

A Case Study of Reform of the Four Day Work Week System in the UK

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Abstract. The concept of a four-day working week has generated great interest and debate in the UK workforce and business sectors. It is clear that the four-day week presents both promising opportunities and complex considerations that need to be carefully evaluated. On the positive side, proponents of a four-day work week stress that it enhances work-life balance, increases job satisfaction, and improves the overall well-being of employees. However, the prospect of less income has raised concerns among workers who rely on a steady income and must find ways to extend the working day to accommodate the same workload to prevent burnout. Finding the right balance between innovation and practicality will therefore be key to unlocking the full potential of this paradigm shift in the world of work. This paper explores the various aspects surrounding this innovative approach to work scheduling, provides a comprehensive analysis of its advantages and challenges, and makes relevant suggestions.

Keywords: Four day workweek, Reform of work system, Implementation suggestions.

1. Introduction

With the impact of the COVID-19 pandemic, the worldwide boom in telecommuting, where productivity and employee satisfaction exceed expectations, and the ability to maintain productivity in the face of the economic downturn, has brought home the importance of work-life balance. After life returned to normal, offline work became the mainstream again, but the emergency remote work balance strategy in the epidemic made dynamic work a trend, so all parties are seeking a new type of good flexible work system to adapt to the changes in the environment. In this context, the four-day work week system pioneered by Iceland in 2019 was quickly imitated and tried by other countries, developed and improved to the point that it has now been adopted by a number of well-known enterprises, and the United Kingdom, as a typical economic power, many enterprises have jointly launched the experiment of the four-day work system. In order to explore and successfully complete the reform of the four-day week system, this paper analyzes the development of the system in the United Kingdom as a case, describes the situation and implementation status of the system in the United Kingdom, and discusses its benefits and challenges based on this, and finally puts forward several suggestions to help enterprises and countries adjust and improve the system reform.

2. Case study of UK Companies Piloting Four-day Workweek

2.1. System Situation

The phenomenon of large-scale resignations and restructuring indicates that many employees around the world no longer believe that work should be prioritized over other aspects of life. The rise of digitalization and remote work also means that employees can now work from home, allowing them to better control the balance between work and personal commitments. Unfortunately, not every task can be completed from home or remotely. There are still many jobs that require on-site workers, such as those in engineering, maritime, and service industries.

Therefore, if the workplace remains a controversial solution for achieving work life balance, many countries around the world are already experimenting with a four-day workweek: European countries such as Iceland, New Zealand, and Spain are already seriously discussing and considering adopting a four-day workweek [1]. All four countries reported that the experiment to shorten work weeks was successful, had no significant negative impact on productivity, and was still improving.

2.2. Case Description

In the United Kingdom, for example, the implementation of this system and the feedback of some participating companies are as follows: In November 2022, fintech company Atom Bank and global marketing company Awin took the lead and became the largest company to launch a "four working week" in the United Kingdom. At AtomBank, all employees worked 34 hours, four days a week, and salaries remained the same. At Awin, CEO Adam Ross hailed the four-day work week as one of the most transformative moves in the company's history. Four days a week: Four days a week, reduced hours, no cut in pay.

In AtomBank, starting in November 2021, the British company AtomBank has taken a step forward to become "someone else's company," with wages remaining unchanged, and all of its 430 employees have changed to a four-day, 34-hour work week, with the freedom to choose Monday or Friday off. Atom Bank is an online retail bank in the United Kingdom and the first digital-only challenger bank to receive a UK regulatory license. The company is based in Durham, northeast England, and has no facade. As early as 2015, banks supported customers to log in to the banking system through face or voice recognition, and they could also design a dedicated banking APP interface through smartphones or tablets [2]. At Awin, a four-day work week will be implemented from the beginning of 2021, with all employees working only 32 hours a week without any reduction in wages or service level agreements with customers and partners [2].

However, the specific working hours depend on the company, some maintain 8 hours per day, some increase 1-2 hours, generally between 32 and 36 hours per week. Because there are three days off a week, you can better Balance Work and Life, the real "Work Life Balance".

2.3. Implementation Method

The company arranges employees to work four days a week for 10 hours a day. In other words, employees work 40 hours a week, but can enjoy 3 days a week off. In this way, employees can get longer breaks, so that they can better adjust their physical and mental state and improve work efficiency. First, they conducted detailed internal training on the 4-day system, explaining to employees the purpose of the system, its advantages, and how to adapt to the change. Secondly, the company is also equipped with more efficient work equipment and technical support to help employees better complete tasks in shorter working hours. In addition, the company's management has also adopted a more flexible management style, encouraging employees to arrange their own working hours and goals, and improving the freedom of work.

The company also observed significant changes and improvements after the implementation of the 4-day working system. First, employees are more productive, and they are better able to focus on tasks during tighter work hours, reducing distractions and procrastination during the workday. Second, the quality of life of employees has improved significantly, and they have more time to take care of their families, pursue hobbies, or improve themselves. In addition, employees' loyalty to the company has increased, and they are more willing to stay with the company that gives them a better work-life balance.

In summary, the implementation of the 4-day work system has successfully improved the work efficiency and quality of life of employees. The implementation of this work system requires the joint efforts of enterprises and employees, as well as effective management and support measures. The case of the 4-day work system shows that through reasonable working time arrangement and flexible management, enterprises can better meet the needs of employees and improve overall productivity and job satisfaction.

3. Benefit Analysis

3.1. Increase Employees Productivity

Working fewer hours in the short term can help employees better adjust their work-life balance. This arrangement can effectively relieve the stress of employees and improve work efficiency and focus. When work is done in shorter work hours, it is easier for employees to focus and reduce errors and omissions. Microsoft Japan tested a four-day work week, increasing productivity by 40 percent while significantly reducing operating costs such as paper and electricity consumption.

3.2. Improve Life Quality

Having more time off each week allows employees to better interact with family, friends and community. This positive impact can improve employees' job satisfaction and quality of life, thereby increasing overall well-being. At the same time, having more free time also helps employees to better manage their personal affairs and engage in self-development and hobbies.

3.3. Stimulate Economic Growth

Despite working fewer hours, employees are likely to be more productive. A more focused and productive workforce contributes positively to economic growth by enhancing competitiveness and creativity. In addition, hiring more workers to fill the gap could spur job growth and drive development and consumption in related industries.

3.4. Reduce Stress and Illness

Long-term overwork can lead to physical and mental health problems and job burnout. By implementing a four-day work week, employees are able to get better rest and recovery, reducing the risk of work stress and mental illness. Having enough time to relax and adjust to the pace of work is important for preventing and mitigating work-related illnesses. This further reduces the number of sick days and absences, contributing to improved employee health and well-being.

In conclusion, the implementation of the four-day week in the UK has brought many benefits, including increased employee productivity, improved quality of life, stimulated economic growth, and reduced work stress and illness. This kind of flexible working system can meet the needs of employees and promote work-life balance, which has a positive impact on employees, businesses and society as a whole.

4. Challenge Analysis

The issues and reasons behind the implementation of the four-day week in the UK can be analyzed from three aspects: economic costs, salary issues and increased work pressure.

4.1. Economic Cost and Efficiency

One of the main obstacles to adopting a four-day week is the economic cost it entails. Traditionally, budgets and resource allocations have been structured around five-day work, making sudden reductions in working hours problematic. For example, during the COVID-19 pandemic, some companies resorted to reducing working hours as a cost-saving measure, raising concerns about maintaining productivity [3]. A sudden reduction in working hours can lead to a loss of efficiency, as employees are under pressure to maintain the same output in a shorter amount of time. As a result of this transition, it leads to inefficiencies and can lead to reduced production. The industry may need investments to restructure production lines and staffing, further straining finances. It is important to note that industries such as manufacturing may encounter significant costs when adjusting production lines and staffing schedules to accommodate compressed work schedules [4]. This industry-specific adjustment is illustrated by car manufacturers such as Toyota, which experimented with shorter workweeks to streamline operations without sacrificing efficiency [5]. From a macroeconomic

perspective, the macroeconomic impact of this shift on national GDP growth is significant, as shorter working hours may hinder overall economic output [6].

4.2. Salary Considerations

Pay is at the heart of the four-day workweek. While proponents argue that productivity gains may offset the pay cuts that may not apply to all employees. For employees who rely on hourly wages, a reduction in working hours equates to a direct reduction in income, which can affect household income and financial stability. Failure to adjust hourly wages to offset lost hours can lead to discontent and labor strife. In Sweden, for example, a two-year trial of shortened working weeks showed improvements in employee well-being, but also highlighted the need for careful wage adjustments [7]. Hourly workers in retail sectors, such as supermarket chains, may directly lose income, which may affect their livelihood [8]. In addition, Germany's *KurzArbeit* scheme addresses the issue of wages during periods of reduced working hours by providing partial compensation for wages during periods of reduced work [9]. Therefore, ensuring fair compensation and addressing wage-related issues are critical to implementing such a system.

4.3. Work Pressure and Workload

A shorter work week may inadvertently lead to increased stress at work for employees. Even though they get more downtime, the pressure to complete tasks in a compressed amount of time may raise work stress levels. Employees will be under greater pressure to meet tighter deadlines, and increased workloads may require employees to work overtime on non-working days to meet work targets, which can adversely affect job satisfaction and efficiency. Can exacerbate the problem, which ultimately affects overall productivity. Therefore, it is necessary to take a balanced approach to work pressure. In New Zealand, Perpetual Guardian experimented with a four-day work week and reported reduced stress and improved work-life balance [10]. However, compressed schedules can increase workloads, as seen in the tech industry, where employees at companies such as Amazon reportedly work more hours in less time, potentially increasing stress levels [11]. In contrast, companies such as Microsoft Japan reported a 40% increase in productivity during a four-day workweek trial, highlighting the need for a nuanced approach [12].

5. Suggestions

5.1. Flexible Working Hours and Scheduling Methods

To address the economic cost of enterprises and the work pressure of employees, the development of mobile working hours and schedules is a feasible and effective measure, and there are many examples around the world, which can be used as a reference when the UK promoted the four-day week. Specifically, enterprises can design unique systems according to the needs of the company, such as adopting midweek as an additional day of rest or different employees in the department can arrange different rest schedules. Australian digital marketing company Versa sets Wednesdays as a day of rest, ensuring that every two working days can have a holiday, and employees who have not completed their work tasks can still enter the office on Wednesday [13]. The guardian trust arranged different days of leave for employees to ensure that guests are not turned away from their homes from Monday to Friday [10]. Spread five days of work over four days through a rotating pattern, maintaining business hours while driving productivity with a sense of happiness and anticipation.

After the great success of the pilot project in the United Kingdom, many enterprises have continued the trend of three-day rest [12]. However, in the difficult economic recovery environment, including rapid inflation, political instability and the impact of Brexit and other turbulent situations, this strategy must be reasonably adjusted according to the market situation to balance the needs of employers and employees in different industries. For example, white-collar jobs with strong professional and high technical requirements are guaranteed to have a full three-day rest, while blue-collar employees in

the service industry should be able to adjust their working hours according to the wishes of their employers.

5.2. Reward Mechanisms and Welfare Support

Keeping wages unchanged is a key part of the four-day workweek, and one of the most controversial. Although the current feasibility of the four-day work week system in the UK is extremely strong, which is beneficial from the perspective of data, actual benefits and feedback from all parties, in the future, once the interests of one party are harmed, for example, uncontrollable market fluctuations cause enterprises to lose profits and deduct wages or increase tasks, and the balance of interests between employees and employers is unbalanced. Could ignite tensions and destabilize the implementation of the four-day week. Therefore, the establishment of a corresponding performance reward system and the provision of welfare support to deal with potential emergencies should be considered to achieve complete reform in the UK. For example, employees who make higher performance in the same period of time are given a certain degree of salary increase or those who voluntarily increase their working hours are offered a timely salary increase, leaving room for employees to arrange their own work-life balance, which is an employee-led mechanism flexibility that is compatible with the employer's scheduling of rotation time. Moderate employee welfare is a way to enhance employee loyalty and reduce work pressure, especially in the UK where government welfare is relatively weak. If there are conflicts between superiors and subordinates caused by irresistible factors, interests can be reached again through welfare actions such as improving insurance services for employees, internal discounts and setting up open and transparent emergency subsidies.

5.3. Establish a Suitable Monitoring and Evaluation System

Companies need to establish a timely tracking and evaluation system from employee sentiment, efficiency, service quality, productivity changes to overall economic gains to customer feedback in response to the impact of the four-day work week system on many aspects of the enterprise. Particularly in the early stages of the transformation of more than 100 businesses in the UK today, the hidden problems have not yet emerged, and timely follow-up to the benefit assessment of the reform can provide data for the flexible scheduling and incentive schemes mentioned above, and help to develop plans and regulations to maximize the benefits and balance of the four-day week. At present, pilot enterprises around the world are mainly evaluating production efficiency. In fact, the mentality of some employees who are unwilling to shorten working hours and the impact of an extra day of rest on customers should also be noted by enterprises. Therefore, it is necessary to develop a regular evaluation model based on the industry to collect information for the leadership, such as conducting service surveys on customers and interviewing employees to survey their satisfaction

6. Conclusion

The research results show that there are several viewpoints and problems in implementing the reform of the four-day working week system with the case study of the United Kingdom.

First of all, the reduction of working hours can improve the efficiency and productivity of employees. According to research data, shorter working hours can reduce employees' error rates due to exhaustion and stress, and improve their focus and creativity during working hours. Such reforms can help improve employee job satisfaction and happiness, and improve the overall performance of the organization.

Secondly, a four-day workweek system can provide a better work-life balance. By shortening the work week, employees have more time for family, leisure and personal development. This balance helps to reduce employee stress and promote physical and mental health, while also enhancing loyalty between employees and the organization.

In addition, implementing a four-day work week can reduce traffic congestion and environmental pollution. Because employees do not need to commute three days a week, traffic congestion can be

alleviated to some extent. In addition, fewer working days also means less use of public and personal transportation by commuters, which in turn reduces emissions of pollutants such as carbon dioxide.

The significance and influence of this study is that it provides a new mode of work system reform and provides reference for organizations and government decision makers. The implementation of the four-day work week helps to improve employee productivity, quality of life and environmental sustainability, and is an effective way to promote social progress and human well-being.

However, this study also has some objective limitations. First, there may be differences in how well employees in different industries and positions embrace the four-day work week. Second, the survey uses the UK as a case study, so caution is needed when generalising the results to other countries and cultural contexts. Future studies could expand the sample size, explore work system reforms in different industries and cultural contexts, and further assess their long-term effects and sustainability.

Authors Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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