

## **Small But Mighty Agency Podcast**

### **Episode 104: 4 Perspectives On a 4-Day Work Week for Your Agency**

#### **Speakers: Audrey Joy Kwan, Alyson Caffrey, Taylor Schiefelbein, Renee Hribar, Marcel Petitpas**

##### **Audrey Joy Kwan 00:00**

Are you considering a 4-day work week for your agency?

Implementing a four-day workweek takes thought and consideration, so in today's episode, I bring along a few friends who share their experiences.

You'll get four different perspectives and insights into the four-day work week.

We start with Alyson, debunks common fears with a brilliant analogy, followed by Taylor, shares her top tip for eliminating waste. And then Renee, reminds us of the day-to-day things to systematize for a super-productive week. Last but not least Marcel breaks down the numbers for a profitable transition. Tune in for a dose of inspiration and practical advice and see if the 4-day work is right for your business.

##### **Audrey Joy Kwan 00:46**

Welcome to the Small But Mighty Agency Podcast. If you want to grow an agency to seven figures and beyond without working more hours in your business, you're in the right place. I'm your host, Audrey Joy Kwan. I know what it takes to build an agency, including supporting an agency owner in selling and exiting. I also have a master's degree in communications specializing in organizational development. My team and I have worked behind the scenes of multiple seven figure agencies and have coached and consulted with over 150 agency owners. All this to say, when you join us on the small but mighty agency podcast, you get real world experience and practical tips to help you work less, earn more, and lead with integrity. So, let's go.

##### **Audrey Joy Kwan 01:29**

Hi Friends, welcome back to the Small But Mighty Agency Podcast. With summer at our doorsteps, some of you might be thinking about having shorter workdays and even shorter work weeks.

I might be alone in this, but I really enjoy working summer days, when the sun is up, I just feel the Vitamin D. So, I typically wait till the cold gets here in Vancouver and then take time away to somewhere sunny.

But back to the point, if you're thinking about shorter weeks, then the four day week might be something you've gone back-and forth on in your mind.

Of course, implementing a four-day work week takes thought and consideration, so for today's episode, I wanted to bring you a few friends who have implemented four-day work weeks and have them share about their experiences.

We're calling these are a-sync podcast episodes, so this isn't a live interview with our guests. Now, our summer series will be featuring more live guest interviews but, in these a-sync episodes, I wanted to bring you thoughts from a collection of minds.

So, we shared a question with a few friends and recorded clips for you that get right into it.

We asked our guests if they've encountered a significant insight or challenge related to a four-day work week and how they address it in practice.

Here's the kicker, I asked them to keep it under three minutes or less.

You'll hear four different perspectives each between a minute to three minutes.

Starting with Alyson, who owns an operations agency for 8—and 9-figure companies, she shares the common fears that come with moving to a four-day work week and what actually happened for her team. Plus, she gives us a fantastic analogy on how to reframe the fears about the four-day work week.

Then you'll hear from Teylor owns a digital marketing agency with a four-day work week. She shares the number one tip that helped her transition the agency into the four-day week with more confidence: its two words, eliminating waste. She also shares examples to highlight waste.

Renee, a sales strategist, follows. She shares the two things that take up most of her time, which are content creation and meetings, and how she manages these things to work two days a week.

Last but not least my friend Marcel, he shares the math and what numbers to look at when making the decision to transition to a four-day work week. He asks the question, how do you compensate for the impact on profitability? and provides an example.

So, let's hear what they have to say.

**Alyson Caffrey 03:40**

Hey, my name is Alyson Caffrey. I'm the founder of Operations Agency and creator of master maternity leave for self-employed moms. And we've actually been doing a four-day workweek now for the past few years. And when I was originally beginning to implement it, frankly, I was a little bit scared. I was scared that we weren't going to grow as fast as other companies, I was scared that my team was going to just kind of be kicking back and not getting as many things done. And what actually ended up happening was it encouraged a ton more productivity, and definitely created a filter for the most important things that needed to get on our calendars for the week. So there's a book actually called Profit First by Mike Michalowicz. And he talks a bit about the obesity crisis in America. And he says that average American plates are actually about 30, sometimes 40% bigger than our European counterparts and that is one of the big contributing factors and causes for Americans over eating. And if we had just shrunk our plates, right proverbially, and made them smaller, then we could actually control some of the excess eating and control some other ways that we spend our time and be a little bit healthier. I think the same is true for our business. I really actually don't believe that overworking, working 80 hours a week is going to make you more productive I think that the fact that you're sitting in your chair or your team is sitting in their chairs, trying to figure out what to do, and you know, having a really big mounting task list, it's actually creating operational drag in your business. And I know this because I am a fractional advisor, operational advisor to growing eight and nine figure companies. And I see it all the time, we enter seasons of working, where we really burn the candle at both ends and the middle, and it doesn't serve anybody. It's one big thing that frankly, I feel like has been so incredible to implement for myself, the teams that I've advised and been a part of, and it really helps us all focus on what is the most important thing or, you know, couple of things that we need to be working on this week? And how can we not let our business or our work really pour into the way that we spend our weekends and the way that we are at home? Because I think a lot of us, you know, business owners and leaders in any capacity who are leading small teams can definitely appreciate that when we have an overworked staff, we have a really, you know, less productive staff, we have a team who might not meet deadlines as readily or be able to contribute as creatively. And personally, I feel like the four-day workweek is a really incredible place to begin. Now, it's not going to solve all of your operational problems. If there is something that you know you're struggling to focus on. If you're focusing on, you know, too many things at one time or attempting to distribute that focus, it's definitely going to still be a challenge. But starting a four day workweek, could first and foremost look like taking half of Friday off instead of the full day, or being in the position to offer maybe one Friday off a month. It's a really nice and slow way to ease into the process. And I really, really hope that you enjoy it.

**Taylor Schiefelbein 06:40**

This is Taylor Schiefelbein from Alter Endeavors answering the question, what is one key learning or challenge you can share about a four-day work week? And how can you account for it when implementing. So, the four-day workweek is not only a shift to how much you work, but how you work, at least it should be if you still have ambitious revenue goals to hit. So, I highly recommend getting your team's input when it comes to assessing where the waste is. Challenge them to think through the tasks that take up valuable time that aren't necessarily moving the needle for their clients or the business. Are there elements you've put off automating due to the time or costs it will take up front for example? Assess the number of meetings you have and how necessary they are. Really get creative with solutions and encourage that everyone gets involved, so there is team wide buy in from top to bottom.

**Renee Hribar 07:32**

I love this question. Do you have a four-day workweek? Most of the time, I have a two-day work week. So, it's all about systems, systems, systems. I know that I do not want to be on the hamster wheel for creating content. I knew that right away, I am a subject matter expert. Businesses hire me to come in and systematize their revenue streams, their leads, their qualifying, their closing, and their lifetime customer value. Having said all that, I don't need to come in and shovel the amount of content I put out. So, creation of content, publishing of content, that shrunk my workweek down immediately. I also leveraged my time using Voxer, so that I'm not on Zoom calls 24 hours a day, seven days a week. And so I limit my days to two days a week where I'll be customer facing, facing either doing a VIP day, a strategy session or hosting one of my group programs or master classes. So that is how I've been able to shrink that four-day workweek to a two day workweek Systems, systems, systems, create it once and make it work for you. That's my best advice.

**Marcel Petitpas 08:41**

Hey, it's Marcel Petitpas from Parakeeto, where we help agencies measure and improve their profitability. And I want to talk about the math that you should consider when looking at the four day workweek, or really any other variation on adjusting the working model of your business as it relates to your team's capacity. Let's use a simple example that there isn't really a definition for what the four day workweek means. But a common one is we're just literally taking 20% of our team's capacity, and we're giving it back to them as a benefit. So instead of working five days a week for 40 hours, we're going to work four days a week for 32. And it's really important to consider how does this change our business's ability to earn revenue and what might we do to compensate for that? So, in that example, let's use in simple math, let's say we have a team of five people, they have 10,000 hours a year of capacity. And currently our utilization rate is 50%. So, 5000 hours per year, we are getting paid. We're doing work that earns money and gets deliverables complete. If on average, we earn \$150 for every hour, that means this team can earn \$750,000 in revenue with those 5000 hours a year. Let's imagine they're doing a 20% profit, so \$150,000 on that. If we were to all of a sudden take away 20% of that time, that team can now only earn \$600,000 And so the profit essentially is wiped out, that business goes from having a 20% Profit to zero. And the cost of that move of taking 20% of their capacity away is \$150,000. So, then the question is, okay, how do we compensate for that? How do we make sure that the profit of the business is not wiped out by this move. And there's two ways that we can do that, we can find a way to keep the number of hours that we work on revenue earning things the same, while decreasing our capacity. So that means we're increasing utilization. So, the math there would be, instead of having 10,000 hours of capacity, we will now only have 8000. So, if we divide the 5000 hours per year that we want to continue to maintain earning revenue on and we divide that by 8000, we see our new utilization rate target, which will be 62 and a half percent in this case. The other way that we could think about this is by earning more money for every hour that we spent, and that can be done through getting more efficient and doing work quicker, and or increasing price. And the way we would figure out that target is we take the revenue that we want to earn, and we divide it by this new capacity that we have. So in this case, we want to continue to earn \$750,000 per year, but we now only have 4000 hours to do it, right? Because our capacity went from 10,000 down to 8000. And if we're only utilizing 50% of that, we now only have 4000 hours available. So, if we divide 750k by 4000 hours, we get a new target of \$187.50 per hour. So we would need to be earning on average that amount of money for every hour that we work in order to maintain our current revenue, but work less and so all this is just a simple illustration of

the kind of math that you want to be running and thinking about as you explore different ways to implement the four day workweek, or any kind of variation on that. I hope that you found this helpful. And if you did check us out at Parakeeto.com. And with that, enjoy the rest of the episode.

**Audrey Joy Kwan 11:38**

So, there you have it—four different perspectives on the four-day work week. The beauty of a good question is that it can lead to different learnings.

And I've always been about getting to the point, so if you enjoyed this style of podcast where I interview a collection of minds with one question and keep the answers under three minutes, let me know.

You can connect with me on LinkedIn by searching Audrey Kwan or getting the link in the show notes. Looking forward to hearing from you!

That's it, friends. As always, thanks for being here. I know how valuable your time is. I'll see you on the next one.

**Audrey Joy Kwan**

Hey there. Thanks for hanging out with me at the Small But Mighty Agency Podcast. If you enjoyed this episode, it would mean the world to me. If you hit the follow or subscribe button in your podcast app and share it with a friend. I'll see you on the next one.