

Top Hat Consulting

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
Emma Smith	Senior	Business Administration
Kamryn Wilson	Junior	Finance & Management
Giovanah Babirye	Senior	Political Science
Claren Spivey	Senior	Psychology

Advisor(s): Stacy Collins

Topic Title: The 4-Day Workweek: Redesigning Work for People, Planet, and Profit?

Audience: ThredUp Board of Directors

Sustainable Development Goal

SDG #3 & #8: “Ensure healthy lives and promote well-being for all at all ages.”; “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.”

Executive Summary

ThredUp, an online consignment clothing company based in Oakland, California, has paved the way for a more sustainable, eco-friendly clothing culture that promotes limiting waste within the clothing industry. As an industry leader, ThredUp can expand their sustainability efforts beyond its consumers and address additional actions internally. It starts with the employees. In 2021, ThredUp offered a four-day work week to almost 300 of its corporate employees, which resulted in immense productivity improvements and lower employee turnover. According to ThredUp’s employees, 93% of them reported that the four-day work week improved their productivity. ThredUp, however, is only offering this altered work schedule to its corporate employees. Top Hat Consulting has been engaged by the ThredUp Board of Directors to examine its four-day work week policy and make recommendations related to the overall implementation of the policy across all departments within the company.

Further, Top Hat Consulting will address the larger issue of the four-day work week within the broader context of AI and changing workforce dynamics. Some of the ethical dilemmas that will be addressed include: two-track benefits (equity; SDG 8); coverage and customer transparency (trust; SDG 8); and monitoring & privacy (well-being; SDG 3). For example, for the frontline worker who does not have the option of a four-day (32 hour) work week, he/she does not have access to the same mental health and well-being benefits as the knowledge-worker who has better control of time which is linked to lower stress and burnout.

Top Hat Consulting will walk ThredUp Board of Directors through three decision options: A) Keep 32 Hours for Corporate; Add Equity Offsets for Frontline; B) Pilot 32 Hours (100% pay) in Select Frontline Teams; C) Performance-Contingent Four-Day Week.