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The Four-Day Work Week: one nonprofit's positive experience

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The four-day work week is a hot topic in the national news, and it's gaining traction in the wake of COVID-19's upheaval of the workplace.

When successfully implemented, it can be a way to attract and retain employees, help them manage stress and reduce burnout, and increase efficiency without sacrificing productivity or impact. Initial pilot programs conducted by <u>4 Day Week Global</u> showed that a four-day work week both improves employee health and increases revenue.

In the not-too-distant past, the notion of a four-day work week might have seemed too radical for people to even consider. That past has passed, according to a <u>recent poll of nearly 1,000 business leaders by ResumeBuilder.com</u> exploring attitudes toward a four-day work week policy. Twenty percent reported their for-profit companies already have a four-day work week (although for most, not every employee is eligible). Another 40 percent said their companies expect to have a four-day work week in place within the next few years. Nearly all of these intend to conduct a trial before permanently implementing the policy.

Given the importance of such a trial period to any nonprofit interested in the fourday work week, the experience of one of our member state association of nonprofits can be valuable to other nonprofits in experimenting and sharing findings on what worked, what failed, and how to make improvements.

Montana Nonprofit Association's experiment

In a 2022 pilot conducted in North America and Ireland, employees reported significant improvement in a wide range of well-being metrics. Stress, burnout, fatigue, and "work-family conflict" all declined, while physical and mental health, positive affect, work-family and work-life balance, and satisfaction across multiple domains of life increased.

The Montana Nonprofit Association (MNA), a small nonprofit based in Helena, Montana, with a staff of seven and about 700 nonprofit members, was one of 50 organizations accepted to participate in the 2022 North American pilot.

"Before adopting the four-day work week, we were running a marathon at a sprinter's pace," said Adam Jespersen, MNA's Associate Director. Staff felt especially tired in late 2021 after successive waves of COVID altered their workloads, with no end in sight. MNA's board approached the Executive Director to ask how they could best support the staff. Serendipitously, a staff member had seen the invitation to apply to participate in the four-day work week pilot scheduled to begin in April 2022. After conversations among staff and board, MNA applied and was accepted.

"While nonprofits are never going to lead the way in wages against the tech and business sectors or even government jobs, nonprofits can provide you with meaningful work, pay you the best we can, and offer you the chance for balance in your life."

-Adam Jespersen, Associate Director, Montana Nonprofit Association

Now, more than a year into their experiment with the four-day week, MNA is in a position to share informed insights from their experience with the four-day work week, their plans for moving forward, and how other nonprofits might consider trying it for their own staff. It won't work for all organizations, but it might be a

useful option for others.

"The concept of a four-day week is simple," Adam wrote in a blog post at the start of the pilot. "The one (and only one) written-in-stone precept of the four-day week is 100:80:100 – 100% pay for 80% of the hours AS LONG AS the organization can maintain 100% productivity."

"The point is not that we're going to do less work. It's that we're going to work less," explained Adam. "Nobody is 100% efficient. As long as we're laser focused on the outcomes we're trying to achieve, if we're able to empower our teams to figure out how to make this work for us as an organization with our culture and our mission, we can do the job with a 32-hour container instead of a 40-hour container. That's the premise."

Measuring impact

During MNA's four-day work week experiment, Adam reports, the impact has been dramatic:

- MNA has retained staff. The team has thrived and grown.
- Revenue has increased, while expenses decreased slightly.
- Membership is up 30 percent.
- Staff are taking fewer sick and vacation days.

One of MNA's primary mission activities is providing training and education to nonprofits in Montana. During the pilot, the number of people registering for MNA's trainings increased 15 percent, and training satisfaction (as measured through Net Promoter Scores) stayed steady. Monitoring this data before and during the pilot is an example of how MNA has ensured that the quality and reach of its programs did not suffer. In fact, they improved. (This is consistent with the results of other pilots conducted by 4-Day Week Global, in which most participating organizations' productivity and revenue were affected positively during the trial.)

"We looked at the measures of the fundamentals of how we're doing the job, and we saw upticks in all those measures," Adam said.

Recruitment and retention

"While nonprofits are never going to lead the way in wages against the tech and business sectors or even government jobs, nonprofits can provide you with meaningful work, pay you the best we can, and offer you the chance for balance in your life," Adam said. He pointed out that shifting from a five-day to a four-day work week is equivalent to a 20 percent increase in pay.

Adam reports that MNA is currently faced with an interesting experiment to test the power of the four-day week in recruiting quality applicants. "Two years ago, MNA's long-time office manager retired and we rehired someone for that position," Adam explained. "At that time, we attracted three applicants. We got REALLY lucky to find a wonderful team member from those three."

That team member recently moved back to another state to be closer to family, so MNA is rehiring for the same position. "This time around, we are able to advertise our four-day week. In two weeks of advertising the position, we've attracted more than 50 qualified applicants, with the same advertised pay band as two years ago."

Tips for implementation

Adam was recently interviewed, along with other nonprofits, by the *Chronicle of Philanthropy* for an article (subscription required) identifying 10 tips for nonprofits to test a 4-day week. Here are some of those tips, along with additional insights on each that Adam shared with us:

- Start with a test (pilot) of the idea. MNA valued being able to partner with 4-Day Week Global because of the third-party research component to help prove whether the pilot worked. That was probably a selling point for the board, according to Adam. "There's 4-Day Week Global, there are other organizations doing pilots, or you can devise a test yourself, but don't just jump into the deep end: find a way to test it."
- Consider if you'll shutter completely on the "off" day. Adam explained, "We decided initially to have some staff work Monday-Thursday and some work Tuesday-Friday, so that our members wouldn't experience less responsiveness from us. In theory it worked well, but it also meant that we only had three days a week for the entire staff to work together as a team. That's where the magic happens. Only having three days where the whole team was together became somewhat chaotic. Toward the end of the pilot, we shifted so now we're all

- working Monday-Thursday and we have a rotating on-call for Fridays: someone (remotely) checks the inbox, answers the phone, makes sure we're responding to members' needs as they come up."
- Set expectations with clients, donors, and partners. "We were a little nervous about how this would go," Adam said. "We wanted to be clear with the messaging around what this was and what it wasn't. It was about us being proactive in providing wellbeing to our staff and providing a model to our sector for them to lean into as a possible option."
- Measure productivity and employee satisfaction: Be clear about how you're going to measure whether the job is getting done. Adam said, "I would encourage you to go with KPIs [key performance indicators] you know. See if they change going to this reduced-hour work week. Keep measuring the things you're measuring. Find ways to measure whether it's increasing employee wellbeing, even if it's just regular check-ins."
- Identify priorities for each job, team, and the organization. "That's kind of the crux of this," said Adam. "There are things that we do that lead to impact and there are things we do that don't. Some things are kind of in between. This is where we can continue to work to identify: what are those things that are meaningful? Especially when new things pop up if we do that, we can't do something else. The container in which we work is limited. It was limited before at 40 hours, but it's a little more limited now. Being clear about what we want to accomplish and what it's going to take to get there, our filter for saying 'no' to things, or saying we'll do a little bit but not a lot of this new thing, that's where the conversation gets pretty real."
- **Limit meetings.** "Don't just automatically assume you have to get the whole team together to have a one-hour meeting. Maybe it can be 30 minutes, or maybe 15 minutes. Does everyone need to be there? Who's going to be upset if they're not invited? We soak up a lot of time with meetings when we could be doing the work. Meetings are important, they need to happen, partly just for the connection of the team. Don't ignore that, but try to limit meetings to those needed to maintain connection, ensure communication, and get the job done," Adam advised.
- Recognize that leaders' behavior will be watched. Adam explained, "Some organizations that went through this pilot said, '32 hours is a strict limit, if you go above that, it's a performance issue just as if you didn't work enough hours.' Other organizations were a little more flexible, '32 hours is a firm guideline but we understand that things happen. Do what you need to do,

you're a professional, you have agency over your own position. If it's easier for you to have a meeting on a Friday, do that, it's okay.' MNA was in that camp. That said, we knew our leaders' behavior was being watched, so if our Executive Director or if I were constantly working and sending email to staff on Fridays, that's a signal. There's some mentoring and modeling that needs to be done by leadership. For our Executive Director and me, we're probably not working 32 hours every week, but we're not working 50. There's a proportionate decrease. It's what you sign up for as a leader, but that shouldn't filter down to staff."

While MNA is committed to the four-day week model, they're also committed to that decision not creating undue hardship for their partners. So working on unscheduled time happens... and is also part of MNA's culture. Commitment to both wellbeing and being good partners sometimes means not being too rigid.

The bottom line

According to Adam, even if your nonprofit is not ready to try a four-day work week now, everyone can do something to promote the wellbeing of nonprofit employees.

"Maybe it's just taking one Friday off a month. Or half days on Fridays throughout the summer. Even if you're in direct service – it's more difficult, but it's possible. Tailor something meaningful that works for your organization and your team. Don't feel like you as a leader have to have all the answers. Communicate your intention to reduce the work week and increase balance. Empower your team to come up with workable solutions. This can be a space where nonprofits can lead: we can offer folks a decent wage, meaningful work that makes a difference in the community, and a meaningful life."

Based on its lengthy experiment with the four-day work week model, along with the quantitative and qualitative data collected, MNA's staff, management, and board decided to continue using the model after the pilot ended. They are not alone. Two-thirds of the organizations that completed the 2022 pilot with 4-Day Week Global plan to continue with the four-day work week, according to the report on the pilot. The other third have not yet decided, but most are learning towards continuing and none are leaning against.

While respondents to the ResumeBuilder.com survey noted at the top of this story lead businesses, nonprofit leaders should probably sit up and take notice. Regarding

the poll, Adam Jespersen said, "Offering a four-day work week may not be a competitive advantage for nonprofits for long. From a recruiting standpoint, it may end up just being the ticket to stay in the game."

Our Series on Creative Approaches to the Nonprofit Workforce Shortage Crisis

This article is part of <u>a series describing creative</u>, <u>practical approaches to</u> <u>the workforce shortage crisis</u> that can elevate equity, address burnout and stress, and discover, nurture, and develop talent in nontraditional ways.

One of our five <u>core values</u> at the National Council of Nonprofits is "Honoring the Nonprofit Workforce," which reflects our deeply held belief that "Nonprofits and their employees should have the respect and the resources needed to get their work done."

That core value shapes our work creating and curating information to assist frontline nonprofits with their operations and capacity-building. It also drives much of <u>our advocacy work</u> promoting public policy solutions at the federal, state, and local levels to get more funds to nonprofits stretched by the combination of growing needs, decreasing revenue, increasing costs, and rising salaries.