

Statement by Jon Leland Chief Strategy Officer, Kickstarter Co-founder, WorkFour

before the Committee on Health, Education, Labor, and Pensions

"Workers Should Benefit from New Technology and Increased Productivity: The Need for a 32-Hour workweek with No Loss in Pay"

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Introduction

Chairman Sanders, Ranking Member Cassidy, and members of the Senate Health, Education, Labor, and Pensions Committee, I appreciate the opportunity to testify on the need to transition to a shorter workweek, with no loss in pay, for the benefit of our economy, society, and our people.

My name is Jon Leland and I am the Chief Strategy Officer of Kickstarter, the largest crowdfunding platform for creative projects. We have 118 employees across the country and every year we help about 20,000 entrepreneurs, creators and artists fundraise \$700M to launch new businesses and projects. I am also the co-founder of WorkFour, the national campaign for the 4-day workweek. We are an entirely volunteer-driven organization dedicated to supporting the transition to a shorter workweek for the benefit of all workers, businesses, and society.

Data and common sense led Kickstarter to pilot a 4-day workweek

The COVID-19 pandemic upended work for everyone. Suddenly, the norms around where, when, and how work got done shifted radically. Kickstarter, like many companies, pivoted to being a fully remote company, and we adapted quickly to new forms of working together. That shift demonstrated just how ingrained, and potentially outdated, some of our assumptions are

around the way we work. But the pandemic also clarified something else—that the time we have with our families and our loved ones is the most valuable thing in our lives, an insight that made us more critically assess the time we do spend at work

Kickstarter is a data-driven organization, and our interest in the 4-day workweek began with the mounting evidence that a 4-day workweek can work for the mutual benefit of businesses and its employees. Studies from trials in Europe and success stories from pioneering organizations in the US all showed that this was possible. Poring through the research led to a simple conclusion: the data was good.

We also knew that our employees were stressed, trying to balance work and their personal lives– particularly employees with young children at home. Smartphones have connected us to the world in real time, while letting work follow us around everywhere we go. We wanted to give our employees the time and space to attend to the rest of their lives, enabling them to be their best selves at work.

Finally, we recognized the common sense behind the data that showed the 4-day workweek works. Hours worked is a factor in productivity, but it's not determinative. Efficiency, focus, and employee retention are all more critical in driving organizational output. And the truth is, a lot of time at work is not used efficiently. Companies take up too much time meeting inefficiently, engaging inessential tasks, or performing the theater of work. Additionally, with an epidemic of burnout, workers are already finding ways to rest at work. They're surfing the Internet, working slowly, or just stepping away for a time to get the energy to continue with their workday.

We were faced with a choice: we could either demand our employees give us time that wasn't being used effectively and efficiently, or we could strip the inefficiencies in our work and give time back to our employees to properly rest. Armed with the data from studies and pilots from around the world and with input from stakeholders across the organization, we opted for the better approach—the 4-day workweek.

Once we decided we wanted to pilot a 4-day workweek, we quickly found support from our board and our employees for a pilot. We were actually in the middle of negotiating the first collective bargaining agreement with our newly formed union, who were pleasantly surprised by management's desire to move to a 4-day workweek, and we worked together on a provision in our CBA to facilitate policies for the pilot.

How Kickstarter adapted to a 4-day workweek without losing productivity

Our goal in transitioning to a 4-day workweek was to maintain or improve overall productivity, while consistently giving employees more time back in their week. The bargain we made with our employees was simple: they would get an extra day back every week while retaining the

same salaries and benefits, and in exchange, we expected them to manage their time effectively, show up to work every week rested and ready to go, and get the job done. We weren't going to scale back our goals or ambitions to accommodate the 4-day workweek.

Kickstarter joined the first joint pilot in the US that kicked off in April 2022, which was organized by 4 Day Week Global and an earlier iteration of the WorkFour campaign. Transitioning to a 4-day workweek required the active participation of every level of our company, and it didn't happen overnight. For executive leadership, the transition required us to set tightly focused goals for our teams, establish clear success metrics, and reaffirm a culture of high expectations and high trust. The 4-day workweek requires leaders to be sharper and clearer– there's less room for error in our own performance. That's a challenge we embrace. At the team level, we significantly trimmed meeting time, and identified and reduced the lowest impact work. Almost any employee you talk to could tell you a few ways that their job wastes their time. The 4-day workweek is an opportunity to collectively identify and strip away those inefficiencies. At the individual level, we expected our employees to manage their time effectively, and show up to work more focused and more motivated.

Different teams had to make different adjustments. Our product teams focused on improving their development processes. Our support teams, which have to respond to user tickets and issues seven days a week, invested in additional automation and extended their weekend rotations to cover three days instead of two. Our creator success team, which works with our top accounts, proactively set expectations with creators that we would be less responsive on Fridays, but would still be available if the matter was urgent. Nothing we did was radical or revolutionary, but working together with the shared benefit of a shorter workweek, we were able to structure our work to fit a 4-day schedule.

Outcomes of the 4-day workweek for Kickstarter and its employees

Data informed our decision to trial a 4-day workweek, and we used data to assess the success of our pilot. We measured our performance by whether we were able to hit our overall goals, maintain our user response times and satisfaction, and actually reduce working hours. The outcomes were clear. In the six months of the pilot, our ability to hit our company goals jumped from 62% to 95%. Our response times and user satisfaction remained the same. Satisfaction with work-life balance increased from 48% to 81%. Employee retention rose from 82% to 98%. We managed these outcomes while reducing, on average, staff working time by nine hours a week. Faced with the data of our experience, we made the decision to maintain our 4-day workweek going forward.

It has now been two years since we adopted the 4-day workweek and the benefits persist. We rarely see an employee choose to leave the company. That means our teams stay together longer, work together better, and our turnover costs are reduced. Meetings are like weeds and need to be

occasionally cut down to keep us working efficiently. Maintaining focus and clarity in how we direct the company remains critical for supporting our staff in hitting their goals in fewer hours each week.

For as beneficial as this shift has been for us as a company, it is a profound change for our employees. In just two years, and with a staff of about 100 people, we've been able to return nearly 10,000 days to our employees. That's more than 27 years. Those are *years* of our employees spending more time with their children and families, volunteering in their communities, learning new skills, and taking care of their health. The value of that time is priceless, and ultimately that has been the greatest outcome of our transition to a 4-day workweek.

Building the national campaign for the 4-day workweek

Motivated by the success of Kickstarter and other companies across America, my co-founder Jon Steinman and I established WorkFour not just to help accelerate this change that we believe will benefit everyone – and that so many of us are clamoring for – but to help ensure the transition benefits everyone. Our economy has not always delivered fairly to all who help power it forward. Returning invaluable time to everyone who participates in our economy is the right decision and a smart re-investment that the United States should make in its people.

The 5-day workweek is not an immutable law of nature, it was established 100 years ago here in the United States. It was the product of visionary leadership from policymakers, unions, and private industry who recognized that our economy was built on far more than hours clocked and products shipped. The economy is all of us, too, working; it's all of us going to the office, climbing into the cab of a long haul truck, donning the welder's mask. Critics of the 5-day workweek predicted doom, as they worried that a weekend would set the United States' economy back. Instead, it helped launch us to the front of the global pack. Entire industries of recreation and leisure were born, the American middle class became the envy of the world, and the weekend became the time when families and neighbors came together.

Now, it's time for a much overdue update.

Enormous advances in technology helped enable the original weekend, and the same is going to be true for expanding it. Sophisticated technology is further driving corporate efficiencies and innovation; productivity and profits are soaring. With the rapid development of applied Artificial Intelligence in the workplace, we are on the verge of even more change. Bill Gates¹ and Jamie

¹ Royle, O. R. (2023, November 23). *Bill Gates teases the possibility of a 3-Day work week*. Fortune. www.fortune.com/2023/11/23/bill-gates-microsoft-3-day-work-week-machines-make-food/

Dimon² are already predicting the need to transition to a three or three and a half day workweek. Change isn't coming, it's upon us—our generation's choice is what we make of it. With the opportunity we have now, it's important to ensure all American workers and our society reap the dividends.

The latest round of studies continues to echo what we've already learned: when piloted, the 4day workweek produces increased organizational efficiency, happier employees, and lower rates of turnover. All 35 North American companies that piloted a 4-day workweek with us in 2022 have kept it. These are individual organizations achieving individual results. If it didn't work, for-profit companies would abandon it. You don't need theories or advanced data, you just need to see that the companies that try it, almost always stick with it.

As with the original weekend, when the 4-day workweek is the norm, the benefits will scale across society. Research suggests that beyond improved workplace productivity and employee well-being, communities and families will benefit as will our environment³ – and perhaps our civic bonds as well.

At WorkFour, we're supporting the employers, unions, and policymakers at the forefront of this transition. We've worked with employers across the country who have successfully adopted a shorter workweek, and these are not just white-collar companies. Advanced RV is a manufacturer in Willoughby, Ohio, who builds custom mobile homes. They moved to a 4-day workweek in 2022, finding efficiencies that enabled them to maintain their output while dramatically improving the well-being and happiness of their employees. 4C Health is a behavioral health provider in Indiana employing hundreds of workers and serving thousands of patients. Facing a worker shortage in healthcare, they moved to a shorter workweek, which improved productivity, retention, and recruitment and decreased clinician burnout by 50%. The Golden, Colorado Police Department launched a four-day, 32-hour workweek in July 2023. Six months in, they found that their response times improved, burnout amongst officers decreased, and the city saved \$115,000 in overtime compensation.⁴ ThredUp, a clothing retailer and publicly traded company with 300 employees, made the shift to four days permanent after a successful one-year experiment, citing improved employee morale and increased productivity. This is a transition that can and must be made across industries, for the benefit of all workers.

² Jljenniferliu. (2023, October 3). *JPMorgan CEO Jamie Dimon says Ai could bring a 31/2-day workweek*. CNBC. www.cnbc.com/2023/10/03/jpmorgan-ceo-jamie-dimon-says-ai-could-bring-a-3-day-workweek.html

³ Colombo, G. F. and S. (2023, May 18). The climate benefits of a four-day workweek. BBC News. www.bbc.com/future/article/20230220-is-a-4-day-workweek-good-for-the-climate

⁴ Aguilar, J. (2024a, February 20). Golden Police's 32-hour workweek - for 40-hour pay - resulted in faster

emergency response times, Data Show. The Denver Post. www.denverpost.com/2024/02/20/four-day-week-golden-police-results-productivity-response-times/

We're proud to have helped support and introduce legislation in 10 states to advance the 4-day workweek, along with the bill introduced by Rep. Mark Takano, in the House of Representatives. Policymakers have a critical role in facilitating an equitable and smooth transition to a 4-day workweek through pilots, incentive programs, and policy adjustments.

We appreciate the engagement of this committee and the Senators in attendance today. We also appreciate that it's an election year, and there's plenty of partisanship to go around. But the 4day workweek is an issue, backed by data, that Americans of all stripes, in poll after poll, say matters to them. Before us is the opportunity to deliver a boost to our economy and happiness to every American worker. The original weekend did just that.

It's time to do it again.