to better work-life balance and higher productivity. Though the movement started in the private sector, many impact organizations are questioning the traditional work week. In October 2023, IONS published a possibility brief on Improving Total Compensation in the Community Impact Sector, including labour market trends contributing to burnout and turnover in Nova Scotia's nonprofits. One call to action was for impact organizations to trial a four-day work week as a way to attract people by increasing quality of life and total compensation.



Engage Nova Scotia works with community, government, business, and academic sectors to advance quality of life in the province. Their wellbeing framework measures <u>Time Use</u> as one of eight domains of wellbeing – which considers how people experience and spend their time, and how this affects physical, mental, individual, and family wellbeing, as well as present and future wellbeing. A study of the data collected by Engage NS from more than 12,000 people revealed that time use is one of the most important predictors of wellbeing, second only to mental health (Hill, Mackinnon & Smale, 2023).



Globally, we have seen that a four-day work week allows for greater worker autonomy and has positive impacts on the individuals, organizations, communities, and economy. People report more engagement and creativity within their work, positive effects on their wellbeing and mental health, and reduced stress and burnout. Organizations have reported benefiting from boosts in productivity and performance and have an easier time recruiting and retaining staff. The additional time off provides people more time to volunteer and be in community, caretake and parent, and participate in leisure activities. The ripple effect of these activities contributes to social and environmental stability with <u>lower carbon emissions</u> and reduced strain on public healthcare systems.

In a recent interview, Karen Foster, Associate Professor of Sociology at Dalhousie University, stated:

"There's nothing that's magical or natural about the 40-hour week, but it's been naturalized to the point that we have difficulty imagining something else."

Here, we dig into the data and experience from IONS' and other impact organizations doing a four-day work week to demonstrate what's possible.

A GROWING TREND IN CANADIAN NONPROFITS

Research shows that better work-life balance leads to higher levels of job satisfaction and productivity. The additional time off from a four-day work week means that staff are arriving at work happier, more rested, resilient, and with a greater capacity to handle challenges. With a growing need to balance the demands of community work and develop creative solutions for decent work, the sector must invest in employees' wellbeing. Many impact organizations who can't compensate staff as they would like, and who understand the lack of wage parity, mental health concerns, and retention challenges – are exploring solutions like a four-day work, and noting the positive outcomes for team wellbeing and workplace productivity.

<u>Imagine Canada</u> is a national organization working to strengthen Canadian charities and nonprofits.

Nearly a year into their four-day work week pilot they reported:

Staff retention rate of 100%

105% increase in reported work-life balance satisfaction

Staff mental, physical and emotional health increased by 66%

40% reduction in sick days taken by staff

Work plan activities related to policy and advocacy campaigns increased by 86%

Membership increased by 20%

After a six-month, four-day work week pilot the <u>Newfoundland Chapter of the Canadian Mental Health Association</u> adopted the model permanently. Cognizant of their clientele and needing to produce the same level of output, they had to reshape their culture to be more disciplined in their project work and more efficient in meetings. Still, they found that:

- Employees had better work-life balance, benefiting from extra time to spend with family and friends and working on their passion projects.
- Productivity increased as staff were well-rested, more passionate, and more strategic about how they used their time at work.
- There was an increase to overall work outputs, engagement with clients, ability to submit grant applications, and an increase in funding for the organization.

"With 10-hour days you don't get the same mental health benefits.

And if you reduce pay, you will have to accept reduced results, and we weren't willing to do that"

- Chandra Kavanaugh, CEO Mental Health Association Newfoundland and Labrador

<u>JAYU</u> is a charitable organization that shares human rights stories through the arts and engaging conversation. They implemented a four-day work week in 2020, and after one year reported:

71% of staff were feeling more productive working four days instead of five.

86% of staff felt they could complete their weekly tasks in four days, versus 33% when working a five-day week.

of staff felt a better work-life balance, and 100% agreed that four-day work weeks reduced burnout, made them happier and productive, and more committed to the organization.



OUR PILOT EXPERIENCE

In light of challenges facing the sector such as burnout, attraction and retention, IONS had a desire to experiment with non-financial solutions to improve the workplace experience. We joined three other impact organizations across Nova Scotia (New Dawn Enterprises, the Cape Breton Centre for Craft and Design, and the Ecology Action Centre) in a four-day work week pilot. Research of the pilot project was supported by Change Lab for Action Research Initiative (CLARI). Over the period, data was collected through surveys and analyzed by Dr. Stephanie Gilbert, Associate Professor at Cape Breton University, with support from Andi Heffernan and Taegen MacPhee. For detailed findings, check out the "Reduced Workweek Pilot Report".

Each organization recognized the connection between burnout and negative organizational outcomes like turnover, absenteeism, and reduced job performance. They anticipated positive outcomes such as greater work-life balance and organizational commitment from a four-day work week. At IONS, all staff opted to take Fridays off. In the case of New Dawn Enterprises, based on the nature of the work and challenges with everyone being off on the same day, decisions about days off were determined at the team level. In all cases, salaries remained the same.

Only IONS and the Ecology Action Centre implemented pre-pilot surveys, which helped with comparing the effects of the change. Shorter "pulse" surveys were incorporated throughout the pilot, with a longer survey at the end. IONS also included individual and team reflections to better understand the nuances of the experience. Based on input from the pre- and post-surveys, the research findings showed statistically significant changes in the following areas:

Less difficulty in balancing work and family demands. Increased perception of being treated with respect and courtesy by co-workers.

More
willingness
to help coworkers with
questions they
have about
their work.

Decreases in perceived stress, burnout, and intent to quit.

Increases in opportunities to detach from work ("shut off" at the end of the day) and to learn new things outside of work.

Executive Directors of the pilot organizations observed an increase of the quantity and quality of job applications in recruiting efforts, which they attribute in large part to the reduced hour schedule.

These findings align with existing studies across multiple organizations who found that these similar benefits of four-day workweeks were largely sustained one year later (Kelly et al. (2022) and Pignon et al. (2024)).



Challenges and Considerations:

The pilot research suggests that reduced-hour work weeks can have a positive impact in the Community Impact Sector but they're not without challenges.

During the study period, staff reported experiencing struggles such as time and workload pressures, meeting deadlines, a faster working pace throughout the day, and Monday morning email overload. Some people expressed difficulty coordinating with other organizations working five-day weeks, as well as less connection and social time with team members.

Many of these realities exist even in organizations with a full work week and are contributors to the burnout we're experiencing at a societal level. Effects can be mitigated through employee training on time management and task prioritization, clarifying roles and accountability, ongoing culture change efforts, and reprioritization of workloads to fit with the new working hours. Some recommendations include:





Connections to Organizational Culture

When we first implemented the pilot, IONS was in a tough spot. Tension was at a bubbling point, unhealthy power dynamics were at play, people were overworked, and there was a feeling of overwhelm and apathy.

The research and anecdotal data point to some growing pains in the early stages: the initial adjustment of reduced hours led to some conflict around workloads, time use, meetings and scheduling, and equal ability for everyone to work 32 hours. At the same time, people were keen to try the new policy and viewed it as a positive step toward change. For the four-day work week, our team actively challenged the idea of trying to do more in less time. We leaned into focusing our efforts and being more strategic about what we take on and how we spend our time.

The four-day work week forced conversations and group agreements around workloads, priorities, urgency culture, and how we work together. The additional space gave us the energy to surface tensions and the ability to address and work through challenges. Over time, research showed significant improvement in our team's relationships – staff had greater capacity and willingness to support each other and felt more respected and valued. This led to less workplace conflict and time spent resolving interpersonal issues. While we can't attribute all these changes to the four-day work week, it certainly played a role in retention during a difficult period and enabled us to show up with more patience and compassion in our change process.

The pulse surveys also indicated an increase in participation and commitment to the organization. Staff felt pride in IONS and shared the belief that a four-day work week was a tangible way to live our values. Our team overhauled and adjusted the organizational structure, updated policies, considered more accessible practices, and learned how to hold generative meetings. This deep dive provided clarity around individual roles and accountability, and where there were gaps that required a new skillset and hiring in. Strengthening the collective understanding of IONS' goals and the work plan helped position the organization for growing the team and our work.

The process wasn't entirely easy, but the research showed an increase in engagement and productivity as staff found their "equilibrium", thriving within a four-day work week. We continue to see the benefits on:



A JUSTICE AND EQUITY LENS

Inequities related to gender, age, race and health are growing wider in the Community Impact Sector since wages often do not keep up with inflation and cost of living. The sector is disproportionately staffed by women, newcomers, Black and Indigenous people, disabled people, and 2SLGBTQIA+members – many who identify as neurodivergent or living with mental illnesses. A new report from the Calgary Chamber of Voluntary Organizations (CCVO) notes that young people also represent a substantial portion of the sector workforce. These groups are directly affected by the unaffordability and housing crises, and experience greater social and economic barriers related to employment.

Additionally, many in the sector are directly affected by social injustices and have external commitments outside of their day jobs to support their communities. This could include advocacy, leadership, cultural events and observations, volunteering, caretaking, and healing work – all which is crucial for building a more just and equitable society. A four-day work week can support people by mitigating some of the challenges of working for lower wages while having additional caretaking responsibilities, access needs, or commitments related to identity and community. Below are some ways we're connecting the dots between our current context and the justice and equity implications:

WHAT WE KNOW

THE JUSTICE & EQUITY IMPLICATION

Care Report, 2023).

ORGANIZATIONAL IMPACT

Four-day work weeks aren't always offered to all staff

- There's disparity between frontline staff and managers participating in a reduced-hour work week. Service workers have lowest satisfaction, managers have the most – this gap may widen further with unequal participation (Burden of
- Management positions (often held by white staff and disproportionately by men) have greater access to a reduced-hour work week, which perpetuates systemic inequities around hierarchy, wealth, power, and labour.
- Racialized people are overrepresented in frontline positions and are often the most in need of more space and rest (Imagine Canada, 2022).
- There are unique solutions for offering reducedhour work weeks for frontline work that requires full time coverage

Inequitable participation:

- Increases pay disparity and wage gaps.
- Perpetuates overwork and burnout for racialized people .
- Increases inequitable time for rest, caregiving duties, being in community, and participating in professional development opportunities.
- Increases risk of losing diverse staff members.
- Increases costs related to addressing conflict

Four-day work weeks improve job satisfaction

- The Community Impact Sector has the lowest job satisfaction rates compared to other industries, and job satisfaction within the sector is even lower for racialized staff, younger staff, newcomers, and disabled people (Burden of Care Report, 2023; Facing the Storm Report, 2023).
- Those from equity-deserving groups who experience job dissatisfaction may opt to leave the sector.
- People who represent their communities often have more trust and know-how. An exit of diverse staff/ leaders from the sector means losing the ability to generate more inclusive, equitable solutions.
- Increasing job satisfaction through greater space to rest, means better retention of diverse leaders.

- Greater diversity within organizations.
- Ability to retain younger staff, disabled people, and newcomers.
- Better succession planning.
- Less absenteeism and turnover.
- More time for staff to upskill and develop personally and professionally.
- Increased representation in leadership.

(A Justice and Equity Lens - continued next page)

A JUSTICE AND EQUITY LENS

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WHAT WE KNOW

THE JUSTICE & EQUITY IMPLICATION

ORGANIZATIONAL IMPACT

Four-day work weeks help reduce wage gaps (*if salary stays the same)

- Reduces gender and racial pay gaps.
- A four-day work week at the same salary creates equitable participation; if pay is reduced, not everyone can afford to partake. This will disproportionately affect women, newcomers, youth, Black, Indigenous, racialized people, disabled people, and 2SLGBTQIA+ members.
- Improved ability to provide childcare, particularly for single parents (four-day work weeks can decrease childcare expenses by 20%).
- Increases access to other income streams and better financial situations for sector staff.
- Increases access to certification, accreditations, and other role-related training for those who may not have traditionally had access.

- Improves employers' ability to increase hourly rate and value to employees without increasing costs.
- Improves total compensation.
- Reducing the salary may compromise the benefits of a four-day work week.
- Lower recruitment and onboarding costs.
- Increases ability to attract qualified, skilled talent.

Four-day work weeks improve wellbeing

- Provides space to recover from burnout, high demands from work, connected to personal context (lived experience) - which allows people from equity-deserving groups to sustain the work and stay in the sector.
 - Equity-deserving groups are particularly vulnerable to experiencing poor physical health and mental illness (Food Banks Canada, 2023a).
 - Race-based health inequities disproportionately affect Black, Indigenous, and racialized communities (College of Physicians & Surgeons of NS, 2022).
 - Increases access to employment for disabled, neurodiverse people, caretakers, and those who may not have the ability to work five-days.
 - There's a positive impact on gender equality as unpaid care and domestic labour typically falls to women.

- Fewer sick days used.
- Less burnout and turnover.
- Increased productivity.
- Increased innovation and creativity.
- Greater ability to address challenges and problem-solve.
- Greater diversity within organizations.

Four-day work weeks improve community health

- The reduced hour workweek has important social benefits for employees' families and communities, as they report having more time to participate in family life, caregiving, and volunteering (Reduced Workweek Report, 2024).
- Allows space to be in community for cultural or special events outside of colonial days of recognition.
- Additional time in community supports the passing along of traditions, cultural knowledge, and intergenerational learnings.
- Supports an aging population as there's more time to care for older adults.
- Supports children and youth as there's more time for parental and guardian duties.

- Staff feel refreshed, energized, and connected to their work.
- Greater resilience and capacity to support community work.



IDEAS AND IMPLEMENTATION

Implementing a four-day work week can have a significant impact on recruitment, retention, and wellbeing in the Community Impact Sector. It contributes to burnout prevention, improved work-life balance, and offers extra space for people to rest or find other income streams to offset wage inequities. In the table below we've pulled together a set of tangible steps, actions, considerations, and resources for those interested to start a reduced-hour work week.

Implementation	Considerations	Resources	
1. Research & assess the readiness of your organization	 Host initial discussions with your team and Board to determine how this policy aligns with your values and what it could help address in your organization. Some of the early-stage discussions may require exploring and rethinking dominant ideas around productivity and wellbeing. Define the goals, purpose and team expectations for the policy (at IONS, we found it helpful to have external facilitation support to do this). Conduct research about what's worked well and what's been challenging for others who've experimented with this policy. Review your current funding agreements and discuss your intentions with funders if there might be implications for deliverables. Consider your work plan and be realistic about whether of your planned activities may be affected by this change. Think about how your clients/ people you serve might be affected and how challenges could be mitigated. Determine whether you plan to implement the policy as a pilot or make it permanent right away. If you decide it's not feasible right now, consider alternatives such as shorter weeks during the summer or a compressed work week! 	 This Possibility Brief on the Four-day Work Week Possibility Brief: Improving Total Compensation in the Community Impact Sector Examples of organizations in Canada doing a four-day work week Reduced Workweek Pilot: A Nova Scotia Nonprofit Pilot Reflection & Discussion Guide for leaders and teams 	
2. Draft the policy and supporting resources	 Consider any restrictions your team might have for a four-day work week. For example, is it feasible for everyone to be off on the same day or would it be better to stagger schedules? If it's not possible to have a full day off, perhaps several shorter days could be explored. These considerations should also include any barriers to equitable implementation across the team and how those might be mitigated. Consider the parameters for your pilot phase (if you're doing one) such as how long the pilot will be, how you will collect data and evaluate its success, etc. Review policies from other organizations and adapt them to create your own. Some key questions we found we needed to explore included: What will the schedule be? How will the change affect salaries? Vacation allotments? Can people bank time worked on Fridays as time in lieu? How will non-statutory holidays be treated? Present the draft policy to your team and board and be sure to allow lots of space for discussion so people feel heard, and input can be incorporated. 	 Briefing note for the Board (IONS) Reduced Working Hours Pilot Policy (New Dawn) IONS 4-Day Work Week Policy 	
(Ideas and Implementation - continued next page)			

IDEAS AND IMPLEMENTATION

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Implementation	Considerations	Resources
3. Build supporting team structures	 Identify priorities for each person, team, and the organization. Adjust workflow where needed and create an organizational work plan with clear priorities and activities. Take time to set clear expectations around implementation with team members (e.g., make sure people are on the same page about how flexible or rigid the day off is). Review the current team meeting structure and consider streamlining/ reducing regular meetings (it can be helpful to have periods with no internal meetings, or departmental team meetings at the same time/ same day, etc.). Update existing policies to ensure the reduced hours are reflected (e.g., salary policies, employee handbook, etc.). Develop a data collection and evaluation plan and schedule time in advance for check-ins/ debriefs and surveys, etc. Consider partnering with a researcher from an academic institution or other research body to add credibility to the evaluation. Ask each team member to complete a written acknowledgement that they are participating in a pilot that may end or be changed based on results. Update communications materials so people know not to expect responses from the team on the day off (e.g., email signature, web site, etc.). 	Four-day Work Week Pilot Acknowledgement Sample Client letter (New Dawn) Sample Volunteer letter (New Dawn)
4. Implement and evaluate the pilot	 If you have the budget, you can start a four-day work week pilot supported by 4 Day Week Global (Imagine Canada used this option). Clearly communicate expectations of the team and reiterate goals for the pilot phase. Implement a pre-survey and/or interviews to collect data before the pilot begins so you can compare it at the end. Implement regular check-ins about whether people are able to take the time off (which should be encouraged!) and make adjustments to reduce barriers that emerge. Be prepared to be responsive to changes, transparency, managing expectations, extend pilot if needed. Implement additional surveys/ check-ins throughout the pilot and at the end to collect data about its effectiveness. Analyze the data collected throughout the pilot (either via inhouse staff or an external researcher). Make a decision about whether to proceed to permanent implementation of the policy. 	 Pre-pilot and post-pilot survey Pulse survey Individual journaling prompts Analyzing Survey Data Guide Most Significant Change Exercise Imagine Canada's Scorecard
5. Implement a permanent policy	 Develop a proposal for your board of directors that includes findings from the pilot phase research and a case for making the reduced hour work week part of the organizational policies. Include a draft policy with your policy that is informed by your experiences with the pilot and the team's input. Celebrate the change and encourage others to try! 	 New Dawn 2023 Reduced Hour Work Week Policy IONS 4-Day Work Week Policy Join a list of Canadian organizations with a four- day work week



In Summary:

Re-examining traditional work structures can have a positive impact at a systems level, improving environmental and socioeconomic sustainability. Supporting a happy, rested society means healthier communities, increased volunteerism, more time in nature, supporting local businesses, greater attention and care for children and older adults, increased access and employment opportunities, and a more diverse, leaderful sector. A four-day work week doesn't happen overnight. It requires commitment to iterating with your team culture and organizational structure, but the benefits internally and externally are a gamechanger.

Additional Helpful Resources:

- Improving Total Compensation in the Community Impact Sector
- 4Day Week Global: Pilot Support and Resources
- Pathways to Decent Work: Decent Scheduling
- Tips for Implementing a Four-day Work Week and other Decent work practices

References that informed our work:

The Burden of Care: Addressing Challenges in Employment in the Nonprofit Sector (2023)

Reduced Workweek Pilot: A Nova Scotia Nonprofit Pilot (2024)

The Results are in: The UK's Four Day Work Week Pilot (2023)

Facing the Storm: State of the Sector (2023)

Imagine Canada (2022). Diversity is our Strength: Improving Working Conditions in Canadian Nonprofits.

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