WEST VIRGINIA LEGISLATURE

Performance Evaluation and Research Division

Building 1, Room W-314 1900 Kanawha Boulevard, East Charleston, West Virginia 25305-0610 (304) 347-4890 (304) 347-4939 FAX



John Sylvia Director

December 23, 2009

The Honorable Edwin J. Bowman State Senate 129 West Circle Drive Weirton, West Virginia 26062

The Honorable Jim Morgan House of Delegates Building 1, Room E-213 1900 Kanawha Boulevard, East Charleston, West Virginia 25305-0470

Dear Chairs:

During the 2008 legislative session, House Concurrent Resolution 34 was passed requesting that the Joint Committee on Government and Finance study the effect of a four-day workweek (consisting of 10-hour work days for city, county and state employees) would have on government access to the public. The Performance Evaluation and Research Division (PERD) staff gathered information of alternative workweek schedules used in other states and reviewed alternative work schedules within the state. The findings of PERD's research were reported to the Legislature during the 2009 legislative session. PERD recommended that any action taken by the Legislature on an alternative workweek be determined after the findings of the state of Utah's compressed pilot study program. This report provides the findings on Utah's experience and decision on whether to maintain the four-day workweek for state government.

Utah Decides to Continue the Four-day Workweek for State Government

Utah became the first state to mandate a compressed work schedule for 17,000 of 24,000 executive branch state employees on August 4, 2008. The compressed work schedule was intended to extend state government services (that are not already available during extended hours and weekends) from 7:00 a.m. to 6:00 p.m., Monday through Thursday. As the four-day workweek was launched, a Baseline Report was produced in August 2008 by the Utah Department of Human Resource Management (UDHRM). The UDHRM produced a Six-month Performance Report in February 2009 and intended to produce a One-year Performance Report in August 2009. However, Governor Gary Herbert recommended that before the One-year Performance Report was published the public should have the opportunity to express opinions on the four-day workweek. The UDHRM commissioned Dan Jones and Associates (DJA), an

independent public opinion and marketing research firm located in Salt Lake City, Utah to conduct and compile an opinion survey of 500 Utah residents.

On October 7, 2009, the Legislative Auditor reported to the Honorable Chairs of the West Virginia Joint Committee on Government Operations that if the Legislature wanted to consider mandating state government four-day workweek, as implemented by the state of Utah, it should first examine the results of Utah's One-year Performance Report. The Legislative Auditor reported to the Chairs that it would notify the Legislature of the results of the One-year Performance Report once it was published. The following is a brief summary of all of the UDHRM reports which helped to create the One-year Performance Report:

- <u>UDHRM Baseline Report:</u> Published in August 2008, the purpose of the Baseline Report was to present the methodology used to assess the collective impact of the Governor's plan to adjust working hours of state agencies.
- <u>UDHRM Six-month Performance Report:</u> Published in February 2009, the purpose was to provide early indicators and lessons learned. The Six-month Performance Report was to offer ideas for ways to proactively address emerging issues.
- <u>UDHRM One-year Performance Report:</u> This final report published in December 2009 contains a summary of data collected that helped determine whether the four-day workweek should be continued.
- <u>DJA Telephone Survey:</u> This telephone survey was taken in October 2009 of 500 Utah residents. The results of this survey were incorporated into the UDHRM One-year Performance Report.

The Utah initiative was implemented by Governor Jun Huntsmen to not only extend services but make a positive impact in areas such as energy consumption, employee recruitment, and reducing the environmental impact of air pollution emissions from state buildings. On July 23, 2009, Governor Huntsmen accepted the position as the United States Ambassador to China. This appointment transferred acting duties to Lt. Governor Gary Herbert. The release of Utah's One-year Performance Report was placed on hold until December 2009 in order to include information from the DJA public survey.

The Utah Four-Day Workweek Resulted in a Variety of Benefits

According to the UDHRM One-Year Performance Report there have been a variety of benefits to the state and the public as a result of the four-day workweek program such as:

- energy conservation,
- extended hours of government services,
- greater employee job satisfaction, and
- environmental protection.

Energy Conservation

Energy usage was tracked in 125 larger, state-owned buildings that moved to the four-day workweek, which included closing buildings on Friday. Overall energy consumption reduction was 10.5 percent, leading to cost avoidance savings of \$502,000. A reduction in annual janitorial agreement costs in a number of the facilities saved approximately \$203,000. During the year-long pilot study, the state experienced a reduction in the usage of fleet vehicles. The One-Year Performance Report indicated that "While these savings cannot be fully attributed to the 4/10 schedule, it is interesting to note that the state saw a total reduction for all state vehicles of more than 3.1 million miles from FY 2008 to FY 2009. This translates into an estimated \$1,446,767 in savings."

Extended Hours of Government Services

In order to document the impact the extended office hours had on government leaders, the Utah Governor's Office of Planning and Budget assisted in conducting a non-scientific survey of local government. Survey requests were sent via email to more than 320 county commissioners, city mayors, council members, clerks, etc. The survey requested if the local government office was having a harder time doing business with the state agency because they were closed on Friday. Twenty-percent strongly agreed and 19 percent agreed that their local office was having a harder time conducting business with the agency because they were closed on Friday. Eighteen percent responded there was no difference and 43 percent disagreed with the premise that it was harder to do business with an agency that was only open four days a week.

The UDHRM issued a request for proposals from firms that could assist the State in measuring the opinion of the adjusted workweek on the public. This resulted in a contract with Dan Jones and Associates. DJA conducted a telephone survey to 500 Utah residents in October 2009. The Legislative Auditor selected three of the six questions and the responses of the survey. The questions and the responses are as follows:

1. Overall, do you think changing most state offices and agencies to a 4/10 workweek was a good idea?

Responses

- A. Definitely yes (21%)
- B. Probably yes (41%)
- **C.** Do not know (10%)
- D. Probably not (14%)
- E. Definitely not (14%)
- 2. Has the states 4/10 workweek had an overall positive or negative impact on you and your family, or has it made no difference?

Responses

- A. Definitely positive (6%)
- B. Probably positive (3%)
- C. Made no difference (79%)
- D. Probably negative (4%)

E. Definitely negative (8%)

3. In your opinion, should the state continue the 4/10 workweek as currently implemented for most offices and employees?

Responses

- A. Definitely yes (35%)
- B. Probably yes (31%)
- C. Do not know (5%)
- D. Do not care (9%)
- E. No, the program should probably not continue (8%)
- F. Definitely, the program should not continue (12%)

A majority of Utah residents preferred the four-day work week for all state agencies except the Division of Motor Vehicles (DMV) and Driver License Division. The DJA public survey indicated these offices could benefit the public more by being open on Fridays.

State agencies participating in the four-day workweek were asked to evaluate customer opinion. According to the One-Year Performance Report the most compelling of all agency reports "...was the vastly reduced wait times at the Division of Motor Vehicles and Driver License Division-the two agencies that interface the most with the public. At one particular Driver License Division office in West Valley City, wait times decreased by some two hours after the implementation of extended service hours." Friday closure of state offices has increased the use of online services by the public. Utah has consistently been recognized as a leader of government online services, with over 800 government forms or services available online. Business registration renewals done online in 2009 increased by 93 percent, as well as all hunting and fishing licenses are now purchased online or through private sector merchants.

Greater Employee Job Satisfaction

The One-Year Performance Report also evaluated the impact on state employees. Employee surveys were considered a valuable tool to gather information directly from staff. The UDHRM surveyed all executive branch state employees. A baseline survey was sent out to all executive branch state employees once they were notified of the change in work schedules. The initial survey was conducted in July 2008 while the final survey was conducted in May 2009. According to the final survey almost 75 percent of executive branch state employees preferred the four-day work week, which was up from 56 percent at the beginning. Sixty-five percent of executive branch state employees agreed or strongly agreed that the new work week reduced commuting costs. Twenty-percent of executive branch state employees who worked the four-day workweek anticipated childcare issues during the initial (baseline) survey; however, the final survey found this to be the case in only nine percent of respondents. The study also noted that since the establishment of the four-day workweek there was a significant decrease in the amount of paid overtime. The reduction in overtime pay for executive branch state employees saved the State \$4.1 million.

Environmental Protection

The environmental impacts were significant. The Utah Department of Environmental Quality estimated that the annual greenhouse emissions reductions were the equivalent of taking 999 cars off the road for one year. The UDHRM conducted surveys of executive branch state employees concerning their commuting practices both before and after the implementation to the four-day workweek. The UDHRM obtained 8,320 complete responses that were used to assess employee vehicle use. The UDHRM extrapolated the results to the 17,000 employees covered in the pilot study and it is estimated that the new four-day workweek resulted in over 523,980 gallons of fuel conserved annually. According to the UDHRM, "At the current Utah gasoline price of \$2.62 per gallon, this results in a savings to employees of over \$1.37 million."

Suggestions for Other States

The One-Year Performance Report concluded with various suggestions for interested states. The energy savings were positive, yet Utah felt that as the study continued "...it became clear that strategies were needed to encourage employee adherence." Utah suggests that states interested in conducting a pilot study organize an energy savings awareness campaign early in the process to foster employee support. The One-Year Performance Report also suggested that in the future, pilot-study states should have buildings with upgraded controls and meters to accurately determine energy conservation, because in some Utah buildings energy studies were needed to determine cost savings due to a lack of utility meters.

Utah Governor Continues the Four-day Workweek

On December 2, 2009 Governor Herbert issued a press release that detailed his support of extending the four-day workweek with some modifications. After review of the DJA public survey, Governor Herbert reported that "...it did identify the Division of Motor Vehicles and Driver License Division as the two main areas where the initiative could be improved with service on Fridays." Therefore, Governor Herbert has extended the four-day workweek program to the majority of state offices except one DMV and Driver License Division office that is centrally located along the Wasatch Front that will be open for 11 hours on Fridays. The remaining DMV offices throughout the state will continue to operate on a four-day workweek. The Governor will also fully staff the Utah Tax Commission and the Utah Department of Public Safety in Draper, Utah on Fridays beginning February 12, 2010. Governor Herbert summarized the benefit to state employees by reporting, "It is a win for the state's workforce, with 82 percent of employees saying they want to see the program extended, and it is a win for the state and the taxpayers in terms of cost savings and other benefits."