

COLORBEL

Evaluating Collective Working-Time Reductions in Belgian companies

DURATION
 1/12/2023 - 1/07/2025

BUDGET
 75 000 €

PROJECT DESCRIPTION

The concept of collective reduction in working time (RWT) is gaining traction as an interesting labour policy in industrialized societies, praised for its numerous benefits across various domains. Although several countries worldwide have successfully initiated trials for shorter workweeks, Belgium appears to be adopting this policy at a slower pace, with only a few trials conducted over the past two decades. This is particularly noteworthy considering that an incentive system for implementing RWT was established 20 years ago.

The COLORBEL project aims to explore two research objectives (Ros) related to the (potential) introduction of collective RWT in Belgium. Firstly, it plans to launch a pilot experiment in the country to evaluate the impact of a specific RWT policy (RO1) – a four-day workweek with full pay retention – across four specific domains: wellbeing, productivity, employment, and environment. Both administrative and survey data will be gathered in three phases (before, during and after the experiment) in participating companies. Secondly, COLORBEL aims to develop a comprehensive framework that identifies the drivers for and barriers to the adoption of RWT policies (RO2), to assess the effectiveness of existing measures established within the incentive system established in 2004.

To address RO1, we present two viable approaches. The first – and optimal – scenario involves setting up a quasi-experiment. In this scenario, the team will investigate the causal effects of the Reduced Work Time (RWT) policy (the treatment) on a set of indicators using a Difference-in-Difference (DiD) analysis. This analysis entails comparing how a set of indicators (wellbeing, productivity, employment, and environment) change from pre- to post-treatment, and this both for the treatment group and the control group. The treatment group will comprise employees from participating companies who have had their working hours reduced in accordance with the RWT policy. Ideally, the control group should consist of employees from the same participating companies who have not been subjected to the RWT policy, meaning their working hours remain unchanged. This is practically feasible as the law allows employers to implement the RWT policy either for specific categories of employees, or for the entire workforce. If the treatment and control groups are not sufficiently comparable, we will employ matching or weighting techniques. However, in practice, it is more common for a company to apply the RWT policy universally (complete treatment), making it impossible to establish a control group from participating companies. If creating an appropriate control group proves infeasible, the second-best scenario is to conduct a quantitative analysis of the changes in indicators from before to after the treatment exclusively within the treatment group. While this approach does not allow for causal interpretations of effects, it can still provide valuable descriptive and relative insights for policymakers, stakeholders, and the companies involved, facilitating an internal assessment of the RWT policy's impact.



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The research design for RO2 encompasses three key steps. First, a comprehensive review of existing literature on the drivers and barriers to implementing an RWT policy. Second, semi-structured interviews with non-participating Belgian companies will be organized to gain insights into non-participating employers' perceptions of and experiences with existing Belgian measures and identify the barriers to participation. These barriers may encompass substantive issues (e.g., disinterest, financial constraints), practical challenges (e.g., unfamiliarity with measures, administrative obstacles), or other factors. Third, semi-structured interviews with participating companies in Belgium or abroad will focus on identifying the drivers of participation, with specific attention to the role of measures. Additionally, they will explore any challenges encountered during the RWT experiment.

To achieve the above research objectives, COLORBEL will thus employ a blend of quantitative and qualitative analysis techniques, fostering collaboration between researchers from Ghent University and the Federal Planning Bureau. Beyond contributing to the academic discourse on RWT, COLORBEL aims to offer valuable policy recommendations to the cabinet of the Minister of employment on the impact and potential of RWT policies in Belgium, as well as on the effectiveness of existing incentives and alternative measures.

CONTACT INFORMATION

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LINKS

www.4dayweek.be