



edison365
Making ideas pay

White Paper: The 4-Day Week

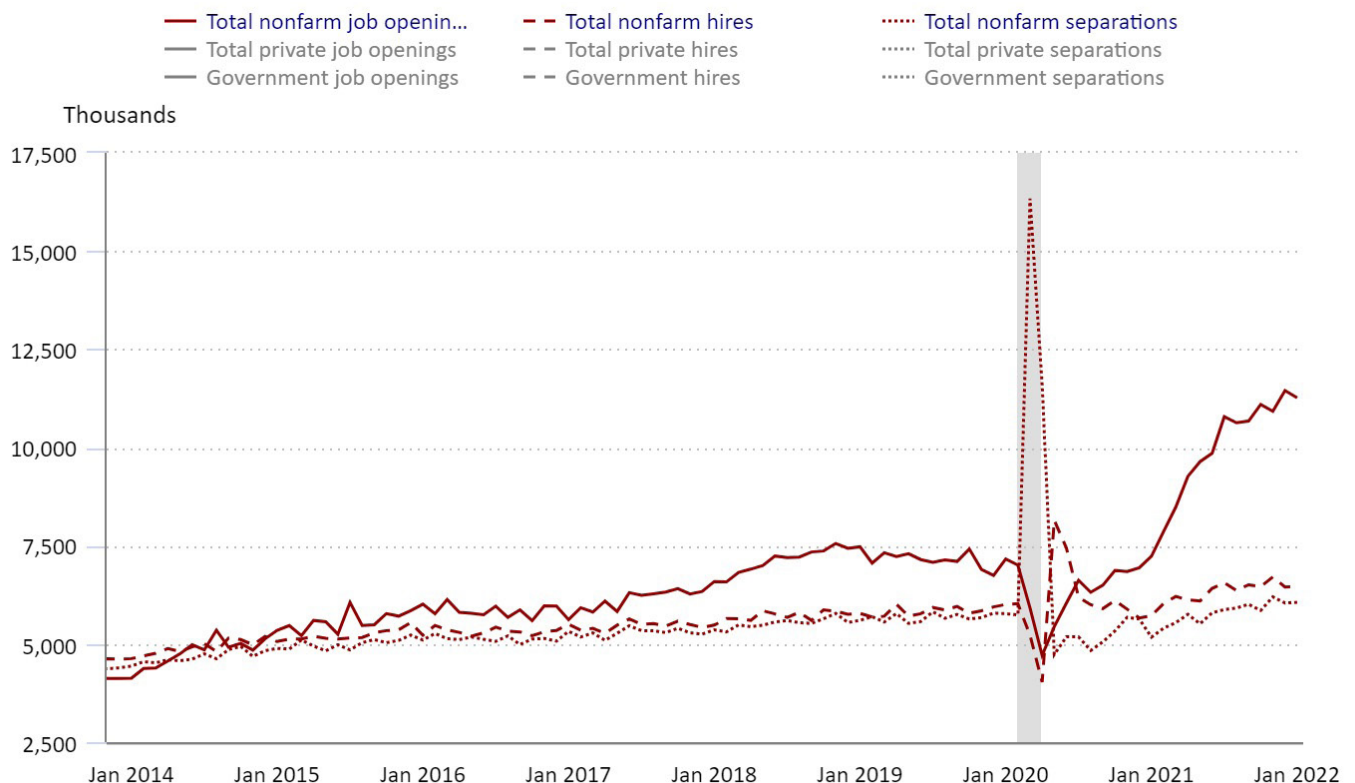
**How edison365 made the switch
to a better work-life balance**



The 4-Day Week

The 4-day week has been a story of democratized innovation, natural progression, and incrementally applied change for edison365.

Whilst we've been preparing for this transformation for over a year, the recent rise in interest on the global stage comes as no surprise; between the coronavirus pandemic, the Great Resignation, and a substantial change in working across all industries and markets, people are focusing more than ever on their health and wellbeing. In December 2021, 5.9 million Americans wilfully walked away from employment (U.S. Bureau of Labor Statistics, 2022).



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In the 24 months since January 2020, there have been a total of 150m separations (U.S. Bureau of Labor Statistics, 2022).

Causes for this trend are numerous and complex. Across every industry, in every sector, staff have been subjected to intense pressure both personally and professionally. Places of work became more dangerous, and many were closed for extended periods or eventually out of business for good. The cost of living continues to rise, as international trade challenges and resource issues across the manufacturing sector mean less produce and less transport. Family dynamics have changed too; many have been forced to spend more of their time looking after children while schools were closed or working remotely, altering family cadence and structure.

Many companies have evolved, adapted, and changed how they work. Some temporarily, others permanently. For the people that make up these organizations, a new working environment has been quickly born, with many making a very clear distinction between businesses who have learned and changed for good, and business who momentarily flirted with change, before reverting back to tradition.

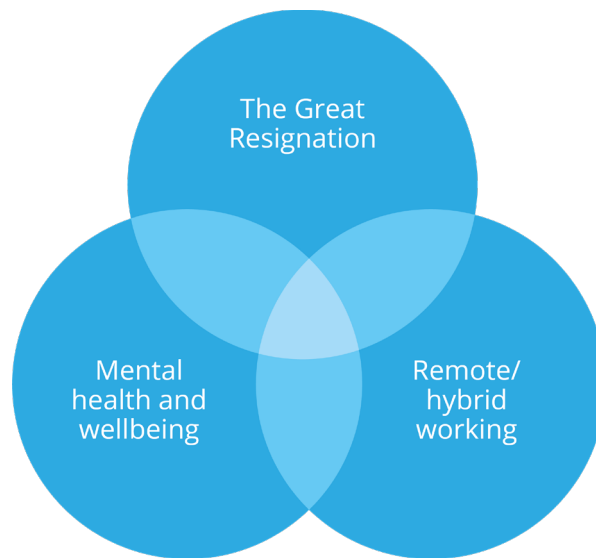
This pivot back to “the good old ways” centres heavily around worker benefit, environment, and expectation. Companies and employees alike have had a substantial trial period that, for most, has comprised of working from home / remote working, flexible working, and increased digitization.

Now that we have experienced a new way of working, it's no shock that people don't want to give this up and get back to long commutes, expensive lunches, and rigorous office environments. In a YouGov poll on behalf of the BBC, 70% of people polled predicted that workers would “never return to offices at the same rate” (BBC, 2021) – a strong indicator of sentiment, desire, and expectations.

The alternative? Return to a way of life and working that causes or contributes to poor mental health and wellbeing. Generally, mental illness and mental health are becoming much more palatable topics in the workplace. Employees in the UK took more days off due to mental health in 2021 (3.36) in comparison to 2020 (3.19, at a cost to businesses of £12.7 (Westfield Health, 2022). 43% of employees said their mental health was worse since the start of the pandemic, with 31% taking



time off due to mental health in 2021. One positive takeaway, however; 68% of people felt the pandemic made their employers more aware of mental health issues.



It is critical that any business leader or owner pays attention to these early indicators of the changing landscape. The new, online working environment is here to stay. It has been proven on a global stage that not only is it possible, but in many cases beneficial, for workers and businesses in equal measure. It is no longer considered a perk, with much of the workforce now regarding modern working environments as a minimum requirement. It also evident that workers know this to be the case – and have no qualms in quitting work to find an employer aligned with their own values and attitudes. It is a hard thing indeed to forego that extra hour in bed, time with family, or reduction in personal costs.

To ensure survival, businesses must now seriously consider implementing a number of policy and process changes to meet these new requirements. Top talent will look elsewhere if this change is not made, and a lack of modernization will dissuade future talent from applying. The power of the future, as always, lies in the hands of those able to adapt and evolve as quickly as possible to these new conditions.

At edison365, we are constantly innovating in all we do. A crucial area of focus is on cultural development; ensuing that we create and maintain an environment that not only attracts, but helps us to retain, best-in-class talent. Preparations began in earnest over a year ago, as we switched to a 4.5-day week, giving all staff Friday afternoons off, before moving onto a full 4-day week.

Through this whitepaper, we will lift the lid to share our approach, process, and feedback – in the hopes that others will learn from this and take a practical look at how to apply this to their own working environment.



Our Approach

As we often recommend our customers do, we approached this initiative with a formal view of change management. We're fortunate that, as a small and agile start-up, we have less momentum to overcome when executing changes. Keen to prevent complacency, however, this work has been delivered with rigour and governance to ensure its success (and so we can all keep our three-day weekends, of course!)

We felt that doing a compressed 4-day week (same hours, less days) would be a lateral, and potentially backwards, step in terms of health and wellbeing. This is the opposite of our objective here, and so moving to 32h a week means that each working day is still manageable and flexible, and we're keep staff wellbeing at the top of the priority list.

In summary, our efforts have centred around improving and enhancing our employee wellbeing, developing a brilliant modern culture, and an exciting workplace, whilst retaining productivity and output. The journey we've been on to get to a 4-day week has required us to pivot and adapt to changing working conditions.

We have followed the ADKAR model for change management. Comprised of five key phases, this provided us with a framework and methodology that fits our needs, our business, and our desired outcomes. The team at edison365 all have a say in the decision-making process, so communication and feedback were a crucial part in methodology selection. Those key phases are outlined and described below:

- Awareness – stimulating and nurturing an understanding as to why the change is necessary.
- Desire – capitalizing on that initial understanding to create a sense of want and need within each staff member, helping them to identify the potential benefits (for them as an individual, and for the business as a whole)
- Knowledge – giving staff the skills, information and training needed to practically effect this change themselves.

- Ability – the point at which the change actually takes place. A crucial step that should be quantified and measured where possible, so that supplementary support can be provided where necessary
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- Reinforcement – maintaining momentum by continually assuring that the change has been implemented, that staff aren't reverting to old processes or methods, and that all is in place to sustain this effort.

Responding to the Coronavirus Pandemic

Like so many other businesses around the world, edison365 were forced to change working practises in response to the coronavirus pandemic. Over 2020, the number of workers working from home in the UK rose by 10% in comparison to the previous year (Office for National Statistics, 2021). The market reacted clearly, with a significant increase in job adverts mentioning homeworking of over 300% from February 2020 to May 2021 (Office for National Statistics, 2021).

To keep our teams safe, we immediately switched to a fully remote working practise. Again, like many others, this was not without a degree of uncertainty; could we maintain productivity? How would this work on a personal level? Can we ensure people's health and wellbeing without being in the same room as them?

Through the transition to remote work, edison365 experienced significant growth. Revenue, profit, and headcount all moved in a positive direction. Feedback from staff was positive, citing better work-life balance, lower stress, and increased job satisfaction. Operationally, we were able to reduce overheads by downsizing our office space, which also lowered our carbon footprint.

We retained our flexible working policy, continuing to focus on outputs and deliverables instead of timesheets and "hours at the desk". This combination of trust, autonomy, respect and remote working was heralded as a success by the whole team and, as we continued to increase success across the board, it became clear that this should be more than just a stopgap for the pandemic, instead a more long-term approach to working. This was not without risk; maintaining a close team bond and developing relationships was identified as a key risk, and in response we have set a standing schedule for dedicated, non-work "social sessions" that are open to all across the entire business, and include team games, "Happy Hours", pub quizzes, company music playlists, and a dedicated social channel. In summary, providing an environment for people to express themselves and forge relationships with peers easily.

Building awareness for the need to change did not prove difficult for us. The ongoing pandemic, and global shifts in working policy, along with a progressive approach to mental health and wellbeing has meant that we've been knocking on an open door. We all



recognised the need to change and had the opportunity to nurture that desire by experiencing those benefits very quickly through the pandemic.

We spent the next six months baselining and measuring the success of this change. Over the summer of 2020, we tracked a number of key indicators to help us understand whether or not remote, flexible working was successful and, importantly, areas that we could continue to improve. Sales, performance, and revenue all grew. Headcount increased. We had to take on more and more resource to meet a rapidly increasing demand. So, by September 2020, we made the decision to change to a 4.5 day week - the business as a whole would take Friday afternoons off, in recognition of the hard work and effort invested throughout the week. This would result in no salary or benefit change for the team.

Building on our initial success

At this phase of the initiative, we focus on building the desire to switch to a 4-day week. Whilst attractive on the surface, changing the working pattern for a remote, globally distributed start-up of around 26 team members is not without its challenges. The desired outcome here was for the team to want to make this change. For this to happen, the benefits – professionally and personally – had to be identified, captured, and extolled clearly and repeatedly.

On a personal level, this meant active and visible sponsorship from the leadership team; making clear commitments to “shutting down” on a Friday afternoon, being vocal about their use of those afternoons, and creating an environment in which their teams could adopt this change easily too. Staff were encouraged to share their sunny selfies and silly stories of their time off; another useful vehicle to drive cultural development in parallel.

On a professional level, this meant periodic check-ins as a management team to assess progress, identify risks and mitigate issues. Whilst there were minor challenges around availability initially, over time this shift allowed us to promote better, more proactive working practices. Another essential component was communication; with our staff internally, but also externally with customers and partners. This change was communicated prior to, during and throughout the process, to retain support and to seek out potential issues with external parties.



Finally, a key element that played an important role in the 4-day week effort was our digital working capabilities. Ensuring that we have a comprehensive approach to information management was essential; making it easy to find information, being clear on how information should be handled and managed, so we could reduce dependency on individuals and increase the potential for fully asynchronous working.



The 4-day week: turning a dream into reality

We took nine months to assess the impact of our changes. With no significant issues and positive movement across key indicators, this provided a strong position from which to further improve our working environment by shifting to a 4-day week. We had developed the awareness and have nurtured a strong desire across the business.

We began in the summer of 2021, and kicked off by communicating the idea internally with staff to gauge interest and uptake, validating and verifying that we had the foundation needed to realize this change. With encouraging initial feedback, we then moved on to engage with our Human Resources provider to explore any legal or regulatory implications of making this change – all with the focus of improving our team's mental health and wellbeing. We worked to ensure that they would not be adversely impacted by this change in other ways.

In addition to further enhancing our information management and document storage, we spent time testing our internal systems to understand how we would track and manage the working week. We needed a solution that would be simple for staff to engage with, and also make it easy to understand who's in and who's not – so we can communicate effectively.

The pilot preparation started in September 2021, with the following proposal:

- Switch to a 4-day week
- Core days Tuesday – Thursday, meaning staff can take Monday or Friday off (or a half day from each)
- Move from 37.5h per week to 32h per week
- Pro-rated holidays to reflect working days (four per week instead of five)
- Public holidays rolled into overall holiday allowance, giving teams the choice to take public holidays or work them
- No reduction in salary

Here, we focus on building knowledge. A thorough programme of training and upskilling was delivered to all staff. This covered how to track non-working days as a staff member, how to track this as a manager, how to navigate our internal information management systems, and briefings on the proposed impacts of this change.

Regular Q&A sessions with the team gave us insight into aspirations, expectations, and potential key risks and dependencies. We also had early insight into the ability of our team to support this change by auditing our time tracking system to ensure people had booked their non-working days off before the end of 2021. Regular sessions with department heads also allowed us to explore how these weeks would be structured at the team and business level, to prevent clashes or issues.

The pilot

On a temporary basis, we implemented the 4-day week from the 1st January 2022, with a view to make a decision by March of that year, and execute formally in time for the new financial year in April.

Over the course of the pilot, we assessed several key elements to track, measure and define success, ultimately to drive our decision on whether or not to make this permanent. Success criteria included:

- Customer feedback
- Staff feedback
- Revenue
- Quality
- Productivity

Feedback from staff throughout the process gave us insight into how we needed to improve and adapt to make this a success, giving us the ability to meet the needs of the team quickly and effectively.

As with the previous efforts, visible engagement from across the team allowed us to really reinforce this change and sustain it by celebrating how we spent this time off. This also provided a wonderful opportunity to continue strengthening those bonds and develop an inclusive, diverse culture.

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Outcomes and benefits

Multiple touchpoints with staff and managers alike showed that this change was not without its challenges, and required some adjustment to business rhythm, cadence and working practices. It's taken time to explore and eliminate less critical work, but with a collective effort to align schedules, set up agile touchpoints and sync calls, and to reduce the duration and cadence of some of our sessions, we have increased our efficiency.

A reduced working week also makes it easier to identify and call out non-value-add work. We've empowered our entire team to call this out when they see it too; if they're concerned that they're not adding value, they are encouraged to highlight this and invest time as effectively as possible. This will not happen overnight and is continually addressed and encouraged by leadership on an individual basis, and through our regular all-company sessions.

Feedback from staff has been incredible (as you can see in the word-cloud below). A major emphasis is placed on personal time and flexibility. As a result of this, many have felt they are more productive during the week – better equipped to solve problems, deliver consistently high-quality work and improve our products – thanks to having more time to rest each week.



Employee feedback gathered in February 2022

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Customer feedback was overwhelmingly positive, with many noting the progressive nature of the initiative and celebrating the effort to prioritize our team's health and wellbeing. We communicated this change very early and provided advance warning that this change would be happening, which gave our customers time to understand and discuss this with us, and to explore their thoughts.

Productivity has not been adversely impacted. In fact, edison365 performed so well in the third financial quarter that, through this pilot, we made the decision to increase our headcount by another 30% to meet this increasing demand. It is also worth noting that, with our team now working 80% of the days in comparison to last year, we're effectively reducing our carbon emissions by around 10 – 15%.

edison365 made the decision to permanently commit to a 4-day week at the beginning of March, and in collaboration with our partners Just Global HR, entered into a phase of consultation with the team to provide confidence, assurance and the opportunity to query those contractual changes.





Recommendations

Whilst we are in the fortunate position of a small, young, diverse company with little momentum to redirect, the lessons we have learned have been useful, nonetheless. Below are the key areas to consider when looking to implement a 4-day week:

- Communication – begin early and continue often. Transparency with your staff, your customers and your supply chain is essential. If these stakeholders are managed correctly, you will find support from your operating horizon, not just from the inside.
- Local vs global policy – how does your change to employee and employment contract affect your rights as an employer, and the rights of your employees? If you employ people in other countries or states, how does it impact them?
- Asynchronous working - do you have the necessary systems in place to make this happen? With less time for the same work, waste must be identified and removed. [Process waste](#) is often reduced through digitalization and automation. Begin by making sure your teams can work independently when needed to avoid bottlenecks arising from a lack of availability.
- Working more with less – if your priority is staff health and wellbeing (as we think it should be!), simply doing the same hours in 4 days is a lateral move at best, and a backwards step at worst.

In Summary

The most compelling takeaway from this initiative has been the feedback from the team, and from our customers. We've all had a tough few years, and to give people an extra day off each week (52 days a year, or 5 years in a 30-year career...) lets us clearly put our team's wellbeing at the core of what we do. For some, this means more time with the family. Others, more time to study. Regardless, more *me* time has allowed our staff to rest, recuperate and have a truly productive work week.

About the Author



Jack Selman

Head of Operations and Delivery, edison365

Our globe-trotting Head of Operations and Delivery, Jack, has lived and worked all over the world across a diverse spectrum of environments and cultures, from the UK, Europe, Australasia, and beyond.

He's a Fellow of the Institute of Innovation and Knowledge Exchange and works tirelessly to help our clients drive change. He's known to spend his time practising yoga, snowboarding, and enjoying dirty chai lattes whenever possible.



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