

NESPRESSO PROFESSIONAL 2020

The Future of Workplace

*A Nespresso Professional Study
Singapore 2020*

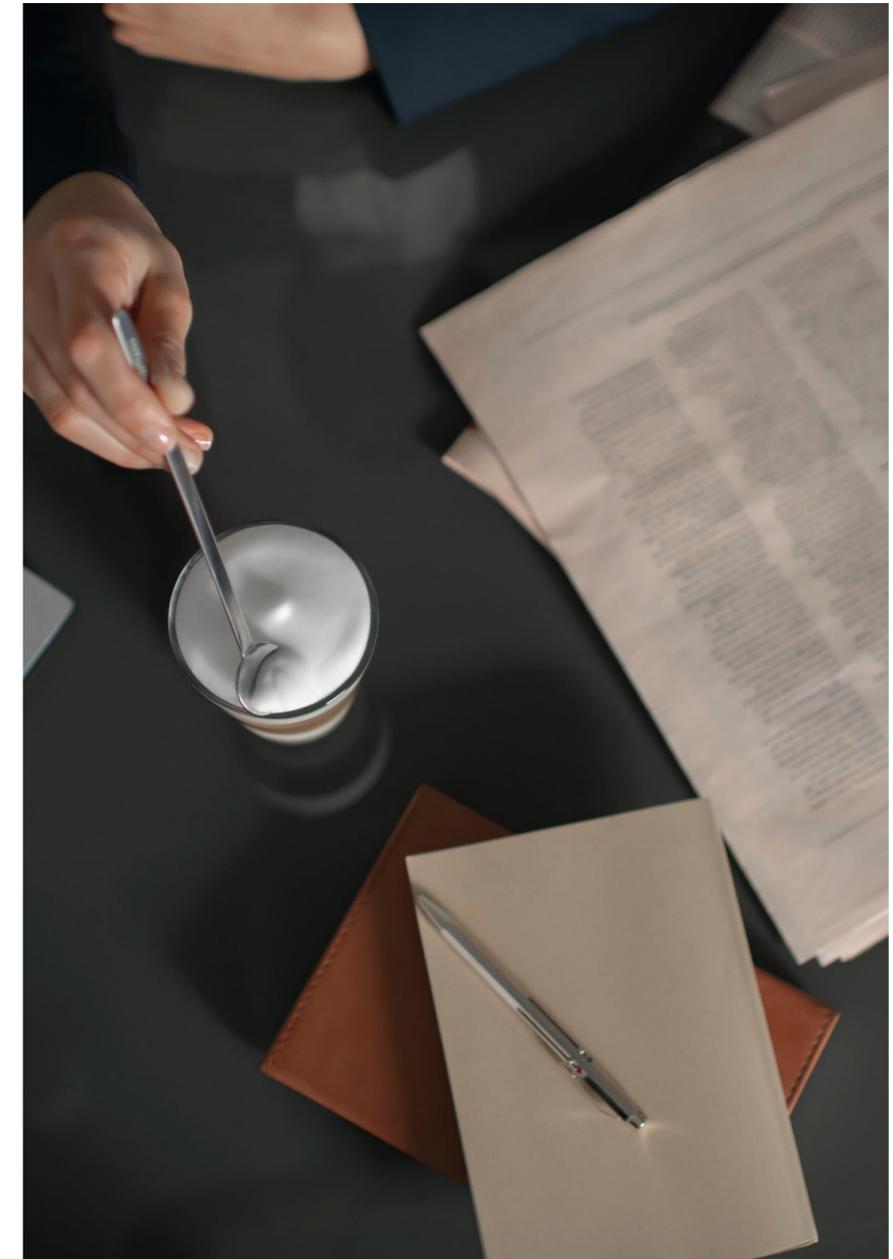


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We are at a global inflection point

Coffee has always been a **cornerstone of office culture**. But the world is **rapidly changing** and so is our relationship with work. The reason why it has profound and long-term implications on our industry is that it fundamentally questions: **What makes a workplace?**

It's only when we understand the **changes** happening in the perception and association of the workplace that we can begin to understand the **new value and meaning that coffee brings to professionals** who are trying to navigate this 'new normal.'



***“The future of work has nothing to do
with the work itself.***

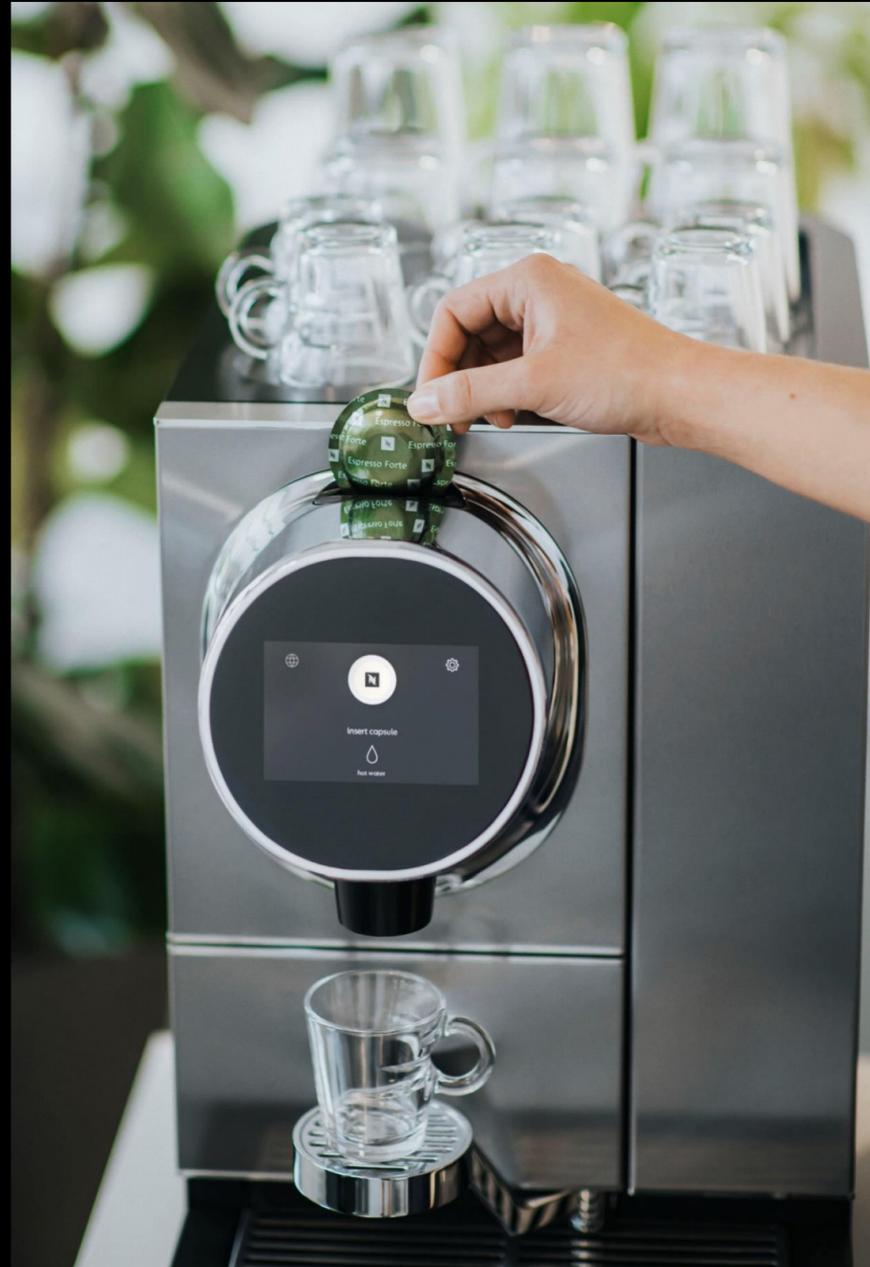
***It’s about the human values
that you layer on top of it.”***

***Ong Choon Fah,
Chief Executive Officer, Edmund Tie & Company***



Contents

1. **Executive Summary**
2. **The Task**
3. **The Future of the Workplace**
 - An Intangible Workplace
 - A Flexible Frontier
 - A Community Hub
 - A Safe Space
4. **The Future of Coffee Culture**



01 *Executive Summary*

What are the key insights we learned about the future of work and coffee culture?

AN INTANGIBLE WORKPLACE

Nowadays people don't necessarily need to go to the office. So the intangible benefits of separating work and life in order to focus, become a major driver.

59%

don't believe that the workplace is restricted to a physical office

BUT

45%

say they still need a separate environment for work and a space to focus

BECAUSE

33%

are struggling with a lack of defined work hours and structure

SO

68%

say coffee breaks are key to their work and routine

A FLEXIBLE FRONTIER

The office is the last frontier separating work and life so a major role for the office is about minimising distractions for productivity. However, at the same time people want the flexibility to choose when, where and how they work.

3 out of 4

say flexible work provides them with the freedom to adapt schedules around personal priorities

BUT

23%

still feel the pressure to be productive when not working in an office

SO

55%

say their productivity is driven by access to the right tools and

AMONG THEM

Nearly Half

say that the pantry is one of the key tools

A COMMUNITY HUB

Sense of belonging and purpose are key drivers for productivity, which is easier to foster in the office than in a virtual workplace.

70%

say they're more productive in office

AND

3 out of 5

say that a sense of belonging drives productivity

BUT

61%

are feeling less connected to colleagues

SO

66%

feel that physical coffee breaks are key in building workplace communities

A SAFE SPACE

Wellbeing is becoming a top priority for employees so the office must become more than a place of work, but a safe space that's more mindful of people's needs.

2 out of 3

have ranked relationships and wellbeing as top life priorities with 33% ranking career growth

AND

44%

are operating under the pressure to secure the next job or promotion

BUT

81%

say flexible work reduces stress

AND

20%

say they take coffee breaks to reduce stress and 52% invite people for coffee to get advice



02 *The Task*

**What did we set out to understand?
What was our methodology to derive
insights?**

We set out to understand:

What makes the future workplace meaningful? And how does coffee facilitate that?



OUR APPROACH

By analysing workplace trends, we identified 4 key dimensions which make up office culture. Through an in-depth quantitative survey of 1,000 respondents in Singapore and 3 qualitative interviews with leading business professionals, we set out to understand:

1. The internal and external influences that impact people's relationship with work.
2. How does this change coffee culture in the office?

WE KEPT IN MIND FUNDAMENTAL SHIFTS IN



Remote Work



Digital Innovation



Wellbeing



City Living



03

The Future of the Workplace

How is workplace culture changing across the dimensions of Place, Relationships, Work and Wellbeing?

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SHIFT 1

*From Physical Office to
An Intangible Workplace*



SHIFT 1

An Intangible Workplace

Global trends in remote working and the proliferation of alternative spaces: such as home, cafes and co-working spaces - are driving a fluid definition of the workspace that's not limited to the physical environment. However, despite this shift, our respondents have repeatedly highlighted their desire for personal space, such as their own desk, and the separation of work and life. It's these tangible aspects of the office environment that people miss the most because it's what helps them keep their routine, focus and stay organised.

If you can physically work from any venue, the intangible aspects of going into the office become more important.

59%

don't believe that the workplace is restricted to a physical office BUT...

45%

say they still need a separate environment for work and a space to focus. THIS IS BECAUSE...

33%

are struggling with defined work hours and lack of structure.

“Being in circuit breaker has changed the way people think about work and rest. Because there is no division between work and life anymore **people need to set their own guidelines. For example, setting an alarm at 6pm to tell you that you need to stop work because it’s so easy to continue.**

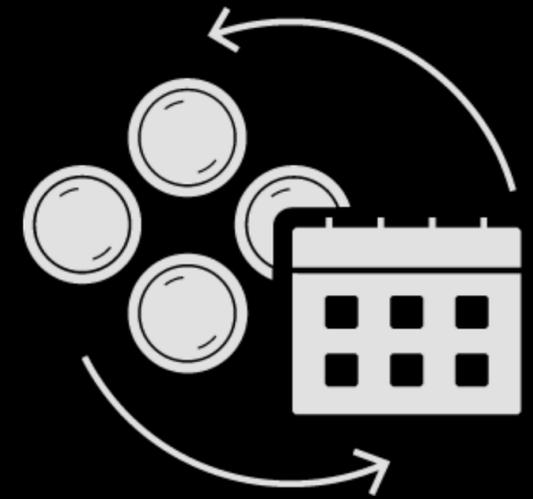
So **coffee culture becomes even more important because it’s an **excuse to take off your mask and to take a break from work.**”**

**Anna Haotanto
Partner & COO
ABZD Capital**

The Role of Coffee: Provide Structure

Despite the workplace becoming more fluid, taking coffee breaks remains a fundamental aspect in **maintaining structure** in people's routines. The **ritual** of preparing a cup of coffee provides that **momentary separation** from work that more people are craving for in this 'new normal'. But it also has the opposite effect - becoming a key moment in their routine that helps people focus on their tasks ahead, especially amidst a chaotic work environment.

A **physical office environment** can be critical to providing that **boundary of separation** between work and play and coffee breaks in the work environment are not just **enjoyed** to increase moments of productivity but also connectivity.



68%

**say coffee breaks
are fundamental to
their work and
routine**

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SHIFT 2

*From Rigid Boundary to
A Flexible Frontier*



SHIFT 2

A Flexible Frontier

The physical office is the **last frontier** separating work and life, which people need to stay productive. However, time-strapped urban professionals also desire flexible arrangements **designed around their life** and not because of the **convenience and freedom to choose** it provides them in the workplace, but also because it allows them to achieve **work life balance outside of their corporate environment**. This means that “an organization cannot be fully **decentralized**,” said Anna Haotanto, Partner & COO, ABZD Capital. “People will still need an office because we are first social creatures. However, I do think that the need to be in the office and clock in from **9AM-6PM everyday** will be reduced greatly.”

Despite this preferred choice, ‘**flexibility stigma**’ still persists, which is the notion that people are not productive if they don’t ‘**keep up appearances**’ at the office. If flexibility is becoming a key preference among employees, then going to the office becomes a conscious choice to enhance and showcase productivity.

3 out of 4

say flexible work provides them with the freedom to adapt schedule around personal priorities BUT...

23%

still feel the pressure to be productive when not working in an office.

“In my previous company one of their cost-saving measures was to *cut free coffee in the pantry*. But as soon as people had to pay, the less people would go to the pantry. Interestingly enough, after a year so, *productivity dropped*.

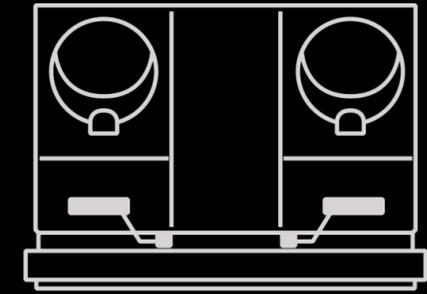
This says something about why pantries are so important. A lot of information is shared in the pantry. Yes there’s a lot of gossip and chit chat, but it is the *glue that binds people* and organizations together and keeps them *strong as an entity*.”

*Michael Von Schlippe
Founder and Co-owner
Indochine Media Ventures*

The Role of Coffee: Pantry Productivity

Despite the fact that people can work from anywhere, the office is still the **ultimate purpose-made environment** to enhance productivity, especially in one area in particular: **the pantry**. When asked what are the **essential components** of the office, the pantry was ranked among the **top 4** among respondents alongside a personal working desk, natural light and rooms to meet.

Looking to the future, Ong Choon Fah, Chief Executive Officer, Edmund Tie & Company, says that the pantry will have a bigger role to play. “Why do we give the **best part of the office to the pantry?** Because it **inspires** people. It’s a less formal space but it’s a very important part of the **creative process.**” While the pantry is not a formal workspace, it’s designed to help people **take breaks** and **build connections**, which has an indirect and **invisible** impact on **productivity**.



55%

**say their productivity is
driven by access to the right
tools.**

Among them

Nearly Half

**say that the pantry is
one of the key tools**

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SHIFT 3

*From a Transactional
Workspace to
A Community Hub*



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SHIFT 3

A Community Hub

Technology has enabled teams to collaborate and connect with colleagues **virtually anywhere** thereby challenging the need for meeting in-person. However, we found that people are motivated more by **intrinsic** and higher order values, such as a sense of **belonging and purpose**, over external perks and recognition. "Feeling of **belonging is difficult to maintain** over a long period of time." said Michael Von Schlippe, Founder and Co-owner of Indochine Media Ventures. "Naturally you can do things online for awhile, but physical interaction builds a different quality of relationship that you can't replace with the virtual office."

It's our **relationships** with colleagues that makes work feel **less transactional** and more meaningful. Our community helps us to **not be consumed by work** while simultaneously having a positive impact on productivity. If work is more than a set of transactional behaviours, then **the office provides a platform to build more motivated teams** and a sense of community.

4 out of 5

say the office fostered a sense of belonging and purpose.

33%

say they're motivated when surrounded by and collaborating with colleagues

61%

are feeling less connected to colleagues.

“When you’re at the office, you see your colleagues **working around you. So there’s a sense of **community spirit** whether or not you actively interact with people. It’s very different from working alone at home where you have a sense of **isolation** especially if it’s **over a period of time.**”**

**Ong Choon Fah,
Chief Executive Officer, Edmund Tie & Company**

The Role of Coffee: Reminder to Connect

Even though you can have virtual catchups with your colleagues, there's something **magical** about having coffee in-person shares Ong Choon Fah, Chief Executive Officer, Edmund Tie & Company. "Coffee is no longer a beverage. It's a culture, an experience, it's something that **binds and breaks down barriers**. It has that magic effect where you feel a little bit more relaxed when you talk. It connects people in a different way."

While the workplace is increasingly becoming more digitized, technology can't replace the **deep human connection** that sharing a cup of coffee with a colleague can create. Aside from work, it's the community employees build at work that provides consistent support and motivation to perform.



66%

**agree that a component for
strengthening office relationships
is coffee**

66%

**say grabbing coffee with colleagues
makes them feel like part of a
community at the workplace**

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SHIFT 4

*From Competitive Arena
to A Safe Space*



SHIFT 4

A Safe Space

Singapore is known to have a **competitive work culture** focused on 'career growth.' But despite this, a majority of our respondents picked **relationships** and **wellbeing** as their top choices for priorities in the workplace, indicating a shift in attitudes about work lifestyles. However, only around half of our respondents felt that their employers care about their wellbeing.

Providing **flexible working arrangement** is one way for employers to cultivate a 'safe workspace' where employees feel like their company care about them **beyond work**. By providing flexible arrangements, people feel **less stressed** because it provides **more time** to focus on wellbeing and family. If wellbeing is becoming a top priority for employees, the office must become more than a place of work, but a safe space that values people's personal needs.

66%

ranked relationships and wellbeing as top life priorities. HOWEVER,

47%

don't think their employers care about their well-being.

81%

say flexible work reduces stress.

“When I was growing up we were taught that *you need to do whatever it takes* to get the job done. If your boss tells you to photocopy until 10pm then you just do it and *don’t complain*. Now there’s self love and mental wellness and colleagues who say ‘it’s okay, we understand.’ I think *that’s healthier*.

It doesn’t make people lazier but more *productive*.”

**Anna Haotanto
Partner & COO
ABZD Capital**

The Role of Coffee: Conscious Deceleration

Taking **coffee breaks** is a key **coping mechanism** for dealing with stress, especially amidst the uncertain job and economic climate facing the workforce today. It encourages people to **consciously decelerate** and **remove themselves** from their work desk and into a different environment. However, the trend towards remote working makes this difficult to do. **Not everyone has access to green spaces** conducive to unwinding. “The ability to look at the window and see something far away whether it’s greenery or water is important for mental health,” said Ong Choon Fah, Chief Executive Officer, Edmund Tie & Company.

Spaces with natural light and clean air was also ranked among the top office essentials, providing an opportunity to design ‘**green pantries**’ as the safe space in the office.



20%

**take coffee breaks
to cope with stress**

57%

**said that spaces with natural light
and clean air was an office
essential**



04

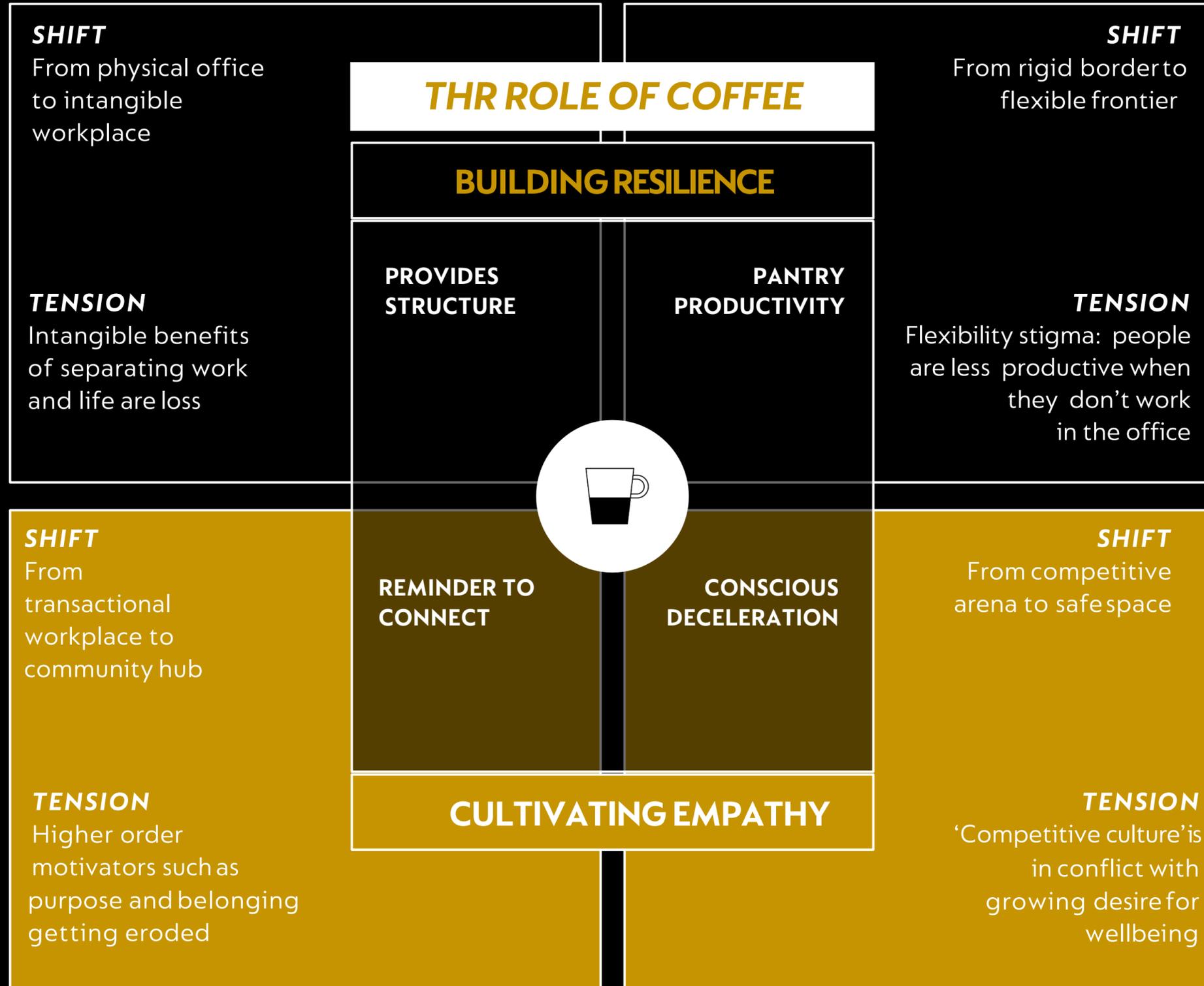
The Future of Coffee Culture

How can you leverage coffee culture to help navigate the 'new normal'?

*“Everyone has felt the pain together. We are becoming more **empathetic** towards others. Previously it was easy to demand everything now, now, now.*

*I think for people they realize that **work is not the most important thing**. It makes a lot of people **reflect** on work and life and what are the boundaries.”*

Anna Haotanto
Partner & COO
ABZD Capital



The Opportunity

In our research we identified that there are 4 major shifts happening in the workplace, each with their own implications on the role of coffee.

But taking a step back, these signals indicate two major themes that will profoundly influence the future of coffee culture.

For leaders who are forging a brave new path forward for their companies, cultivating a strong coffee culture is one way of building resilience and cultivating empathy in the workplace.

How might coffee culture build employee resilience?

Coffee has always been associated with boosting productivity, but this takes on new form as a fluid and flexible workplace future **adds more distractions to our plate**. Now that the office is not the central workplace, these distractions become **contextual**, intimately **personal** and not distributed equally across the team.

So, the path to productivity starts first with being **resilient** in the face of **constant disruptions**. A coffee break becomes the **first line of defense** against the perils of blurring boundaries. It's an **essential tool** that employers can provide its employees who are choosing to go to the office to focus and be productive.



As a leader, what could you do?

- Use **'coffee catchups'** as a way in to become aware of and understand the personal circumstances of your employees that might affect their productivity.
- Send **coffee care kits**. Help your employees stock up on quality coffee and it also reminds them to take a break and feel balanced.
- **Loan-a-coffee-machine**. Can you provide a subsidized subscription program for employees to be able to enjoy coffee in multiple environments at a lower cost?
- Similar to **'happy hour'**, create a **'coffee-o-clock'** ritual in the office that encourages teams to take a collective break together.

How might coffee culture cultivate an empathetic workplace?

The **incredible uptake of technology** may have enabled us to feel more connected than ever before and easier to work virtually anywhere, but it also leaves much to be desired when it comes to **building relationships**.

That's why now more than ever is **human connection** important in a workplace future where people might not always be sitting next to their colleagues. Our **relationships** is what make us **resilient** in the face of adversity because it enables us to stay connected to a bigger sense of purpose.



As a leader, what could you do?

- Start a **dialogue** with your employees over coffee. It signals an environment of **trust** where people feel comfortable to be honest about how they're feeling.
- **Elevate** the office pantry into a **social space** that inspires people to mingle and get to know each other when at the office.
- Combine coffee breaks with other office-sponsored **wellness activities**, such as yoga or breathing exercises.
- Pick a day to trial a '**meeting-free**' **afternoon**, thereby encouraging people to take coffee breaks with others instead.

THANK YOU.

