



Henley Business School Whiteknights Reading, RG66UD

+44 (0)1183785249 r.fontinha@henley.ac.uk

Subject: Testimony in favor of the Four-Day Workweek Pilot Program and Income Tax Credit Established Four-Day Workweek Act of 2023

8 February 2023

To the Maryland General Assembly

Dear Sir, Madam,

I am currently Director of Flexible Working research at the World of Work Institute – Henley Business School, University of Reading, United Kingdom and Associate Professor in the International Business and Strategy department at this business school.

I have co-authored, together with Professor J. T. Walker, the Henley report on the 4-Day Work Week, and I am currently co-coordinating the 4 Day Workweek Pilot in Portugal, sponsored by the Portuguese government.

A reduction in working hours has been linked to favorable outcomes for both individuals and organisations, as depicted in the <u>main findings</u> of our Henley report on the 4-Day Work Week. This report uses data from 2000 employees and 500 business leaders in 2019 and 2021, some of which have already implemented a 4-Day Week on their own initiative.

There are significant improvements in terms of mental health and work-life balance for individuals, but more importantly I would emphasize the main costs and savings for organisations.

While there may be implementation costs in sectors where there is a need to recruit more employees (like healthcare or manufacturing), businesses report significantly higher savings, compared to the initial costs.

But if employees are working less, where can businesses save?

Businesses mentioned that they had an increase in productivity, that their levels of absenteeism dropped (people taking sick leave), allowing businesses to reduce costs on hiring contingent workers to replace those on sick leave, and their corporate image improved. Another significant saving was related to staff attraction and retention – people do not wish to leave organisations implementing a four-day week, except when paid almost double their current salary.





These findings are supported by the most recent Four Day Week Global reports.

For the above-mentioned reasons, I would highly support the Four-Day Workweek Pilot Program and Income Tax Credit – Established Four-Day Workweek Act of 2023.

Yours truly,

Dr Rita Fontinha

Rita Fontinha

Director of Flexible Working - World of Work Institute - Henley Business School

Associate Professor in Strategic Human Resource Management

Co-coordinator of the 4 Day Workweek Pilot in Portugal