



**BUSINESS SCHOOL**

**Perpetual Guardian's 4-day workweek trial:**

**Qualitative research analysis**



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## Introduction

The purpose of this research report is to provide an overview of employees' experiences of Perpetual Guardian's reduced working hours trial (the 'four day week'). It is based on findings from qualitative research undertaken in May 2018. The report is written for an intended audience of Perpetual Guardian board members, managers and employees. It is written for the purposes of evaluating the outcomes of the trial and future directions.

As such, the report is structured as follows. **Part 1** provides an overview of the impacts (benefits and challenges) of the reduced working hours arrangement on workplace behaviours, relationships and working environment. **Part 2** focuses on the impacts of the trial on non-work lives. **Part 3** summarises two of the main areas of employee feedback regarding the possibility of implementing a reduced work hours arrangement. The **Appendix** contains verbatim quotes from the data collection providing evidence and detail of the themes outlined in part 1-3. Only themes reported by at least 2 respondents have been included. More analysis and supporting evidence can be provided upon request.

The research design involved eight focus groups with over 40 Perpetual Guardian employees and managers, conducted between the 4<sup>th</sup> May and 18<sup>th</sup> May 2018. Focus groups ranged from 60 to 90 minutes long. Focus group participants represented both their own experience as well as those of their team members. In addition, four semi-structured interviews were conducted with four senior leaders, lasting approximately 30 minutes each. All focus groups and interviews were conducted by the report author, and undertaken following University of Auckland Human Research Ethics Committee protocols regarding anonymity and confidentiality. No payment was received for this research from any party.

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## **Part 1: Impact of reduced working hours on workplace dynamics**

### **Improvements in workplace dynamics**

In general, employees (including managers) reported that the trial resulted in a number of improvements to their workplace behaviours, relationships and environment. Table 1 in the Appendix provides a list of these improvements, with supporting quotes. Persistent themes across the focus groups and interviews include:

- The planning discussions prior to the trial's commencement stimulated employees' **intellectual engagement** as they had to 'think differently' about their work both individually and as a team. Such discussions were new to many teams, and many employees expressed a sense of greater **voice and empowerment** in their work.
- The trial's planning phase resulted in many employees designing and implementing **innovations and initiatives** to work in a more productive and efficient manner. These practical micro-initiatives included automating manual processes, changes to meeting behaviour (shorter, focused, only when necessary), sharing email inboxes, phone call forwarding systems, using new smart-phone applications, installing instant chat functions for team communication, using technology to connect with clients (phone calls as opposed to face-to-face to save commuting time), combining meal breaks with work tasks, prioritising, planning and focusing on work tasks, and reducing or eliminating non-work related internet usage. An enduring theme was the increased level of **focus and presence**, a 'head down' 'just do it' approach to one's work. The reduced hours meant that employees could **sustain** a more intensive work pattern, and they were more **motivated** upon returning to work.
- Employees reported an increase in the level of **collaboration and teamwork** directly related to the trial. Employees describe how they felt a mutual willingness to 'help each other out'. Multiple new communication initiatives enabled greater engagement between employees. Many teams (including managers) experienced greater **sharing** of information and/or **delegation** of tasks. Some managers report feeling an increase in appreciation and **trust** for the ability and reliability of their team members. The trial has opened managers and employees up to the idea of enabling workers to have some degree of discretion over where, how and when they work.
- Some employees also described the benefits of **upskilling** and cross-training, such as feeling more challenged and stimulated by their work, increased understanding of other organisational functions, and less 'key person risk'. This notion of less risk was raised by some employees who believe the organisation as a whole is **more resilient** now when confronted with unexpected events, such as the absence of a key person or an extreme weather event.



- A resounding theme across all focus groups was that employees have a shared commitment to the purpose of the trial from a business perspective. That is, there is deep and broad agreement that reduced working hours can only be viable if employees meet, and where possible exceed, the agreed productivity measures. There is much motivation to do so. Many employees see the reduced working hours as 'a gift' and 'a privilege not a right', and feel a deep sense of **goodwill and reciprocity** towards the organisation, which manifests in an openness to 'go the extra mile' and think about 'what I can do to give back'. Many employees reported a willingness to be available for work purposes on their day off.

## **Challenges and frustrations relating to the trial**

While the vast majority of data details the benefits of the trial, some participants shared the challenges and frustrations that were experienced. Table 2 in the Appendix provides a list of these concerns, with supporting quotes. Shared themes include:

- Some individuals reported an increased feeling of **stress and pressure** to complete work tasks within a shorter timeframe, especially for individuals or teams who were experiencing greater workloads (due to the time of year, a campaign, reporting requirements, reduced staff, etc.). Certain teams/divisions were **unable to fully (or partially) participate** in the trial as a result. Others found themselves working compressed working hours (10 hours in 4 days) as opposed to reduced working hours. Managers, across all levels, seem to find it particularly difficult to reduce their working hours, as one respondent says, 'the work just doesn't stop'. Some participants questioned whether this difficulty was a result of the need to delegate more work, and/or change one's habits and assumptions.
- Some employees reported that the level of **skill variation** within a team made it difficult for some employees to cross-train in more complex roles or tasks. This may be exacerbated by the short time period to prepare for the trial. This may result in team dynamic and performance issues if reduced working hour arrangements are implemented more fully.
- Some managers reported their initial concern and scepticism of the trial regarding whether it is possible for employees to maintain or increase productivity over shorter working hours. At times, this concern was connected with a **reported perception of 'variable behavioural change'** whereby some employees improved their workplace behaviours while others 'took it as a gift and didn't change'. Some managers described their disappointment with a **perceived lack of significant innovation**. They didn't observe 'a sea change' in workplace practices and that the innovations and initiatives weren't as large scale and 'game changing' as hoped.

## Part 2: Impact of reduced working hours on non-work lives

### Beneficial outcomes

The data paint a clear and consistent picture of the multiple ways in which the increased non-work time improved the quality of employee's lives. The data is grouped into five main themes according to what the additional time enabled individuals to do. Table 3 in the Appendix provides supporting evidence for each theme.

- An enduring theme across all groups is that the individuals had more **time to accomplish tasks** in their personal lives that are often 'crammed in', 'put off' or 'rushed between' in the busyness of a 5-day work schedule. Many reported a satisfaction with accomplishing these personal tasks, and this feeling spilled over to the workplace as an overarching feeling of motivation and productivity. The ability to complete chores and errands during the week directly improved the experience of a weekend, as employees were 'freed up' to spend 'quality time' with friends, family, or themselves on a weekend. Many reported feeling 'less psychologically rushed'.
- Another dominant theme was having more **time to participate in family life**. This included working (grand)mothers and (grand)fathers being more actively involved in children's lives (sharing meals, attending day-care/school activities, talking and connecting, etc.). It also included helping extended family members with their needs. Family members appear to have greatly enjoyed the additional support and involvement, with some employees reporting improved spousal and familial relationships.
- Many employees (including managers) reflected on their enjoyment of having more **time to restore and reconnect**. Many reported the 'pure indulgence' of having 'you time' in amongst the various demands of fast-paced modern life. Some reconnected with hobbies and interests that have 'started to suffer'. It appears the additional time off restored employee's energy levels for the remainder of the week.
- A smaller group of employees relayed how they had more **time to learn and contribute**. This included formal and informal study and professional development. Others dedicated the additional time to established volunteer and community work.
- Some employees purposefully used the additional **time to explore and imagine**. This included seeking out new travel, leisure and consumption activities that they wouldn't normally have the time to engage in. Some reported that they would like to engage in further education and/or volunteer work and are therefore imagining the exciting possible avenues they could embark upon if reduced working hours became more permanent.

## **Challenges and concerns**

There were very few reported struggles or concerns in regards to the impact of the additional time on one's personal life. Three participants highlighted that the additional time raised existential questions about routine and security that may be initially uncomfortable, in the words of one manager, 'how do you actually spend your time when you don't have that structure around your working week?' An employee shared a co-workers experience that 'she was getting a bit bored. She would have rather come to work and seen people'. Another employee recounted a co-worker's story of 'struggling to figure out what to do with the day off' and ultimately this person 'learnt to spend sometime with herself, which was quite an important thing to learn how to do'.



## **Part 3: Reflections on the future of reduced working hours**

The overwhelming majority of research participants were unanimous in their hope that reduced working hours will become an ongoing reality. The majority feels that their team demonstrated that they are capable of meeting (or in some cases exceeding) productivity targets within shorter working hours. A small proportion of managers would prefer to implement compressed working hours or other flexible working arrangements (work from home, etc.) rather than reduced working hours. Others outline a number of 'caveats' to accompany a program of reduced working hours. Two main areas of feedback resonate across the organization.

- **Clarifying the expectations of the additional time off**

Across the organisation, staff have different perspectives regarding the meaning and norms of the time off. Should it be a day of annual leave (and therefore no expectation to work, answer calls/emails, etc.)? Should it be seen as a flexible working day (and therefore one may be required to work if needed)? Should the reduced hours be mandatory for reasons of equality? (I.e. if some employees choose not to take the time off, while they benefit disproportionately in terms of career progression, more interesting work etc?) Should it be seen as optional? (And therefore employees will choose to opt in/out and decide weekly if they will take the day off?) If the 'day off' is seen as optional or 'a bonus', then, as one employee observes, staff may not 'change your mind around how you work'. Some employees called upon management to provide a clear and unified answer to these questions. This is by no means straightforward as managers articulated differing perspectives and preferences as well.

- **Investing in organizational development**

Both employees and managers believe that more training, support and resourcing would be needed to ensure sustainable changes and benefits. Employees frequently suggested that the company should implement more advanced information technology in order to enable greater productivity (such as remote working technology, an improved knowledge management system so staff have faster access to information online, chat-bots/robots to automate functions, etc.) It would appear that teams may also need greater structured guidance and training about how to apply lean management principles to their work tasks in order to identify inefficiencies and create new ways of working. Others raised questions about whether the organizational structure is facilitative of a vastly different way of organising that would be required of a reduced work hours model. Some managers were cautious about moving too quickly to implement reduced hours without undertaking this significant redesign and investment first.





## Appendix

**Table 1: Improvements in workplace dynamics**

Theme	Supporting evidence
<p><b>Intellectual engagement and stimulation</b></p>	<p>We were just testing out what’s the most effective way to test, you know, how we measure our productivity and out work output. So yeah, we had quite a good discussion about how that works, and sort of really got our minds working, you know, we never had to do this before, how do we begin this?</p> <p>What happened was I so conscious about any duplications, or inefficiencies in the work processes, that in that trial period I actually made a whole list of anything that was taking extra time. Or it was, why it seemed duplication or inefficient.</p> <p>My starting point’s thought provoking because it has really caused our team to be reflective about how we approach our tasks and how to reallocate them or do them better.</p>
<p><b>‘Work smarter’ innovations</b></p>	<p>The way that we improved our turnaround time was actually trying to automate it. . . So we’ve actually created formulas that input data a lot faster, so you know, typing it out is all actually automated. So that’s sped up a lot of time. That was something we wanted to do, but obviously this trial made it happen basically.</p> <p>We looked at everything we did really and said do we need to be doing this, is this productive, should we be doing it at all, should someone else be doing it, you know. We questioned everything we were doing basically. . . So what came through from the trial was particularly my focus around what does the business expect of me, and</p>



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### Collaboration and teamwork

am I doing the tasks to progress that.  
. . . My days are now filled up with client meetings, which is what they always should've been, but I was being distracted by other things.

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More collaborative, so the way my team is set up, we do quite individual roles, but we'd have to kind of work collaboratively to figure out how we can I guess overlap and help each other out.

I found the overriding thing I was more impressed with within my team was the collaboration and teamwork. They kind of reprioritised their schedules and time to make sure that they met those really pressing external obligations. And they did that really well, and then they knew when they pulled in other staff members, and other staff members were definitely willing and wanting to engage and actually facilitated in helping. So I was genuinely really impressed with the level of collaboration and teamwork I saw. And a lot of that, mainly because it didn't have to be micromanaged or pushed for.

Everyone seems to plan more now than they did before we started the trial. . . even I'm planning better than I did before, and I think generally our teams planned better, and they're planning within their pods or their teams as well. And it makes sure that they're not dropping the ball.

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### Delegation, sharing and trust

It's like you want to delegate, because when you are away and you have to rely on your buddy, or other team members, to make sure the work that comes through will get done. And just by the kind of, the large portfolio that I have and the complexities, I've been reluctant in the past to like just give it to others. But I've found that I've trained them, they sort of know where to find what, and I was a lot more

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trusting in them. And things did get done, so I'm now more relaxed.

I've got a great team around me who are really motivated, great client ethic, you know, work well together, actually care about what they do. And so that actually helps me to be able to actually take that day. And because of having that day, it means that they've got stronger relationships within the company and that sort of thing. It's not down to me having those relationships, so it means that they get a chance to be able to move their careers and be the person, that sort of thing.

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### **Upskilling, task variety**

For the fact with the client manager having a day off during the week, I probably got a bit more of a variety of the workload. I got to do new things and try new things, which you know, normally he would just do himself. I suppose now that we've gone back to the five-day workweek and he's back doing those jobs, he doesn't feel the need to sort of pass them on. So it's sort of limited a bit more of the learning personally for me.

It sort of made us sort of expand how we worked and how we delegated the different levels of work. And I s'pose for me personally I got to probably do more variety of activities because there was more time constraints and more pressure, so we found it quite exciting.

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### **Voice and empowerment**

We were all empowered to come up with the solution.

The trial focussed us on our team meetings and made sure that everybody had a bigger opportunity to speak. And we noticed that towards the end of the six weeks, and even

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when we talked about the feedback that we want to put forward, that everybody actually had something to say and contribute to the meetings.

I mean you've even got the client assistant seeing clients. You know, it's that simple thing, if they're not sure they'll come out and ask or whatever, but they're really confident, or it's given them the confidence to go out and see clients that they weren't.

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### **Focus and presence**

One of the things I noticed we did was instead of say doing half an hour of this, half an hour of that and you'd bounce from one job to the other, I know I did, I put down say three hours or two and a half hours just to do this one specific task. And it put me in the mindset that that was what I was doing right there and then, nothing else really mattered unless it was urgent. And I got through I'd say a lot more work in a shorter amount of time, if I was dedicated to one task, like two and a half hours. I just really got stuck in and I did that with a few things, and I know one of the client managers did that as well, and it seemed to really burn through the work real quick, which was really great.

It's having that focus, that you're constantly thinking, right, I've got all of these things to do, this is my to-do list, I've got to get this done by Thursday night. And then you just get your head down and you just get there and do it.

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### **Goodwill and reciprocity**

The reward of the company giving back to you. And just the feeling that you're working somewhere that actually cares about your wellbeing and having co-workers that care about your lives I think makes a big

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difference.

If I was learning someone else's responsibilities then it's equally they were learning mine. So it, I didn't think for a minute, I'm doing extra work. I was just thinking we're helping each other.

I think from the culture perspective it was just so much more energised and people really starting to move away from that [stance of] 'this is my day job, this is boring, I come to work because I need a pay cheque. At the end of the day I don't find it that exciting, but wow, look at this opportunity that Andrew has given us'. And you know, I really believe that there were a lot of people that actually really genuinely felt what I can do to give back.

If I had to do a few emails, a few things, it didn't worry me, or take a few phone calls. I was still doing what I wanted to do, so that was, you know, quite okay.

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**Stamina and motivation**

So coming back on a Thursday, you find the energy levels by Friday, you still are carrying on at a higher level than it was during the five day week.

I used to just think, oh gosh, you know, only four days this week, that's great, then I get a three day weekend and it just gives you that extra bit of oomph to get there I think, somehow.

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**Organisational resilience,  
reduced risk**

We had the massive storm in Auckland on a Tuesday night and for the Wednesday it was really disruptive for the city of Auckland because people couldn't get into work or they had to deal with their electricity which was off or everything. But because we had so many of our staff away on a Wednesday and so many contingencies already in place for that particular day,

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I wonder if we came through it actually really rather well. So from a business continuity planning perspective, I think this whole planning, and it's good for the city as well, keeps us off the streets.

I was actually sort of putting my hand up as the team leader of two people going, 'you've got key person risk. Because one person knows how to do everything and it's all new processes and if he's sick for a week or if he takes his annual leave or whatever, none of you know how to do it'. And it was important transactional stuff for the business. So the great thing is, out of the trial, is they all started communicating with how to do things and what to do and how to do it better and, like, on the day before he was off, he'd always sort of debrief people at the end of the day about where things were at. He'd put it up on the whiteboard, like, client by client, of what needed to be done the next day and so it was, gave me, as just an outside observer, so much more comfort in the fact that, actually, there was a lot less risk in that team because they were actually starting to work together a lot better.

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**Table 2: Challenges and frustrations**

Theme	Supporting evidence
<p><b>Stress and pressure</b></p>	<p>You're squeezing so much into four days that you do feel like, or they felt like, the stress was definitely up. You're kind of making up for that day [off], but you're also often covering for someone else as well. And that, I saw that manifest itself in heightened stress levels in some of my direct reports.</p> <p>We didn't really make any [changes to how the team works]. I think it was just about kind of trying to cram all this work into the four days, which was difficult.</p> <p>The frustrations of having to wait [for information from another department/person]. And when you get information it isn't, I think the quality of the information of some of the, the stuff that came through deteriorated during the trial. I think people were rushing things, didn't have the, they were trying to jam 100 per cent into 80 per cent and I think the quality suffered as a result of that. That includes communications with clients, which is where we generate our revenue. (Manager)</p>
<p><b>Workload incompatible with mandatory 4 day workweek</b></p>	<p>The first day that I actually took off, I actually worked all day from home. . . I was checking emails and dealing with emails coz I just didn't want to come back the next day and have to deal with all of that again. (Manager)</p> <p>We found a lot of us weren't doing 32 hours we're doing more . . . for this to work on a 32 hour workweek we're going to need resourcing.</p> <p>Well we actually didn't reduce our working hours because we came in earlier. We, we think we are pretty</p>



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lean in the event and we just don't waste eight hours of time during the week. Also we, we had a little bit of a different situation because we'd lost a staff member, we lost a current manager and a current assistant and so we were having to cover their work as well in addition to everything else you know. So we, we just came in earlier, we did longer hours you know. We all felt that we'd be happy to do 12 hours days to have the fifth day off, you know.

Teams have said that they don't feel that it's, in their current, with their current workloads, they don't feel that it's actually workable to continue with it. But they said they can see a rolling four days, five days, four days, five days as something that is more achievable. So they came up with that themselves, they said, look, we just, we feel like we got behind and that we, and I could see that they were definitely stressed in some cases. And they said, you know, I'm actually going to come in on half of my day off tomorrow because I need to.

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I guess [the trial] showed there were a lot of skill gaps between tasks, which certain team members couldn't do within our team. . . I guess coz of the short notice of the trial it was a bit of a rush to kind of put those skills together so that those skills were available during those days.

### **Skill variation**

Everyone is very reliant on [my manager] because she's got a huge skillset. . . So she definitely would have worked beyond her four-day week, even though it would have been from home. But there was no possible way that it couldn't, but they learnt that that's an upskilling opportunity going forward.

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**Perceived attitudinal differences**

What I observed was variable behaviours amongst team members. So some people were emotionally invested into it and would change their work habit accordingly. Whereas others took it as a gift and didn't change. (Manager)

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**Perceived lack of significant innovation**

My team told me they had different behavioural changes, so they said they were more, each said they were more focused, maybe more energised. Personally, I didn't notice any difference. But nothing slipped. No-one was, yeah, no-one slacked off, no-one, nothing slipped. But I didn't see a drive, I didn't see busy-ness, I didn't see, ooh, how are we going to do this better and more innovative? There were no new initiatives so that was a bit of a disappointment, because I did challenge them to think that way. (Manager)

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**Table 3: Impact of reduced working hours on non-work lives**

Theme	Supporting evidence
<b>Time to participate in family life</b>	<p>It enabled more time with my kids in the respect of I've got three school age children, so I was able to do the lunch home sausage sizzle, which I normally wouldn't get the opportunity to do because I'm at work. And I was also able to be involved in pet day and catch my children's softball final. So just those kind of things that I don't normally get a chance to be involved in. . . They absolutely loved it. . . they're like oh you know, you're always at work, you never come to our things. So having me there it was a real boost for them.</p> <p>I was at playcentre with the four year old. And so it was a really unique environment, I don't normally see him in that. . . and actually being one of the only dads that goes into the environment and that. So all the other mothers and that really liked it coz it was different, there were some different ways of playing and that type of thing.</p> <p>I spent one day with my husband, went out for lunch, a weekday lunch, you know, how great is that? Something that we never get, normally get an opportunity.</p> <p>On the weekend, on Saturday you do your washing and you clean your house, you do everything. You could do that on the Friday and then actually on a Saturday and Sunday you had them free. And you could actually relax and go okay, I've done that, now I can spend some really good quality time with friends and family. But it was kind of nice just to have a you day, you</p>



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know, you don't actually have a you day much because it's rush, rush, rush in the weekends.

I suppose it just gives you that, you make more of an effort to spend time with people you probably wouldn't so much in the weekends, like grandparents and things like that.

We saved a bit of money being able to pick up the kids ourselves and not having to pay the nanny.

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The days off have been busy, but have been like good busy, thing's I've wanted to do, but I couldn't get to, because I was at work.

The three days is sort of, is really productive personally as well. So overall you just feel like, I don't know, actualised, what's the word, like you feel good generally.

### **Time to accomplish tasks**

Just get time to do things you wouldn't otherwise have done you know. I did all the washing on the Friday so the wife didn't have to do it on Saturday, so she was much happier with me and therefore happier with the kids. And therefore everybody was happier.

There's that sort of I don't know what it is endorphins or euphoria or something that gets released when you do a job and you know you've done it well and finished it.

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And one day, it was a guilty pleasure, I spent time by myself. No husband, no kids, pure indulgence, just me, myself and I. It was just so good.

### **Time to restore and reconnect**

Things come to you on your day off that wouldn't come to you when you're sitting at your desk. . . It's that head space, it's that ability to think.

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Also just time to just reflect a bit



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and be quiet you know, and recharge your batteries. Because I, some people get energy and recharge by being with people, I need to be alone you know. We're all different. And when you're with people all day and sometimes you've got so much to do, you just need some time to, to just chill out, uninterrupted time. So that was huge for me.

I'm not a morning person, so mornings are stressful between the traffic, hitting the snooze button half a dozen times, etc. So I worked, when I could I started around 10, the odd days when I had meetings, so I'd start later. But I enjoyed that because I'd come in and I was less stressed, so I'd catch the bus rather than driving. So I saved some money on transport costs actually. The odd days I went for a walk and went for a coffee in my neighbourhood rather than racing over the road. Had the odd snooze, which was a proper sleep-in without hitting the snooze button.

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### **Time to learn and contribute**

I do all the community activities as well. So that off day gave me some more time to actually focus and make sure it does get completed around that time.

I actually found that that extra day in the week I could be really productive in my volunteer work, because I can get so much done.

So my day off was Thursday because I study two papers as well at university and Thursday's the day I have classes... Afterwards I'd be able to either hang out with some friends or I'd be able to go home early and then sort of relax.

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Most of my friends are still all at university, so it was really good for me to be able to catch up with them because normally sometimes I feel like I kind of miss out on actually being at university. And I got to go to some of the speakers events that the law school organisers, which was a really good experience, 'cos I normally wouldn't have time to go to them.

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**Time to explore and imagine**

And someone said to me now you've got at least 48 extra days in your life every year, imagine if it went forward, what are you going to do with that? And that was just like a passing comment from someone but it keeps ringing in my ear and I keep thinking to myself, you know, what am I going to do? What could I do for me?

So every day of the trial, I went to a new – completely new to me, I'd never actually been to this gym before, this outlet of the gym – a new fitness class.

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