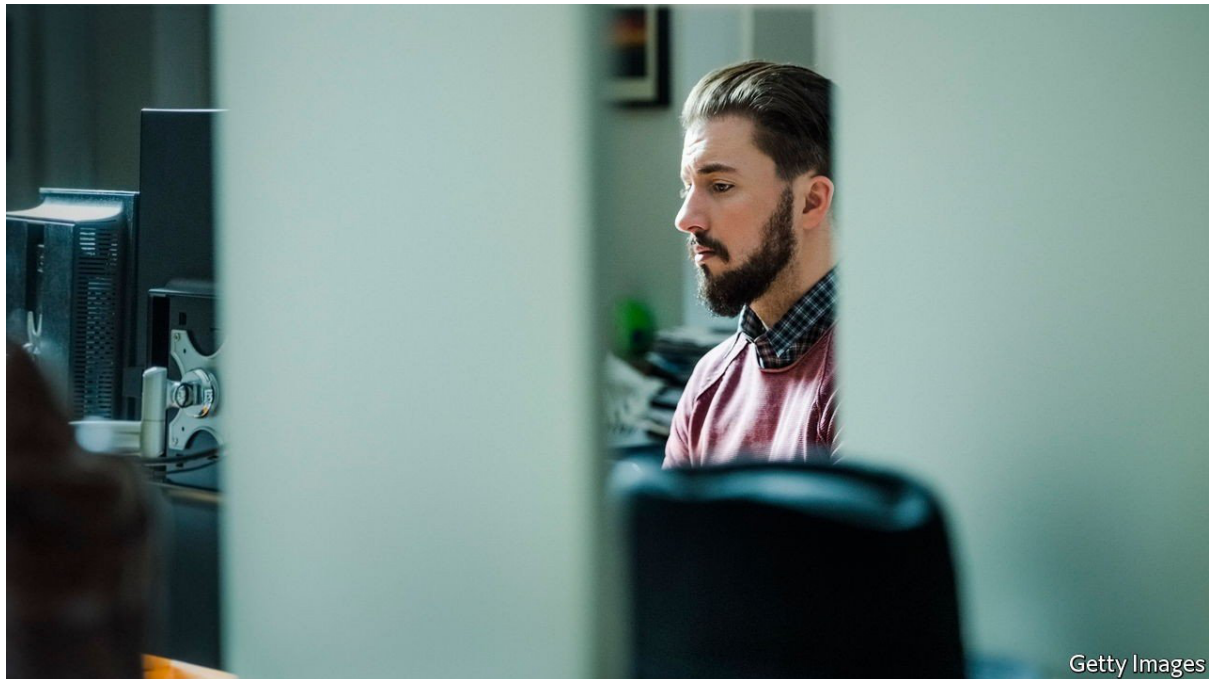


Could a four-day working week become the norm?

Iceland's experience suggests a better balance between work and life need not reduce output



Plenty of people have been [toiling for longer](#) during the covid-19 pandemic. According to one study of over 10,000 workers at an Asian technology company (the data were anonymised), total hours worked were 30% higher than before the pandemic, including an 18% increase in working outside normal hours. But this extra effort did not translate into more output. As economies recover and companies [rush to hire](#) more staff, workers seem to be gaining bargaining power. The demands of some are particularly ambitious. One idea, long battled about by trade unions and certain economists, is that people can work for fewer hours without reducing their overall productivity. Is the dream of a shorter working week within reach?

It is if you're Icelandic. Last month Alda, an Icelandic pressure group, and Autonomy, a British think-tank, published a report into experiments by the Reykjavik City Council and Iceland's government between 2015 and 2019. They involved almost 3,000 workers reducing their working hours, many of them from 40 per week to 35 or 36, while staying on the same pay. According to the report, overall output did not dip in most workplaces, and in some it improved. Reykjavik's department of accountancy, for example, recorded a 6.5% increase in the number of invoices it processed during the trial compared with the same period a year before. Workers reported feeling less stressed and healthier too. Men even started doing a bigger share of the household chores. The trials encouraged trade unions to push for shorter working hours, and employers responded swiftly. Since the

trials took place 86% of Iceland's workers have either moved to shorter hours or gained the right to do so, although it is unclear how many have chosen not to.

A five-day working week has been the Western norm for less than a century. The Reformation cemented Sunday as a holy day in Europe, but the day was often used for less-than-sober activities. With factory hands sometimes reluctant to work hard on all other days, 19th-century bosses started granting a half-day holiday on Saturdays to encourage workers to apply themselves during the week. The widespread adoption of the five-day, 40-hour working week took several more decades to emerge. Industrialists such as Henry Ford pioneered it in the early 20th century and, nudged by unions, governments capitulated. In France the Matignon Agreements of 1936 put the 40-hour week into law. America passed the Fair Labour Standards Act in 1938, which afforded overtime pay for employees working more than 44 hours a week (subsequently reduced to 40 hours in 1940) and earning less than a certain threshold, currently \$684 per week. Not every country was so quick: China's Communist Party only allowed workers to shift to five working days in 1995.

Companies are increasingly open to the idea of an even shorter working week. Microsoft and Shake Shack are among those who have experimented with four-day weeks in parts of their businesses in recent years. Doing so poses challenges though. For a start, working patterns need to be rethought to ensure workers are using their reduced time efficiently. For its trial in 2019, Microsoft Japan cut the number of meetings and encouraged greater online collaboration. Sales per employee increased by 40% compared with the previous year. The potential for annoyed customers should be considered too. One solution may be to allocate different days off to different staff, staggering working days to ensure someone is always available. These kinds of changes may seem daunting, but the pandemic has demonstrated that new ways of working are possible. For many workers, the idea of a four-day working week will seem less outlandish than it did 18 months ago.