GOING PUBLIC: ICELAND’S JOURNEY TO A SHORTER WORKING WEEK

June 2021
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Alda, Association for Democracy and Sustainability, is an Icelandic organisation focusing on democracy, sustainability and other related areas, such as work. Alda is a non-profit organisation run by volunteers and is run according to democratic principles of openness and transparency. Alda has advocated shortening of working hours since 2011.

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Contents

Executive summary

Introduction
   The Icelandic context

Background to the trials
   The existing evidence

Developing the trials
   The Reykjavík City trial (2014–2019)
   The Icelandic Government trial (2017–2021)
   Timeline of trials and new contracts
   Analysing the trials

Results and impact
   How effectively was working time reduced?
   How were service provision and productivity affected?
   Did improvements in workers’ wellbeing and work-life balance take place?
   Work-life balance
   Easier to do errands
   Participation in home duties
   More time for oneself
   Less stress at home
   Positive effects on single parents
   More exercise
   Wider social wellbeing
Leading by example? The experience of management

Conclusions from the trials

After the trials: continuing the path to shorter working hours
  In the public sector
  In the private sector

Appendix I: Participating workplaces

Appendix II: Maintaining service provision
  Quantitative data
  Reykjavík Child Protection Services (Reykjavík trial)
  Service Centers (Reykjavík trial)
  Department of Accountancy (Reykjavík trial)
  Police Westfjords (Icelandic Government trial)
  The Icelandic Directorate of Immigration (Icelandic Government trial)
  Qualitative data: information gathered using interviews

Appendix III: Strategies for working time reduction

Appendix IV: Challenges

References
Executive summary

- In 2015 and 2017, in response to campaigning by trade unions and civil society organisations, two major trials of a shorter working week were initiated by Reykjavík City Council and the Icelandic national government.

- These eventually involved over 2,500 workers – more than 1% of Iceland’s entire working population – many of which moved from a 40-hour to a 35- or 36-hour working week.

- These trials not only aimed to improve work-life balance, but also to maintain or increase productivity. Reductions in working time were not accompanied by reductions in pay.

- The trials evolved to include nine-to-five workers alongside those on non-standard shift patterns, and took place in a wide range of workplaces, from offices to playschools, social service providers and hospitals.

- The scale of the trials, combined with the diversity of workplaces involved and the wealth of available quantitative and qualitative data provides ground-breaking evidence for the efficacy of working time reduction.

- Results summarised in this report, based on both qualitative and quantitative data, demonstrate the transformative positive effects of a shorter working week for both employees and businesses alike.

- Productivity and service provision remained the same or improved across the majority of trial workplaces.
• Worker wellbeing increased across a range of indicators, from perceived stress and burnout, to health and work-life balance.

• Following the trials’ success, Icelandic trade unions and their confederations achieved permanent reductions in working hours for tens of thousands of their members across the country. In total, roughly 86% of Iceland’s entire working population has now either moved to working shorter hours or have gained the right to shorten their working hours.

• These reductions were won in contracts negotiated between 2019 and 2021, and have already come into effect for most workers. Some of these contracts give shorter hours to all union members, while other contracts stipulate that staff and their individual workplaces can negotiate shorter hours.
INTRODUCTION
“...we have somewhat lost sight of the fact that life is not only about work. Working culture here is, indeed, about working long hours ... [but] we should rethink work and adjust.”

Anonymous participant.1

Introduction

In recent years, calls for shorter working hours without a reduction in pay – often framed in terms of a ‘four-day week’ – have become increasingly prominent across Europe. Recognition of the coming impact of automation and technological change on our working lives, alongside a burgeoning desire to spend less time tied up in work has put a reduction in working hours firmly on the policy-making table. The ongoing Covid pandemic has only accelerated this, fuelling rapid transitions to remote work, and unexpected increases in free time as workers have abandoned their commutes or found themselves placed on reduced working hours. It has become more and more clear that few wish to return to pre-pandemic working conditions: a desire for a reduced working week is set to define ‘the new normal’.

In light of this growing interest in shorter working hours, the ability to draw on evidence from existing trials of a ‘four-day week’ or similar schemes will become increasingly important for supportive workers, organisations and politicians. This report tells the story of two landmark trials recently conducted in Iceland: who and what drove them forward, how they were designed, and – most importantly – the widespread positive impacts that they had.

From 2015 to 2019, two large-scale trials of shorter working hours – in which workers moved from a 40-hour to a 35- or 36-hour week, without reduced pay – commenced in Iceland, following longstanding calls from grassroots organisations and unions. One trial was conducted in the capital of the country, Reykjavík, by the city authorities and one of the major trade union confederations, BSRB. Starting from two workplaces with a few dozen workers, this trial expanded to over 2,500 staff in the next few years. Another trial began between the Icelandic government and BSRB in 2017, comprising around 440 staff. Combined, these two trials came to encompass more than 1% of the country’s working population.

The trials were successful: participating workers took on fewer hours and enjoyed greater well-being, improved work-life balance and a better cooperative spirit in the workplace – all while maintaining existing standards of performance and productivity. The trials also remained revenue neutral for both the city council and the government, providing a crucial – and so far largely overlooked – blueprint of how future trials might be organised in other countries around the world. Significantly, their success impacted positively on recent renegotiations of working contracts by Icelandic trade unions. By the time of this report’s publication in June 2021, 86% of Iceland’s working population are now on contracts that have either moved them to shorter working hours, or give them the right to do so in the future. These trials are therefore an incredible success story of working time reduction, of interest to campaigners and workers worldwide.

This report summarises the results of the trials, and offers a comprehensive account of their story and development. The aim is to provide policymakers, unions, employers and grassroots organisations with a deep insight into one of the most significant successful trials of a shorter working week to date, adding to the mounting evidence in favour of reducing working hours worldwide.
I. BACKGROUND TO THE TRIALS
Background to the trials

The Icelandic context

The campaign for shorter working hours in Iceland has grown in increasing prominence over recent years. Although demands for reduced working time were at first confined to a limited number of grassroots organisations, including non-profits like Alda (see Haraldsson, 2013), they have since become a focal point for a range of Icelandic trade unions, as well as BSRB, one of the country’s largest union federations. Steadily, a consensus has been building within Icelandic civil society that the country requires a reduction in working hours, with citizens starting to recognise the injustice and inefficiency of its high levels of working time – particularly when compared to close Nordic neighbours.

Iceland – much like Sweden, Norway, Denmark and Finland – provides a generous social safety net for its citizens. It boasts an advanced economy, a quality healthcare system, and ranks highly for income equality (OECD, 2017a). Likewise, the country has become renowned for offering generous paid parental leave for both mothers and fathers (OECD, August 2019). However, in marked difference to its neighbours, Icelandic citizens are nevertheless faced with particularly long working hours. Perhaps unsurprisingly, for many years the country has therefore lagged behind the other Nordics in evaluations of work-life balance provided by authorities like the OECD (OECD, n.d.).

Indeed, the OECD places Iceland as one of the countries providing the least number of hours per week for leisure and personal care – a core component of healthy work-life balance – leaving it languishing next to other work-intensive states like Chile, Mexico, and Japan. Iceland is also placed as one of the countries with the highest rates of employees who work very long hours (OECD, n.d.). This official evidence is also borne out anecdotally: it is not uncommon to hear Icelandic people often say they feel as though they are left with little time for themselves and their families.
The absence of work-life balance in Iceland is not a recent development. A 2005 study, covering a range of advanced economies in the Global North, found that one in four Icelandic workers were regularly too tired to do household tasks when they arrived home from work – the highest of all surveyed countries (Stefánsson, 2008). This underlines how long working hours have become an even more acute problem within Iceland than they have in some other advanced economies.

Interestingly, Iceland remains in a very different economic situation from many of its nearby countries in the OECD rankings on work-life balance. As can be seen in the Key Stats Box, Iceland is one of the world’s wealthiest countries in terms of GDP per capita, with very high income levels, high labour force participation, low unemployment, and an advanced service-oriented economy. However, it nevertheless reports lower productivity than many of its Nordic neighbours, as well as higher working hours and a very long expected working life. On top of this, a very high proportion of the Icelandic population work full-time hours.

The ongoing Covid-19 crisis has disrupted some aspects of this pattern – particularly through a short-term increase in unemployment — but it nevertheless captures a deep-seated trend, likely to continue on the other side of the pandemic. The picture of Iceland’s economic problems is clear: comparatively low productivity, long working hours and poor work-life balance.

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2 The economic situation has changed after the Covid pandemic hit Iceland. Unemployment is higher currently than in preceding years, and national GDP has also fallen. However, in general, the situation has changed remarkably little: Iceland continues to have a very advanced economy and income has remained very high (and in fact risen). Statistics from prior to the Covid pandemic are used here to portray how the country operated under more ‘normal’ economic circumstances.
Iceland: key stats

Population (1 January, 2019): 356,991
Land area: 102,775 km²
Official language: Icelandic
Working population (Q4 2019): 196,700
Workforce participation (15–64 year olds): 87% – highest within OECD
Unemployment: 3.4% – 6th lowest within OECD
Total GDP (2018): 2.8 trillion ISK / 17.6 billion GBP / 22.7 billion USD
GDP per person (2017): 46,981 USD – 6th highest of OECD countries, higher than other Nordic countries
GDP per hour worked (2017): 55.4 USD – 14th of OECD countries, lower than other Nordic countries
Hours worked per week per full-time working person (2018): 44.4 – 3rd highest of Eurostat countries
Full-time workers (Q4 2019): 74.7%
Duration of working life (Expected; 2017): 47 years – the longest in Europe
Workers by industry (% of working population, 2014): Services 77%, Industry 18.3%, Agriculture and Fishing 4.7%

Note: GDP per person/hour is in 2010 PPPs.

The existing evidence

Owing to the trends noted above, Icelandic trade unions, civil society organisations and workers alike have in recent years increasingly argued that the country’s combination of low productivity levels and high incomes – despite Iceland’s otherwise advanced economy – should be attributed to the effects of excessively long working hours. Worn down by long hours spent at work, the Icelandic workforce is often fatigued, which takes a toll on its productivity. In a vicious circle, this lower productivity ends up necessitating longer working days to ‘make up’ the lost output, lowering ‘per-hour productivity’ even further.

The idea that a reduction in working hours would be an effective remedy for both Iceland’s low productivity, as well as its poor work-life balance and wellbeing, is borne out by an array of available economic evidence.

On the one hand, there is a strong correlation between shorter working hours and increased productivity amongst wealthy nations. Although this relation is mediated by various factors – such as levels of general technological and industrial development, investment, equality, available part-time work, and so on – Figure 1 shows how the link between those two factors remains strong: countries with greater productivity per hour usually have fewer hours of work. Furthermore, not only does greater productivity usually correlate with shorter work hours, but as productivity increases, working hours tend to go down over time.
Likewise, a range of studies performed in workplaces show that where working time has been reduced and working patterns reorganised, productivity has concurrently increased. In their research into working time reduction in the last few decades of the 20th century, for instance, Bosch and Lehndorff (2001) note how a number of workplaces have indicated that successful reductions in working hours have been closely tied to changes in the organisation of work – whether through workers gaining greater autonomy over work processes, or changes in operating times and shift patterns. Such reorganisations have clearly had a positive impact on productivity.

Figure 1: Per hour productivity and average yearly hours across different countries. There is a strong correlation between shorter working hours and increased productivity amongst wealthy nations. Source: OECD (December 2017c, 2017d).
The evidence correlating reductions in working time – or simply increases in time spent away from work – with improvements in wellbeing and work-life balance is also strong (see Autonomy, 2019). To offer just a sample of the available evidence, a comparative study of Swedish childcare and health workers investigated the effects of a reduction to a six-hour day, or 30-hour working week (reduced down from 39 hours) on their health and well-being, by comparing an experimental group to a control group that remained on the same hours (Åkerstedt et al., 2001). They found that such a reduction “greatly improves time for family/friends and social activities and results in a moderate improvement of fatigue, sleep and heart/respiratory complaints” (ibid., p. 201).

Likewise, in a range of studies, Sabine Sonnentag and colleagues have also looked at clerical workers, paramedics, schoolteachers, civil servants, and the self-employed – as well as further job categories – to assess the significance of the quantity and quality of non-work time (Sonnentag, 2003; Fritz and Sonnentag 2005; Sonnentag et al., 2008; Sonnentag et al., 2014). Her findings have shown that if workers are able to escape mentally from their work (to ‘psychologically detach’), more readily facilitated by a reduced working week, they are often more productive, engaged on the job and convivial with their colleagues.

In conclusion, there is an established and growing body of evidence supporting the hypothesis that reductions in working time can increase productivity and improve workers’ wellbeing and work-life balance. A key to this is the re-organisation of work and established working practices.
DEVELOPING THE TRIALS
Developing the trials

The Reykjavík City trial (2014–2019)

Campaigning by BSRB and grassroot organisations helped to convince Reykjavík City Council members that changes to working time were desperately needed. In 2014, the body therefore committed to a shorter working week trial in a selection of its workplaces, with all Council members supporting the trial (Reykjavík City Council, May 25th, 2014). The project then commenced shortly after.

The trial had two main aims:

1. To see if working time reduction could address **poor work-life balance**, given the centrality of this concern to the pre-existing public campaign (BSRB, n.d.).

2. To understand if shorter working hours could **increase productivity**, and see how this might be achieved in practice. This was particularly important, since the aim was to reduce hours while maintaining workers’ existing salaries. As such, the workplaces needed to maintain service provision equivalent to that prior to initiation of the trial (Reykjavík City, 2016; June 2019).

Two committees were set up to manage the scheme, develop measurements to assess its success, and create strategies to shorten working hours (Reykjavík City, 2016). Working time reductions were developed in cooperation with individual workplaces to be bespoke to specific duties and modes of operation, although in some cases pre-defined strategies were applied. In many workplaces, discussions were held on time-management and efficiency (Gísladóttir, 2018), and Appendix III
offers more specific detail on how performance was maintained. It was also made explicit that reductions in working time would have no impact on salaries, which remained the same for every staff member.

Initially, two workplaces were selected. The first was a service-centre for Eastern parts of Reykjavík City, Árbær and Grafarholt, while the second was the Reykjavík Child Protection Service. Both were chosen on account of the high levels of stress present in each workplace, which shorter working hours aimed to reduce. An additional workplace was also selected as a control group for comparison. This was also an office location, albeit one that administered different duties.

The trial commenced in March 2015 with these two workplaces shortening the hours of their workers, seeing 66 members of staff participate. Hours per week were shortened from 40 hours to 35 or 36, depending on the particular workplace. No change was made in the control group workplace (Reykjavík City, 2016).

The trial grew almost thirty times in size over the next five years, to around 2,500 participating staff in response to early positive results. Ultimately, it encompassed not only offices, but also playschools, city maintenance facilities, care-homes for people with various disabilities and special-needs, and beyond. The Reykjavík City Mayor’s office was included as well.

The trial’s aims also expanded. First, to understand if the hours of those in irregular shift patterns could successfully be shortened. Second, to see if the long-term effects of shorter hours would be similar to the short-term ones that had been observed (Reykjavík City, June 2019). A timeline on page 23 details how the trial evolved.

In the later stages of the Reykjavik City trial, other workplaces could apply for participation. In their application, each had to explain their strategy for maintaining a similar level of service provision on lower staff hours. Workplaces also needed to ensure they included staff working on fixed salaries and
had planned indicators on how to evaluate their performance (Reykjavík City, June 2019).

The Reykjavík City trial ended on 1 September 2019, with staff reverting to their previous working hours. A few months later, agreements were signed guaranteeing shorter hours.

The Icelandic Government trial (2017–2021)

In October 2015, the Icelandic Government pledged to the trade union confederation BSRB that it would also initiate a trial of shorter working hours in some of its workplaces, again moving from 40 hours to 36-hour weeks, without any reductions in pay. This trial would eventually encompass both those who work irregular shifts as well as traditional daytime workers. The aim was to understand if both workplaces and staff would benefit from the shortening of hours, e.g. in the form of improved work-life balance (Government of Iceland, 28 October 2015). In April 2016, a working-group was set up to steer the trial, and in late 2016 all government institutions were encouraged to apply for the trial. Similar to the trial in Reykjavík City, applying institutions needed to justify how a reduction in working hours could be achieved at the same level of service provision (Government of Iceland, April 2019). Salaries also remained the same despite the working time reduction.

Again, workplaces also had to provide indicators that they would use to evaluate performance during the trial. To be eligible for the trial, each workplace needed to have 20 members of staff or more, with at least 30% of the workforce being BSRB members. Roles within the applying workplaces needed to be relatively similar, and 70–100% of staff members had to work full-time hours (Government of Iceland, April 2019).

The Icelandic Government trial started in April and May 2017. Seventeen workplaces had applied, and from these four workplaces were selected:
• The Directorate of Internal Revenue (Ríkisskattstjóri).

• The Icelandic Directorate of Immigration (Útlandingastofnun).

• Registers Iceland (Þjóðskrá),

• A police station in Westfjords (Lögreglan á Vestfjörðum).

Both the Directorate of Internal Revenue and Registers of Iceland have operations outside of Reykjavík. The police station included shift workers as well as office workers. Four other workplaces were selected as control groups for the trial, so that any changes or measured trends could be more readily attributed to the trial rather than other external factors. The trial at this point encompassed around 440 staff members, with 364 in control group workplaces selected for comparison (Government of Iceland, April 2019).

In 2018, the Icelandic Government trial was further expanded to include the Internal Medicine department of a hospital in Akranes in the West of Iceland. The idea was to expand knowledge on the effects of reduced hours on a workplace where staff predominantly worked irregular hours (BSRB, n.d.).

The trials at the Reykjavík City and in the Icelandic Government would eventually encompass more than 2,500 staff members working in over 100 workplaces. This equates to around 1.3% of Iceland’s total workforce (Government of Iceland, April 2019; Reykjavík City, June 2019).

The timeline below summarises the evolution of both trials, along with numbers of participating workers, and when results were published. A complete listing of participating workplaces can be found in Appendix I, along with information on how many hours were shortened in each instance.
### Timeline of trials and new contracts

**Labels:**
- **O:** Offices
- **S:** School or school-related
- **OW:** Outdoor work
- **A:** Nursing or assistance for people with various needs
- **SW:** Shift work
- **4:** Hours of work per week cut by four hours
- **5:** Hours of work per week cut by five hours

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td><strong>Spring 2014</strong></td>
<td>Reykjavík City Council agrees to start a trial of shorter working hours</td>
</tr>
<tr>
<td><strong>October 2014</strong></td>
<td>Steering committee starts to prepare the trial, prepares strategies</td>
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<tr>
<td><strong>December 2014</strong></td>
<td>Reykjavík City Council agrees to the plans</td>
</tr>
<tr>
<td><strong>February 2015</strong></td>
<td>Measurements done in Reykjavík workplaces on stress and work satisfaction</td>
</tr>
</tbody>
</table>
March 2015

- Service centre for Eastern Reykjavík joins trial – O,5
- Reykjavík Child Protection Service joins trial – O,4
- 66 members of staff participate in total

October 2015

- Follow up measurements in Reykjavík
- Government pledges to start a trial of shorter working hours

February 2016

- Follow up measurements in Reykjavík

April 2016

- Committee is set up to direct government trial

May 2016

- First published results of the trial in Reykjavík (Reykjavík City, 2016). Results are positive
- Reykjavík City held a public meeting on the results

June 2016

- Reykjavík City Council agrees to continue its trial and expand it
October and November 2016

- Workplaces are added to the Reykjavík City trial
- Added are:
  - Service stations for city infrastructure – OW,4
  - Service stations for clearing and road maintenance – OW,4
  - Nursing and assistance in the home – A,4
  - A play school – S,4
- Around 280 staff participate in Reykjavík City trial
- Measurements done in workplaces on various indicators
- Applications close for government trial after public advertisement; 17 workplaces apply, 4 are selected for trial

March 2017

- Follow up measurements in Reykjavík
- Measurements in government trial

April 2017

- Second set of results of Reykjavík trial published (Reykjavík City, April, 2017). Again results are positive.
- Trial starts on government level, around 440 workers participate
• Directorate of Internal Revenue – O,4

• The Icelandic Directorate of Immigration – O,4

May 2017

• Further workplaces join in government trial
  • Registers Iceland – O,4
  • Police in Westfjords – O,SW,4

September 2017

• Third set of results for trial at Reykjavík City is published (Reykjavík City, September 2017).

October 2017

• Measurements in government trial

November 2017

• Reykjavík City Council further extends trial, opening to further workplaces via application

December 2017

• Follow up measurements in Reykjavík

February 2018

• Further workplaces join trial at Reykjavík City Council
• 100 workplaces apply, around 2,500 staff participate
• Academic study of attitudes of CEOs and managers of large Icelandic businesses to shorter working hours published (Viðarsdóttir, 2018).
• Academic study of experiences and attitudes of managers at Reykjavík City towards shorter working hours published (Gísladóttir, 2018).

March 2018

• Workplaces join at Reykjavík City Council trial
• Icelandic Government trial is extended by one year

April 2018

• Workplaces join at Reykjavík City Council trial
• Trial at Reykjavík City includes:
  • 7 schools
  • 14 centres for assisted living
  • Over 40 offices of various sizes
  • Number of maintenance centers and teams
  • Numerous museums, social centres, nursing teams, assistance teams, and more

• Fourth set of results from the Reykjavík City Council trial published (Reykjavík City Council trial, April 2018). Results continue to be positive.

May 2018

• Academic study on shorter working hours at Reykjavík City published (Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018).
• Academic study on the Icelandic government trial published (Helgadóttir, Sigmundsdóttir & Sölvasón, 2018).
• Data collected from Icelandic Government trial.

June 2018

• Academic analysis of Iceland’s productivity, and the potential effect of shorter working hours is published (Briem, 2018), suggesting likely beneficial impact. Results indicate that it could be the case.
• Academic study on the effects of shorter working hours (Jóhannesson & Vikingsdóttir, June 2018). Results are positive.

July 2018

• Workplace joins Icelandic government trial: Internal Medicine Department, Akranes Hospital SW

October 2018

• Academic study of attitudes of child-protection agency workers towards shortening published (Jónsdóttir, 2018).

January 2019

• Alda, trade unions and their confederations host a joint conference on shorter working week (Alda – Association for Sustainable Democracy, July 2019).
April 2019

- Quantitative results from Icelandic Government trial published (Government of Iceland, April 2019). Results are positive.
- Members unions of the ASÍ confederation sign new contracts, which include shorter working hour provisions for workers (ASI, 3 April 2019)

June 2019

- Final results from the trial in Reykjavík City published. Results are positive (Reykjavík City, June 2019).
- Results of interview study for Icelandic government trial published (Government of Iceland, June 2019). Positive results.
- Academic study of managers’ experiences of shorter working hours in their workplace (Ásmundsdóttir, 2019).

September 2019

- Reykjavík City formally ends their trial.
- Icelandic Government trial continues until agreements are signed.

January 2020

- Working hours of workers in the private sector – e.g. shop workers in the VR union – were cut by 35 minutes per week (CLMS, April 2021, pp. 28–29).
• For manual workers and industrial workers in the private sector, shorter hours implemented on a workplace-by-workplace basis, similar to BSRB workers in the private sector (ibid.).

March 2020

• BSRB sign agreements with employers, principally aimed at shortening working hours (BSRB, n.d.).
• Six member unions of BHM – confederation of unions for university educated workers – sign agreements, also stipulating shorter working hours (BHM, May 2020). More contracts are signed later in the year.

January 2021

• Shorter hours become reality for daytime public sector worker in the BSRB, BHM, ASI and KI member unions, with the working week shortened from 40 to 36 hours (CLMS, April 2021, pp. 28–29).
• Private sector workers also gain the option to shorten their working hours (Ibid).

May 2021

• Shorter working hours also become a reality for those on irregular shift patterns in the public sector, who are members of the BSRB, BHM, ASI and KI confederations. Here, the working week was shortened from 40 to 36 hours at a minimum, with some reducing down to 32 hours (CLMS, April 2021, pp. 28–29).
• Report on contracts and shorter hours in Iceland published (CLMS, April 2021, pp. 28–29).

Timeline data based on: Jóhannesson and Vikingsdóttir (2018); BSRB (n.d.); Kjartansdóttir, Kjartansdóttir and Magnúsdóttir (2018); Government of Iceland (April, 2019; June, 2019); Reykjavík City (2016, April 2017, April 2018), Ólafsdóttir (2017) as well as references cited above.
Analysing the trials

As a result of significant academic interest in both trials, there is already a range of qualitative studies analysing their impact and the experiences of their participants. These focus on shifts in work-life balance, impacts upon domestic and familial stress, and the changes that needed to take place in workplaces for the trial to succeed. These studies have predominantly used group interviews to understand these impacts, taking a broader approach than other quantitative studies performed as a part of the trials (Government of Iceland, June 2019; Helgadóttir, Sigmundsdóttir & Sölveson, 2018; Jóhannesson & Víkingsdóttir, 2018; Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018).

Quantitative studies were also routinely conducted by the Reykjavík City Council and the Icelandic government, both as a part of their usual operations and specifically for the trials. These focused mainly on quality of life, stress, satisfaction with work, sick days, and workload among participating workers and the other ‘control’ workplaces, as well as data on their respective ‘performance’ and service provision (Government of Iceland, April 2019; Reykjavík City, 2016, April 2017, September 2017, April 2018, June 2019; Olafsdóttir, 2017).

In addition, studies were conducted to address the experiences of managers in participating trial workplaces specifically, and the challenges they faced during the experience (Government of Iceland, June 2019; Gisladóttir, 2018). Finally, a further study included managers of two private companies with shortened hours (outside of the two main trials), alongside one of the participating trial workplaces (Ásmundsdóttir, 2019).

The remainder of this report summarises the findings of these studies, reviewing the literature that has emerged to draw out key conclusions and learnings.
III. RESULTS AND IMPACT
Results and impact

During the trials, data was collected on a range of indicators including wellbeing, performance, and work-life balance. This section collates the most significant results, providing a holistic picture of the trials’ effects on workers and their organisations. Appendix II reviews further results from the trials.

Overall, the results of the trials show that the reductions in working hours:

• Maintained or increased productivity and service provision.

• Improved workers’ wellbeing and work-life balance.

The quantitative and qualitative data surveyed below provides important real world evidence of the benefits of working time reduction, disarming worries about falling productivity and bolstering claims of improved worker wellbeing.

In this section, the report dives into the wide-ranging available data to explore:

a) How effectively working time was reduced

b) How service provision and productivity were affected

c) Whether improvements in workers’ wellbeing and work-life balance took place
How effectively was working time reduced?

One popular concern about a shorter working week is that it will unintentionally lead to overwork: to maintain the same output, workers will simply end up making up their ‘lost hours’ through formal or informal overtime. This idea has been strongly propagated in Iceland by employers’ associations and think-tanks (e.g., Ólafsson, 23 October 2018).

The trials directly contradict this concern. The stated reduction in working hours did lead to staff actually working less as a direct result of workplaces implementing new work strategies, and through organising tasks via cooperation between workers and managers.

As mentioned earlier, a central aim of both trials was to ensure service provision remained the same following reductions in working time. To be able to work less while providing the same level of service, changes in the organisation of work therefore had to be implemented. Most commonly, this was done by rethinking how tasks were completed: shortening meetings, cutting out unnecessary tasks, and shifts arrangements (Government of Iceland, June 2019; Jóhannesson & Vikingsdóttir, 2018; Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018).

One participant in the Reykjavík City trials said: “We shortened meetings in our workplace and we keep trying to constantly shorten them, we constantly think about how we perform the tasks here” (quoted in Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, p. 56). Another, this time a worker on irregular hours, said:

“Our workplace joined the trial and as a part of that we introduced various changes. For instance, we changed our shift-plans. This changed the way of thinking in the workplace somewhat automatically, you know, you start to re-think and become more flexible. Instead of doing things the same, usual routine as before, people re-evaluated how to do things and suddenly people are doing things very differently from before, and people also co-operated in this” (quoted in Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 61–62).
In interviews with workers in the Icelandic Government trial, there were similar impressions. Organisation was key to working less – and the reward of reduced hours provoked people to organise their work more efficiently – with changes made to how meetings were run, as well as schedules, and in some cases to opening hours. In some instances, meetings were avoided by instead sending emails or exchanging information electronically (Gísladóttir, 2018, pp. 50–52).

In interviews conducted for the Reykjavik City trials, managers noted that their workplaces had needed to change their working practices in order for working time reductions to succeed. In some workplaces, this had been a cooperative task between workers and managers, while in others higher-level managers proposed solutions that were implemented successfully (Gísladóttir, 2018, pp. 50–53). In at least one workplace, an ad-hoc committee was arranged to identify ways of working so that hours could be shortened. A manager in that workplace noted:

“This was a bit of work, there were quite a lot of discussions and a lot of work to figure out what suited our group. We set up a committee within the organisation to work on this ... I was on it, among others here, and there were many meetings ... Figuring out a good strategy of shortening hours was a bit complex” (quoted in Gísladóttir, 2018, p. 50).

This workplace seems to have been the exception to the rule. In most workplaces the process was not so complex, and some straightforward ways of working in a more optimised fashion were identified. Routine working patterns were challenged and altered, working hours were utilised in a more efficient fashion, shifts were re-organised, and so on.
Managers at workplaces in Reykjavík City specifically noted in interviews that they worked less as a result of the trials (Gísladóttir, 2018, pp. 47-49). One manager said, “I work less ... For me it is like a gift from the heavens. And I like it a lot”, while another one claimed, “It is important that managers shorten their hours too. They have to. You cannot introduce changes whereby you expect people to perform the same in less time but not do it yourself. That is the wrong message...” (quoted in Gísladóttir, 2018, pp. 47-48).

The results were similar in the Icelandic Government trials. According to data collected in workplaces, workers did shorten their working hours, although in some offices and smaller departments there was occasional overtime due to temporary workload or specific tasks that required completion. As a general rule however, workers were able to shorten their hours successfully, along with their managers. This was pronounced after the twelve month trial period. In interviews, managers in the Icelandic Government were also generally satisfied with the reduction of working time. They noted that meetings had been shortened, and routine ways of working had been changed (Government of Iceland, June 2019).

One manager said:

“This was difficult at first, but with changes to our ways of working the cut in hours succeeded.” (Quoted in Government of Iceland, June 2019, p. 22).
At the Árbær and Grafarholt service-centre, after the reductions in working time, there was a slight increase in overtime utilised during the trial period (3 hours per month on average per staff member). These extra hours cut into the twenty hours that had been reduced, entailing that staff still saw net gain in terms of hours (Reykjavik City, April 2018, p. 33). See Figure 2 for details.

Figure 2: Comparison of overtime during the trial at Reykjavik City. Comparison workplace shows no change, while there is a small rise in a service-centre and for those staff members at Reykjavik Child Protection Services that have to respond to emergencies. Source: Reykjavik City (April 2018, p. 33).

At the Reykjavik Child Protection Service, overtime stayed the same during the trial for those members of staff that did not do any emergency work during the period: the workplace saw a 16 hour reduction per month (see Figure 2). For those staff members who respond to emergencies, hours did rise by three per month, per worker, during the period, but the overall reduction in hours was nevertheless 16 per month (a net gain of 13 hours per worker). Given that the Child Protection Service provides around-the-clock services, this small rise is normal. In the control group workplace, where there was no cut in hours, there was no change in overtime (Reykjavik City, April 2018, p. 33).
At the Icelandic Government level, overwork was not a major issue. At the Police station in Westfjords, there was no significant change (see details in table). At the Directorate of Internal Revenue there was a small rise in overwork – but this can arguably be explained by a reduction in staff numbers during the period. At Registers Iceland, overtime was reduced during the trials, but not by a significant amount. At the Icelandic Directorate of Immigration, overtime use dropped, possibly due to a higher caseload in the year before the trial. For more information, see Government of Iceland (April 2019, pp. 50-58).

<table>
<thead>
<tr>
<th></th>
<th>2015-2016</th>
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<td>5.5</td>
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<td><strong>The Icelandic Directorate of Immigration</strong></td>
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<td>7.9</td>
<td>2.6</td>
</tr>
</tbody>
</table>

*Figure 3: Overtime in hours per full-time working equivalent (FTE) per month within different sections of the Icelandic Government. Source: Government of Iceland (April 2019, pp. 51, 58, 69, 76).*
How were service provision and productivity affected?

In interviews prior to the Icelandic Government trial, workers said they believed they could maintain a similar level of service provision by being more focused on their work processes, shortening meetings, and removing longer coffee breaks. Some workers were concerned that they would need to work faster, but others looked forward to shorter Fridays and felt that this was the “carrot” that kept them going (Government of Iceland, June 2019, pp. 13–15). One worker said that “[i]t would be a disadvantage to go back to the longer hours” (p. 15).

There is a vast repository of data on how service provision was affected by the Icelandic shorter working week trials, covering a wide range of indicators, from the processing of immigration applications, to active cases in a police department or customer satisfaction terminals in the lobby of the Directorate of Internal Revenue. Appendix II offers a comprehensive overview, probing the detailed changes across the broad set of workplaces and industries in which shorter working hours took hold.

The overarching picture that emerges, however, is that the Icelandic trials strongly challenge the idea that a reduction in working hours will lower service provision. On the contrary, they show that productivity can, in many instances, be increased through working time reduction; this is evidenced by the similar levels of service provision that were maintained in participating workplaces even though fewer hours of work were required to deliver them. On the whole, indicators of service provision and productivity either stayed within expected levels of variation, or rose during the period of the trial.
Did improvements in workers wellbeing and work-life balance take place?

The trials also aimed to find out whether shorter working hours could lead to a healthier workforce, especially in the context of Iceland’s poor work-life balance. Data were therefore collected during both trials on quality of life and wellbeing at work, as well as on symptoms of stress and burnout.

**Wellbeing**

Workers at Icelandic Government workplaces that saw reductions in working time experienced improvements in wellbeing at work. Meanwhile, control workplaces working a full working week showed no such improvements (Government of Iceland, April 2019, pp. 25–30).

In the Reykjavík City Council trial, wellbeing at work was analysed during the final phase of the trial. There was increased wellbeing in workplaces such as offices, schools and outdoor jobs. Other workplaces showed no increase but did not noticeably decrease (Reykjavík City, June 2019, pp. 14–15). Workers said that they felt more positive and happier at work (Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 57–58; Jóhannesson & Vikingsdóttir, June 2018, pp. 20–21).

“This [reduction in hours] shows increased respect for the individual. That we are not just machines that just work … all day. Then sleep and get back to work. [But that] we are persons with desires and private lives, families and hobbies.” (quoted Jóhannesson & Vikingsdóttir, June 2018, pp. 20–21).

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3 Quantitative data. Statistically significant difference using a t-test (p < 0,05). Questions centered on how satisfied workers were in their work, motivation from others, feeling well at work, etc.
Symptoms of stress were reduced for workers at Icelandic Government workplaces that cut hours of work, while control workplaces saw no change.\(^4\) These changes remained for a full year after the trial started (Government of Iceland, April 2019, pp. 25–30). Similar results were obtained during the Reykjavík trials. Workers in workplaces that shortened hours showed fewer symptoms of stress (Reykjavík City, April 2018, pp. 15–26).\(^5\)

Across both trials, many workers expressed that after starting to work fewer hours they felt better, more energised, and less stressed, resulting in them having more energy for other activities, such as exercise, friends and hobbies. This then had a positive effect on their work (Government of Iceland, June 2019, pp. 25–26; Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 55–56).

Surveys during the government trial showed positive changes at participating workplaces compared to the control groups, including increased support from colleagues; more encouraging and just management; less confusion over roles at the workplace; more independence; and more control over pace of work (Government of Iceland, April 2019, pp. 25–28).

In summary, there are good indications, from interviews and surveys, of improved wellbeing at work for staff, and reductions in stress.

\(^4\) Quantitative data. Statistically significant differences. Questions centered on problems such as feeling irritated, changes in mood, muscle pain, headaches, etc.

\(^5\) Quantitative data, statistical tests used. Excluded in this evaluation are workplaces with very few responses (n < 20).
Work-life balance

Improving work-life balance was a major motivation for those who campaigned for both sets of trials. Interviews conducted with participants cast a light on markedly improved work-life balance, along with other data collected during the trials.

Participants reported a marked benefit in terms of work-life balance for workplaces where hours were shortened,\(^6\) while comparison workplaces did not show such a benefit. Many also noted that work and home life were in better harmony, and this effect was sustained a year into the trial. The research also showed a marked reduction in conflicts between work and home life (Government of Iceland, April 2019, pp. 25–30).

Interestingly, during a follow-up review, workers in participating workplaces showed less interest in working a part-time job, and were less inclined to refuse to do overtime compared to workers in workplaces that did not participate (Government of Iceland, April 2019, pp. 25–30). This indicates more satisfaction with the hours worked generally.

Many participants reported having more time with their families – a commonly held desire prior to the trials (Helgadóttir, Sigmundsdóttir & Sölvason, 2018, pp. 19–20, 22–23).

One father said in this context:

> My older children know that we have shorter hours and they often say something like “Is it Tuesday today, dad? Do you finish early today? Can I come home directly after school?” and I might reply “Of course”. We then go and do something we have nice quality time.” (quoted Jóhannesson & Vikingsdóttir, 2018, p. 25).

One mother said:

> “For my daughter to able to stay for a bit shorter at playschool, and being able to have more time with her [...] is great.” (quoted Jóhannesson & Vikingsdóttir, 2018, p. 25).

\(^6\) Data were quantitative. This was statistically significant using a t-test (\(p < 0.05\)).
This theme was corroborated in other studies as well (Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 54–55).

There were a number of specific benefits mentioned by participants:

**Easier to do errands**

In interviews, both males and females said that it was easier to do various errands around the home, such as shopping, cleaning and tidying, during weekdays rather than during weekends as a result of shorter hours. One participant expressed: “Everything at home we couldn’t finish during the weekdays, we had to do during the weekends. And as a result the weekends were of less quality.” Many participants indicated that being able to do these tasks on weekdays improved their lives considerably as they could now spend more time with the family and with their partner (see Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 51, 53; quote from same source). This was corroborated in another study (Jóhannesson & Víkingsdóttir, 2018).

**Participation in home duties**

Many male participants in heterosexual relationships took a greater role in home duties after the trial started, especially around cleaning and cooking. One participant said, “I’m more likely to take the initiative and do whatever is needed, hoovering or whatever… I’m more likely to simply do these things”. Many women did not agree with this though, as one noted, “I know that he [the partner] is willing to clean and do things, but there is a certain division of duty. I’m possibly just more likely to start tasks….”. However, the division of household labour did change in many cases as a result of the trials, with men taking on greater responsibilities (Jóhannesson & Víkingsdóttir, 2018, pp. 22–24; Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 51, 53; Government of Iceland, June 2019, p. 30).
More time for oneself

Participants also said that they now had more time for themselves, to go to coffee shops, pick their children up earlier from playschool, or for their own hobbies. How the extra time was used depended on age, especially for women; younger women tended to spend more time with their children, while the older ones did something for themselves such as, for example, a pedicure (Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, p. 55).

Less stress at home

Stress was commonly reduced in the home after reducing working hours. This seems to be a result of a partner – often male – being able to assist more in the home, making it easier for the other to attend to other duties or take some time to do something personal, but also because people simply had more hours to devote to the family. Time for the school run or similar activities also increased as a result of more time away from work. One woman reflected, “I find that stress at home has reduced quite a lot” (quoted in Jóhannesson & Vikingsdóttir, 2018, pp. 25–27). Parents often said that mornings at home had become easier and less stressful, as there was now more time to get to work. The mornings had even become a good quality time. This was a common finding across studies (Government of Iceland, June 2019, pp. 24–26; Helgadóttir, Sigmundsdóttir & Sölason, 2018, pp. 21–22; Jóhannesson & Vikingsdóttir, 2018, pp. 25–27; Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 48–50).
Positive effects on single parents

One of the studies specifically looked into the effects of shorter working hours on single parents. In interviews, these single parents expressed that the reduction in hours had a positive effect, and that they saw no significant issues with it. They noted that shorter work hours had positive effects on their daily lives – especially if mornings started later than usual, it had less negative effect later in the day. One parent remarked, “Before [shorter hours], if mornings were difficult and getting out of the door was difficult … and I wasn’t able to stay longer at work in the afternoon, … I might even have had to go to work during the weekend to finish my hours.” This parent added that this was no longer the case. The single parents reported having increased time they could spend with their children, and they said it would have a negative impact if shorter hours were withdrawn (Government of Iceland, June 2019, p. 29; quote from same source).

More exercise

Some participants said that they now exercised more than before, though this was not universal – things had not always gone totally according to plan (Government of Iceland, June 2019, p. 25). One participant remarked, “… you have more time to go out and do some exercise, exercise helps a lot. It simply does. And as a result, you are less tired generally. You are more tired if you do not exercise” (quoted in Jóhannesson & Vikingsdóttir, 2018, p. 21).
Wider social wellbeing

The effects of working less did not only impact the workers themselves and their immediate families, but also other people. For instance, grandparents expressed that they could now spend more time with their grandchildren: “We have often just gone home... played some games ... and just now we were talking about going to a coffee shop together. I wouldn’t be able to see my grandchildren [if not for shorter hours]. This is wonderful.” Similarly, friends of children whose parents participated were now able to join their friends, as the parents had more spare time: “I sometimes go and get my children’s friend from the playschool, too. So a shorter week for her as well.” (Kjartansdóttir, et. al, 2018. p. 58; quotes from same source). Some participants said that shorter hours for parents could mean less time at playschool for children generally, and thus less stress for staff at playschools.7

Leading by example? The experience of management

Managers at participating workplaces in Reykjavík were interviewed about their experiences of reduced working time, in a similar fashion to other workers. It seems that managers – in this case, at Reykjavík City – were unified in their aim to provide a healthy work-life balance. One manager said that, “[w]e must provide a good balance between work and home life. If we do not do that, there will be dissatisfaction at work and that will have an impact on others in the workplace. ... Family is everything we have.” (Gísladóttir, 2018, pp. 42–47; quote on p. 44). This attitude was likely a good precursor for the trials themselves, as the managers were already willing, prior to the trials, to provide good conditions for their workers. They often expressed that they were very happy to participate in the trials and that this was a “great opportunity.”

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7 This could indeed have great relevance for Icelandic society, as the country is ranked amongst the highest of the OECD countries on the number of hours children spend at playschools each week, but also in the hours per year each teacher is actively teaching. See OECD (2017b, pp. 25, 28).
All managers interviewed, with one exception, did reduce their working hours, with many saying that they needed to lead by example: “I know and feel that I must participate, to be a role model. I hardly ever do overtime now.” (Gísladóttir, 2018, pp. 47–49, quote on p. 48). Managers often needed to be more flexible in how they implemented their own shorter working hours, and many noted that they would often have to shift around the days in which they worked less according to the workload. They did agree, however, that shorter hours did not negatively impact their work (Gísladóttir, 2018, p. 48).

Most managers said that they did not experience increased pressure at work as a result of the trials. Although workload increased during an adjustment period at the start of the trials, many quickly settled back to the same levels as before: “I do not find there is any increased workload for me now. I did work on organising this early on. And I did change priorities a bit [...] Increased workload in the beginning, but now things operate rather smoothly. So I feel no increased workload” (quoted in Gísladóttir, 2018, p. 54). Meanwhile, others noted that maintaining shorter working hours sometimes caused some increased pressure, but the benefits outweighed that (Gísladóttir, 2018, pp. 53–54).

Managers’ views of staff workload were mixed. Some even said they worried for part of their workforce, such as those that were under high work strain even before the trial started. Some noted that even though regular surveys indicated smaller workloads compared to before the trials, they did not feel this was completely accurate, as people wanted to work fewer hours. This was the view of managers in workplaces that seem to have a high workload already. It should be noted that some of the initial trial workplaces were selected partially because they had a high workload; the idea was to see if a trial could succeed despite this. Some workplaces even took on more duties, without more staff being added, during this time. Other managers indicated no change in workload despite the shorter hours. All agreed that their particular workplace had re-organised the work in order to be able to work less (Gísladóttir, 2018, pp. 58–59).
Managers interviewed often found their staff to be happier: “Morale has been good here, and always has, but it got even better.” Another claimed that he sensed workers to be happier, and wondered if this was due to greater rest. Some managers said that people with families seemed especially to fare better after the trials started (Gísladóttir, 2018, p. 56).

Generally, the impact on the lives of the managers was very similar to the workers discussed above: more free time, better work-life balance, better rest during weekends, and greater senses of autonomy (Gísladóttir, 2018, pp. 49–50).

Interviews indicated that managers at state workplaces did try to reduce their working hours, and, like managers at the Reykjavík City trial, believed they needed to be good role models. They also said that almost all workers did manage to effectively shorten their days, and agreed that there was no “rising stack of unsolved projects.” However, some noted that younger staff were more likely to make use of the shorter days, possibly due to their child-caring duties. Workers also seemed to be on their toes regarding hours worked, and generally did not go over their set time. Managers said they felt there was more discipline in their workplaces, with people now more focused on their projects (Government of Iceland, June 2019, pp. 19–20, 22–23, quotes on pp. 19, 20).

Some managers said that by stating in job advertisements that their workplace participated in the trial of shorter hours, their organisations had become more desirable and had seen an increase in applications (Government of Iceland, June 2019, p. 23). Many managers therefore hoped that shorter working weeks became a settled part of the future.
IV.

CONCLUSIONS FROM THE TRIALS
Conclusions from the trials

“[A shorter working week] is the future… there is no going back…” – Anonymous participant.\(^8\)

The Icelandic trials were a major success. Based on the analysis of a wide range of data, we can see that workers experienced significant increases in wellbeing and work-life balance – all while existing levels of service provision and productivity were at the very least maintained, and in some instances improved. Fears of overwork turned out to be ungrounded, as care was taken with the design of the trials.

The trials have shown that shortening working hours can have a powerful positive effect on work-life balance. Given Iceland’s shortcomings in this area, as detailed in the initial section of this report, the positive changes identified by participants ought to place shorter working hours as a prime strategy for other governments looking to address work-life balance and wellbeing deficiency in their economies. These beneficial effects included:

- Less stress at home, in light of greater time to spend with partners or on domestic activities.
- Greater time spent with wider family and friends.
- Increased time for oneself, whether on hobbies, passions, other interests, or simply for rest.
- Greater time for chores and domestic activities during the working week freeing up time on weekends, increasing their quality.
- Men in heterosexual partnerships took on greater domestic responsibilities, sharing out the division of labour more equitably.

• Positive effects on single parents, a demographic that is often acutely ‘time poor’.

• Beneficial impacts upon even those who were not directly working less, such as extended family and friends, who now had greater contact with trial participants.

These effects were profound, and the trials were unsurprisingly popular among both staff and managers, as seen in the qualitative data compiled in the preceding section. Shorter working hours, certainly by the end of the trials, were greatly desired by many.

Importantly, the widespread benefits on physical and psychological health, which we have seen here described by the trials’ participants, were sustained over the trials’ long timespan. This resilience, combined with the widespread uptake of shorter working hours contracts amongst Icelandic workers, can lead us to hope for transformative long-term health effects on workers, owing to less stress and burnout coupled with improved morale and wellbeing at work.

Beyond clear evidence of the effectiveness of working time reduction, the trials’ significance lies in their size and scope. At their height, they reached over 1% of the entire Icelandic labour force, as well as workplaces and industries that many often presume would be unable to implement shorter working hours, such as schools and maintenance facilities. As such, the Icelandic trials can play a flagship role in showing how working time reduction should be considered a powerful, desirable and viable policy across contemporary advanced economies.
V. AFTER THE TRIALS: CONTINUING THE PATH TO SHORTER WORKING HOURS
After the trials: continuing the path to shorter working hours

In 2019 and 2020, following the trials, historic contracts guaranteeing shorter working hours for tens of thousands of workers in Iceland were signed between trade unions – most of whom belonged to the confederations ASÍ, BSRB, BHM, and KÍ – and their main negotiating partners – SA Confederation of Icelandic Enterprise, Icelandic Government, and local councils. By the time of this report’s completion in June 2021, these new contracts have come to cover around 170,200 union members from Iceland’s 197,000 strong working population (Committee on Labour Market Statistics, April 2021, pp. 28–29). This means that 86% of Iceland’s entire working population has now either moved to working shorter hours or have had new mechanisms made available to them through which they can negotiate shorter hours in their workplace.

The leader of BSRB, Sonja Ýr Þorbergsdóttir, reflecting on their contracts, noted the “groundbreaking impact” for the “working hours of shift workers – moving to a 36 hour work week, with the possibility of 32 hours for those who work around the clock.” (Friðjónsdóttir & Jósepsson, 9 March, 2020). Similarly, the leader of the Icelandic Nurses’ Association, Guðbjörg Pálsdóttir, talking about their specific contracts, affirmed that, “we have fought to change shift work so that 80% of hours during shifts amount to 100% of salaries [in daytime work]. This effectively means a 32 hour work week. ... The contracts are the greatest progress we have seen in over 40 years” (Rúnarsson & Arnljótsdóttir, 1 May 2021).

Nationwide, the contracts, which also cover pay and benefits, came into force at different times depending on the reach of specific unions, as well as whether their location was in either the private or public sector.

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9 A few more contracts were finalised in 2021, with around 20 still ongoing as of this writing. When concluded, the total number of contracts is estimated to be 340 since the start of negotiations in 2019.
In the public sector

Covered by the BSRB, BHM, ASÍ and KÍ unions, the shortening of the working week constituted 13 minutes per day (65 minutes per week), effective from 1 January, 2021. Shorter hours for workers on irregular hours in the public sector took effect on 1 May, 2021. This category of workers are able to have a shorter week than workers working more standard hours (Committee on Labour Market Statistics, April 2021, pp. 28–29).

In the private sector

For shop workers, those in financial services and members of BHM, working hours were cut by 35 minutes per week. This was effective in early 2020 for members of VR and early in 2021 for members of BHM. For manual workers and industrial workers in the private sector, the shorter hours will be implemented on a workplace-by-workplace basis. BSRB made similar contracts in the private sector for their members (Committee on Labour Market Statistics, April 2021, pp. 28–29).

These changes mean that working hours in standard work have reduced to 35 or 36 hours per week in the private sector, and 36 hours in the public sector. For those working irregular hours in the public sector, the weekly hours have shortened to 36, and in some cases to 32 (Committee on Labour Market Statistics, April 2021, pp. 28–29).
It should be noted that unlike the trials, not all these changes were brought about cost-free. Though in some cases reduced working time did not have a financial impact, due to the productivity gains achieved in the trials, there were a number of workplaces where this was impossible and more staff had to be hired. Increased costs for the Icelandic Government are estimated to be 4.2 billion ISK yearly (24.2 million GBP, 33.6 million USD) due to increased staffing in healthcare – indeed, two-thirds of the total costs are estimated to be in healthcare alone (Ingvarsdóttir 27 April, 2021). To put these numbers in perspective, however, the budget of the Icelandic Government in 2019 was 891.7 billion ISK (5.1 billion GBP, 7.1 billion USD; Government of Iceland, 2018, p. 3). Hence the overall cost remains a fraction of total state spending.

Reductions in working time have remained popular and uncontroversial since the new contracts were signed. Bjarkey Olsen Gunnarsdóttir, Member of the Icelandic Parliament for the Left-Green Movement – one of the current government’s coalition parties – insisted that shorter hours will “give people more freedom, flexibility and control over their waking hours, which are never too many. … We should continue on this journey, and I believe the next step is to reduce working hours to 30 hours per week” (Jónasson, 27 April, 2021).
Appendix I

PARTICIPATING WORKPLACES
Appendix I: participating workplaces

The table below lists the participating workplaces in both the Reykjavik City Council and Icelandic Government trials. Names have been translated to English from the native language, Icelandic. Note that the size of each workplace varies significantly.

Entries starting with RVK indicate workplaces at Reykjavik City Council. Workplaces starting with STATE are within the Icelandic Government.
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<thead>
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<th>1 hour per week</th>
<th>2 hours per week</th>
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<tbody>
<tr>
<td>RVK Nóaborg, playschool</td>
<td>RVK Hitt húsið, a social venue</td>
</tr>
<tr>
<td>RVK Parking Services, office department</td>
<td>RVK City Library</td>
</tr>
<tr>
<td>RVK City Planning, office</td>
<td>RVK City Museum</td>
</tr>
<tr>
<td>RVK Office for services and operations – service centre.</td>
<td>RVK Assisted Living Centre, Dalbraut 23</td>
</tr>
<tr>
<td>RVK Office for construction and maintenance</td>
<td>RVK Social venue, Dalbraut 18-20</td>
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<tr>
<td>RVK Office for operations and maintenance in the Reykjavík area</td>
<td>RVK Lýžuberg, daytime training for people with special needs</td>
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<tr>
<td>RVK Office for environmental quality (work-school, nature and gardens)</td>
<td>RVK Assisted Living Centre, Hlaðbæ 2</td>
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<td>RVK Assisted Living Centre, Starengi 6</td>
<td>RVK Assisted Living Centre, Tindasel 1</td>
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<tr>
<td>RVK Parking Services, outdoors department</td>
<td>RVK Assisted Living Centre for the elderly, Dalbraut 21-27</td>
</tr>
<tr>
<td>RVK Building and Safety Inspector</td>
<td>RVK Höfuðborgarstofa – a centre for promotion and tourism</td>
</tr>
<tr>
<td>RVK Health Inspectorate for Reykjavík</td>
<td>RVK Reykjavík Art Museum</td>
</tr>
<tr>
<td>RVK Land Registry</td>
<td>RVK Office for culture and tourism</td>
</tr>
<tr>
<td>RVK Human Resources</td>
<td>RVK Botanical garden, Fossvogur</td>
</tr>
<tr>
<td>RVK Transportation and City Planning</td>
<td>RVK Office for environmental quality, botanical gardens</td>
</tr>
<tr>
<td></td>
<td>RVK Assisted Living Centre, Austurbrún 6</td>
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<tr>
<td>3 hours per week</td>
<td></td>
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<td>-------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>RVK Mayor’s and City Secretary’s Office – Archives</td>
<td>RVK City Lawyer’s Office</td>
</tr>
<tr>
<td>RVK Assistance and support in the home – Hátún 10</td>
<td>RVK Reykjavík Child Protection Services</td>
</tr>
<tr>
<td>RVK Mayor’s and City Secretary’s Office – Human Resources</td>
<td>RVK Finance Office – department for planning and analysis</td>
</tr>
<tr>
<td>RVK Assistance in the home – eastern part*</td>
<td>RVK Assisted Living Centre, Lindargötu 64</td>
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<tr>
<td>RVK Mayor’s and City Secretary’s Office – Information Department</td>
<td>RVK Finance Office – Accounting</td>
</tr>
<tr>
<td>RVK Assistance in the home – western part</td>
<td>RVK Assisted Living Centre, Skarphéðinsgötu 14-16</td>
</tr>
<tr>
<td>RVK Office for the city council</td>
<td>RVK Finance Office – Head of finance and risk analysis</td>
</tr>
<tr>
<td>RVK Assistance in the home – Hvassaleiti 56-58</td>
<td>RVK Assisted Living Centre – Sléttuvegi 9</td>
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<td>RVK Office for property and development</td>
<td>RVK Finance Office – Finance planning</td>
</tr>
<tr>
<td>RVK Assisted Living Centre – Porláksgeisla 70R</td>
<td>RVK Training Centre – Vitatorg</td>
</tr>
<tr>
<td>RVK Office for services and operations – Janitors</td>
<td>RVK Finance Office – Procurement</td>
</tr>
<tr>
<td>RVK Office for welfare</td>
<td>RVK Social Venue, Árskógum</td>
</tr>
<tr>
<td>RVK Office for services and operations – Archives</td>
<td>RVK Finance Office – Salaries etc.</td>
</tr>
<tr>
<td>RVK Consultancy team for people with mental health issues or substance disorders</td>
<td>RVK Social Venue, Bólstaðarhlíð 43</td>
</tr>
<tr>
<td></td>
<td>RVK Finance Office – Settlement</td>
</tr>
<tr>
<td></td>
<td>RVK Social Venue – Vesturgötu 7</td>
</tr>
</tbody>
</table>
Autonomy Going Public: Iceland’s journey to a shorter working week

Figures 4 (a,b,c,d): Specific hours reductions per organisation. Based on Government of Iceland (April 2019) and Reykjavík City (June 2019).

* Workplace participated in first phase of trials and then had 4 hours reduced per week
** Workplace participated in first phase of trials and then had 5 hours reduced

<table>
<thead>
<tr>
<th>4 hours per week</th>
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</tr>
</thead>
<tbody>
<tr>
<td>STATE Directorate of Internal Revenue</td>
<td>STATE Police station in Westfjords</td>
</tr>
<tr>
<td>STATE The Icelandic Directorate of Immigration</td>
<td>STATE Internal Medicine Department, Akranes Hospital</td>
</tr>
<tr>
<td>STATE Registers Iceland</td>
<td></td>
</tr>
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</table>


Appendix II

MAINTAINING SERVICE PROVISION
Appendix II: Maintaining service provision

Quantitative data
This appendix dives into the quantitative statistical detail regarding how the shorter working week trials affected service provision in selected workplaces where statistical detail is available, before turning to qualitative data gathered via interviews held with trial participants.

I. Reykjavík Child Protection Services (Reykjavík trial)
Information for service provision was collected through the number of active cases at the Reykjavík Child Protection Services before and during the trial period. The Service entered the trial in 2015. There was a slight variation in the number of open cases at the agency, but no more than was seen in the years leading up to the trial (Reykjavík City, June 2019, p. 23).

II. Service Centers (Reykjavík trial)
Information was collected on cases actively being worked on — added, edited, or closed — at the Reykjavík Service Centres before and after the trial started in March 2015. The number of active cases at the two service centres did not decrease during the trial, but in fact increased overall — which can be partially explained by seasonal factors. However, it seems nevertheless clear that the trial did not have a negative effect on the processing of cases.

10 Note that not all statistics available in public reports have been listed here. Data were excluded when, a) the statistic was not in any way under the control or influence of the workers or workplace (e.g. number of applications filed by others, or active users of a service), b) a suitable comparison did not exist (e.g. a statistic existed for a period after the trial started but not before, or the comparison period was less than two months), c) a statistic was from a self-selected sample (e.g. customer satisfaction terminals), and/or d) no meaningful conclusion could be drawn from the statistic (e.g. absolute number of phone calls received but percentage of answered calls of all calls is not available).
Information was also collected on the number of active cases at specialist school services within the Árbær and Grafarholt Service Center (Reykjavík City, 2016, pp. 29–30). The number of cases waiting to be processed does increase over time, especially at the end of the period analysed. However, there is an upwards trend that starts around November 2014 – before the trial began – and continues on throughout the period. According to the City of Reykjavík, there was no increased number of incoming cases for this team to work on over the period, though there is seasonal variability, but there has been increased emphasis on providing training for the staff that handles these cases. No staff were added to the team, despite this change in emphasis and shortening of hours. The added time spent on training can partially explain the increased waiting time.

Data for phone centres were also collected. From 2014 to 2016, the proportion of answered phone calls at a participating service centre was 93% (varying from 88% to 96%), while it was 85% for a comparison ‘control’ workplace. The proportion of answered phone calls has remained higher since the trial started for both centres (Reykjavík City, April 2018, pp. 31–32). Generally, there is no indication that the trial has negatively affected this service. At a distinctive, central phone centre, run by Reykjavík City, the proportion of answered calls was not impacted by the trial (Reykjavík City, June 2019, pp. 18–19).

**Department of Accountancy (Reykjavík trial)**

One of the departments that participated in the later stages of the Reykjavík trial was the accountancy department of the city. Here the trials led to increased efficiency, with a 6.5% increase in entered invoices from providers in the accounting system (Reykjavík City, June 2019, pp. 20–21).
Police Westfjords (Icelandic Government trial)

In the table below, a range of statistics for the police station in Westfjords are summarised. The workplace joined the trial on 1 May, 2017.

<table>
<thead>
<tr>
<th></th>
<th>Police Westfjords</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>01.05.2015-30.04.2016 (Before trial)</td>
</tr>
<tr>
<td><strong>General department</strong></td>
<td></td>
</tr>
<tr>
<td>Traffic law violations</td>
<td>480</td>
</tr>
<tr>
<td><strong>Investigative department</strong></td>
<td></td>
</tr>
<tr>
<td>Illicit</td>
<td>24</td>
</tr>
<tr>
<td>Cases closed total</td>
<td>94</td>
</tr>
<tr>
<td>Average cases per month closed</td>
<td>7.83</td>
</tr>
<tr>
<td><strong>Department of charges</strong></td>
<td></td>
</tr>
<tr>
<td>Number of charges</td>
<td>192</td>
</tr>
<tr>
<td>Charges per month on average</td>
<td>16</td>
</tr>
<tr>
<td>Days to process each charge on average</td>
<td>3.19</td>
</tr>
</tbody>
</table>

*Figure 5: Service provision data for Police Westfjords before and subsequent to commencement of working time reduction trial. Source: Government of Iceland (April, 2019, pp. 53-57).*

In the year the trial began (2017-2018), the number
of traffic law violations decreased compared to the previous year, but remains higher than in the period of 2015–2016 shown above (before the trial). Fluctuations in case numbers between years is expected, and there is no evidence that this is attributable to the trial. Number of cases involving illicit substances remained the same.

The number of investigative cases closed during the trial period, and per month, increased after the trial started. Again there is no evidence to link these results to the trial itself, since caseload fluctuates between years and months (Government of Iceland April, 2019, p. 55). Further, there is no evidence of a negative impact on performance.

The Icelandic Directorate of Immigration
(Icelandic Government trial)

The Directorate of Immigration saw a surge in applications that needed to be processed, as well as of service users. This was particularly salient in 2015–2016 (25% increase in applications, 44% increase in users) and 2016–2017 (22% increase in applications), but in 2018 the numbers went down. As a result of this, the institution has seen internal restructuring during this time (Government of Iceland, April 2019, pp. 59–70).

After the trial began in April 2017, the average number of days needed to process each application remained similar to 2015 levels, but were higher compared to the immediately preceding period in 2016. This could be explained by the rapid increase in applications and users who needed access to the service of the Directorate, particularly as the processing time correlates with the number of applications and users during the period. There was no evidence of the trials impacting the services.
Autonomy Going Public: Iceland’s journey to a shorter working week

Figure 6. The graph shows a surge and then reduction in number of cases, and a correlating change in processing time. There is no evidence that trials impacted services. Trial period in this workplace ran from April 2017. Source: Government of Iceland (April, 2019, p. 61).

**Registers Iceland (Icelandic Government trial)**

Amongst various duties, Registers Iceland processes various certificates (marriages, births, etc). The trial started in May 2017 in this workplace. During the trial the mean time to process each application decreased significantly, from six days in April-July 2017 to one or two during the same months in 2018. This could be due to variation in the number of marriages or changes in processing of the certificates (Government of Iceland, April 2019, p. 79). There is no indication that working time reduction negatively impacted upon processing time.
At Registers Iceland, data were gathered on the number of visitors to the institution’s lobby as well as the number of phone calls received. The number of processed visits is closely linked to the average waiting time for each visit: when the number of visits goes up, so does the waiting time, and vice versa. This relationship changes slightly just before the introduction of the trial in this workplace in April 2017, but recovers, and is followed by a small improvement after the trial begins. Overall, there is little to no lasting divergence.
Figure 8: Number of phone calls and waiting time per phone call are linked. There was no significant change in this relationship during the trial. Source: Government of Iceland (April 2019, p. 81).

Qualitative data: information gathered using interviews

In interviews at state-level workplaces, a majority of staff believed that services had not been negatively impacted by the trials. A report on the Icelandic Government trial said that “[p]articipants commonly noted that they felt there was more helpfulness in the workplace after the shortening of hours, and that no complaints had been received from users” (quoted in Government of Iceland, June 2019, p. 21). Managers noted that they were “worried at the beginning of the trial” but, although “this was challenging to begin with … with better organisation at the workplace this was a success” (Government of Iceland, June 2019, p. 22).
In the Reykjavík City Council trials, managers noted similar themes in interviews. Indeed, all of the managers that participated in one interview study claimed that services had not been negatively impacted even though fewer hours had been worked. One participant noted, “It has been a real surprise how smooth this has been [the shortening]. … I cannot see that this has impacted our services.” (quoted in Gísladóttir, 2018, p. 59). One participant noted some initial dissatisfaction from users when opening hours were changed, but none following that. Two other participants also received no complaints. Yet another participant said that measurements of satisfaction show no impact after the trial started (Gísladóttir, 2018, p. 60). Staff that participated in Reykjavík trials noted that they felt they performed better after the trials started, and that the same services were provided despite fewer hours worked. One participant commented that “one is constantly thinking about how best to organise one’s work” (quoted Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, pp. 56).

During the Reykjavík City trial, measurements of satisfaction with services were performed for the Árbær and Grafarholt service center, and also a comparison workplace.11 These were satisfaction with services in general; attitudes and behaviour of staff; and opening hours. Early in the trial, satisfaction with opening hours fell for the Árbær and Grafarholt centre (opening hours were changed during the trial), and then rose again and reached former levels; this happened as well with a comparison workplace, but to a lesser degree. This suggests that the shorter hours did impact services, but only temporarily and service users adjusted. Measurements of service quality did not show any change during the trials, and neither did attitudes and behaviour of staff, indicating the same level of services in general (Reykjavík City, April 2018, pp. 34-35). The same pattern was shown at another service centre, in Breiðholt (Reykjavík City, 2016, pp. 19–20).

11 These were done by asking users, at point of delivery, how they found the service.
Interestingly, some participants at the Reykjavík trial said that because of increased satisfaction with work, they felt they provided a better service for users (Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, p. 58).  

Data on satisfaction were collected during the government trial as well. This came from customer satisfaction terminals. Satisfaction measurements conducted at the Directorate of Internal Revenue during two months (one summer, one winter) before the trial, and measurements after the trial (same months of the year) showed no marked change in satisfaction, with levels remaining above 90% after shorter hours were introduced (Government of Iceland, April 2019, pp. 69–75).

Managers at Reykjavík City who participated in the trials were uniform in their opinion: the same level of service was provided before and after the trials started at their workplace. One interviewee mentioned some complaints about opening hours at the beginning of the trial, but none appeared thereafter. Other interviewees said no such complaints had been received in their workplace. They agreed that the same service was provided (Gísladóttir, 2018, pp. 59–60).

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12 It should be noted that these participants were from a wider group of workplaces than above, not just two service centres.

13 These were excluded in the section above on impact on services. These kinds of terminals by nature collect information from a self-selected sample, and thus can easily be biased. Here, data from the The Icelandic Directorate of Immigration are excluded, as the data are from after the trial started and no comparison with before the trial is possible.
Appendix III

STRATEGIES FOR WORKING TIME REDUCTION
Appendix III: Strategies for working time reduction

The reductions in working time throughout the trials were accomplished through a range of methods. A key principle was that the most effective strategy would often be unique to each workplace.

A selection of some of these includes:

- More effective prioritisation of daily tasks.

- Delegating and designating tasks more effectively amongst staff.

- Emphasis on performing personal errands outside of working time (with important exceptions, such as healthcare visits, etc.).

- Fewer, shorter, more focused meetings. One workplace decided meetings could only be scheduled before 3pm, for example.

- Replacing meetings with emails, where possible.

- Reduction in time spent on coffee breaks.

- In playschools, children’s lunch breaks were staggered, so that fewer staff were needed to supervise.

- Moving services to digital provision, if possible.

- Introducing more lean management processes.

Some examples of adapting strategies according to the practices of specific workplaces include:

- In care, focusing on a change in shift patterns.
Shifts started slightly later and/or ended earlier. If there was less demand for services at the end of a shift, workers would leave early. Similarly, shifts would start later if possible.

- In playschools, staff would similarly leave earlier during the day (on a rota basis), as children gradually left the school.

- In some cases, offices with regular opening hours closed earlier. Fridays were sometimes chosen for this due to lower demand for services. Often staff were given the option to leave work earlier in the day, on a day of the week that suited them.

- In a police station, hours for investigative officers were shortened every other week, so that workers would leave one hour early on Monday to Thursday (8:00 to 15:00), and four hours early on Fridays (8:00 to 12:00). The next week they would work longer days (8:00 to 16:00). This way every other week was shortened by eight hours. Staff working around the clock had a different pattern.

In some workplaces, committees were set up to design and suggest new working patterns and hours of work, attended by both workers and managers. Their proposals were then used in later decision-making processes when the trials started. This was not always the case, as sometimes patterns and solutions decided by others were used.

**In summary:** the key to achieving shorter hours was often flexibility in how tasks were completed, how hours of work and shifts were constructed, combined with interest and engagement in the process of shortening hours from the workplace.
Appendix IV: Challenges

Trials of this scope and size will bring to light the challenges of working shorter hours while maintaining the same service. This section collates a selection of the more common or significant difficulties encountered by trial participants.

- In a few workplaces, some workers left their jobs after the trial started. This was in relation to organisational changes that caused dissatisfaction. This was not a general trend, however, and only affected a few workers (Kjartansdóttir, Kjartansdóttir & Magnúsdóttir, 2018, p. 56).

- A few workers on irregular hours said that they felt they needed to communicate with colleagues after shifts had ended – this was handover details from one shift to another – but this was harder after reduced working hours came into place (Ólafsdóttir, 2017, p. 15).

- Managers at Reykjavík City trial felt that the pace of work had increased, however staff did not complain (Gísladóttir, 2018, pp. 56–57).

- Some managers within the Icelandic Government felt they were unable to work shorter days, as intended, even though their staff did (Gísladóttir, 2018, p. 48; Government of Iceland, June 2019, p. 19).

- Managers indicated that educational and training days were more complex to set up. The same applied to farewells for staff leaving (Government of Iceland, June 2019, p. 20).

- Some managers said that they experienced stress at the beginning of the trials, but that this dissipated over time. Others felt that there was a slight increase in stress, but that this was outweighed by other improvements (Gísladóttir,
- Some managers said that they worried that the need for the trial to remain revenue neutral concerned them (Ólafsdóttir, 2017, p. 9).

- While average uptake of shorter hours was generally high at the Reykjavík City trial, it was lowest in school services, 61%, while it was highest in various care services, 90% (Reykjavík City, June 2019, p. 15).
References


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Sonnentag et al. (2014). Making Flow Happen: The Effects of Being Recovered on
Autonomy: Going Public: Iceland’s journey to a shorter working week


