

CASTELLUM

2021



Working life of the future

- In the wake of a pandemic



CASTELLUM

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ABOUT THE SURVEY

In this report, we have studied driving factors and values among the population in today's labour market and how they could influence people's expectations of employers in the near future. The survey was carried out by Axiom Insight for Castellum. 2,011 respondents were asked questions regarding their views on workplaces, home working and coworking spaces. The respondents were randomly selected for the project and invited to represent the Swedish population by gender, age and geography. The respondents normally worked in an office full-time or part-time, and were aged 18-70. The survey was carried out during the period 25 March-6 April 2021.



A unique look at the working life of the future

Our customers' success is our success. That's why we at Castellum are deeply committed to helping customers use their offices in ways that optimise their employees' health and wellbeing and the development of their business.

We want every person who goes to work at a Castellum premises to feel we care about them and their needs. To achieve this aim, it is vital to understand the needs and preferences of today's office workers. That is the reason why we launched this annual survey last year.

What we didn't know then was that a global pandemic was just around the corner. The Covid-19 pandemic has affected society deeply and in countless ways. We don't yet know its long-term impacts on our economy or health care system. Our habits and culture will also be affected, not least in terms of the way we view working life and workplaces.

At Castellum, we have been seeing a trend towards greater flexibility for quite some time. This applies to the needs of companies as well as individuals. The pandemic has strongly acceler-

ated this trend by obliging many of us to work from home. We quickly adapted to a new reality in which digital tools and new habits have emerged and developed.

This year's survey is, in many ways, unique. It is the first of its kind to show how attitudes to working life have changed during the pandemic, and we can make comparisons with the results of the first survey, carried out shortly before the pandemic.

I hope the findings in this report will provide a greater understanding of the demands companies are likely to face from employees going forward. Based on these new insights, we look forward to exciting and interesting discussions on how we can work together to achieve a healthier and more successful working life for individuals and companies in the future.

*Henrik Saxborn,
CEO, Castellum*



How the pandemic has changed our view of working life



As this report is released, the pandemic will have been going on for over a year. Whole societies have closed down, our movements and social interactions have been restricted, and many of us have been obliged to work from home for a long time now. How has this situation affected our attitudes to working life? What habits and behaviours have changed? Has the pandemic had any effects which we would like to see continue? And how can employers ensure they are attractive post-pandemic?

Alternating between office and home working

For many, the pandemic has required us to make changes in our habits that have affected the way we work. ‘When can we return to the office?’ was a question frequently heard at the start of the pandemic. But when restrictions start to be eased, how will people actually want to work? Is everyone longing to return to the office? What role will offices play?

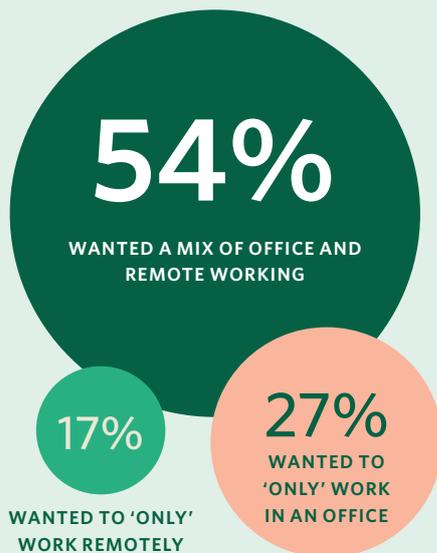
To be attractive, employers will need to continue offering flexibility. Nearly 80 percent of respondents in this year’s survey cited flexibility as an important factor, both in terms of flexible working hours and having the freedom to decide where to work.

The changes many of us have had to make during the pandemic seem to have taught us a lot. Many people have come to the conclusion that working at the office five days a week is not always ideal. At the same time, many have missed the office. In the survey conducted a year ago, just before the pandemic began, 25 percent of respondents said they would like to work from home in the future. This year, the figure dropped to 17 percent.

This year’s survey shows that most respondents want to be able to continue working remotely after the pandemic is under control, but would also like to have the option of going to an office. Over half said they would like to alternate between office and remote working. This mix was the most popular alternative among the respondents in all age groups.

Respondents from Jämtland stand out as being the least keen on offices, with only 11 percent wanting to work in an office. In Halland the opposite was true, with 40 percent preferring to work in an office. But in both of these counties, respondents tended to favour a mix.

Those most eager to return to the office are those who prefer full-time work. Those who dream of starting their own business want greater flexibility in choosing their workplace. However, the trend is clear – most respondents wanted the freedom to alternate between office and remote working. An employer who meets this demand and offers flexibility in terms of working hours and work location is an attractive employer.



INSIGHTS



Flexibility makes an employer attractive



Most people want a mix of office-based and remote working



Full-time employees are most eager to return to the office

New expectations of employers

More and more people seem to be concluding that we'll never return to 'normal' after the pandemic. A traditional office environment has been seen as a given by many people, as has the traditional eight-to-five working day. But what will we go back to when restrictions are lifted? What will be the new normal? What expectations will employees have of their employers?

There is much to suggest that people will have new expectations of the workplace when they return to work. This year's survey shows that a majority of younger respondents (under 34 years) value a workplace that focuses on social and creative spaces. This result has probably also been affected by the pandemic to some degree, as many in this target group may have been contending with cramped working conditions, for instance in a small studio flat, during the pandemic.

Although the pandemic has meant a large amount of home working, our survey shows that an overwhelming majority of respondents still find it important for employers to help achieve work-life balance. Almost 80 percent of respondents cited this aspect as important or very important in order for them to find an employer attractive. According to Cristina G. Banks, researcher at the Center for Healthy Workplaces at UC Berkeley, this could be because during the pandemic,

employees have had a taste of determining their own schedules and work arrangements. Moreover, it has proved possible to work efficiently and productively away from the office. A fresh report from the Stockholm Chamber of Commerce highlights the type of tasks that worked best and least well when performed at home. A majority found it easier to perform administrative and focus-intensive tasks at home, while tasks requiring interaction and creativity were best done at the office.

To a large extent, employers will be expected to focus on individual employees' needs. Employees want their employers to be understanding and supportive in helping them to work according to their needs and preferences and to find an optimal work-life balance.

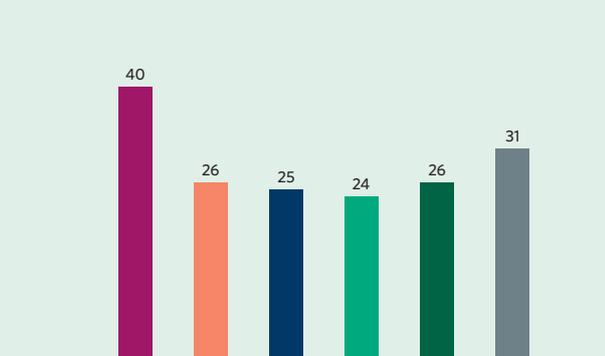


YOUNGER RESPONDENTS (UNDER 34 YEARS) ATTACHED MORE IMPORTANCE TO HAVING SOCIAL SPACES IN THEIR WORKPLACE

HOW WOULD YOU PREFER TO WORK IN FUTURE?

PROPORTION IN PERCENT

WORK IN AN OFFICE



HOW IMPORTANT ARE THE FOLLOWING FACTORS IN DETERMINING WHETHER YOU CONSIDER A WORKPLACE ATTRACTIVE TO WORK AT?

PROPORTION IN PERCENT

THAT THE WORKPLACE HELPS ACHIEVE A GOOD WORK-LIFE BALANCE



■ <25 years ■ 25-34 years ■ 35-44 years ■ 45-54 years ■ 55-64 years ■ 65+ years

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An upswing in security-seeking

The pandemic seems to have made people more prone to covet security. Last year, 37 percent of respondents expressed an interest in working part-time, while 26 percent were interested in becoming a self-employed consultant. This year only 16 percent cited a preference for working part time and 17 percent for working as a self-employed consultant.

Significantly more women than men expressed a wish to work part-time. This was true in both last year's and this year's survey. This year, the figure was 20 percent for women and 13 percent for men. In last year's survey, significantly more respondents expressed interest in working part-time, but the gap between men and women was smaller - 39 percent of women and 37 percent of men. The reason more women than men would prefer part-time to full-time work might be that women tend to take greater responsibility for household work.

Furthermore, fewer women than men said they wanted to be a self-employed consultant - 15 percent compared with 18 percent. In general, the pandemic has negatively impacted women's situation and finances to a greater degree than men's. This might be one reason why fewer women see the riskier path of self-employment as attractive.

The decreased interest in becoming self-employed or working part-time might be due to a rise in uncertainty about the future economy. The desire to change jobs also decreased. The majority (58 percent) expected to remain in their current place

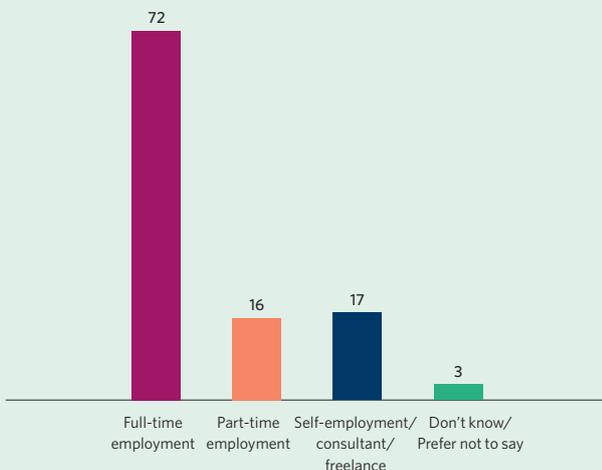


of work for three years or longer. (11 percent expected to leave within one year and 20 percent expected to remain for between one and two years.) This could also be a sign of a desire for security during the pandemic; last year only 36 percent of respondents expected to remain in their current place of work for three years or longer.

The proportion who responded 'don't know/prefer not to say' dropped from 41 to 10 percent this year. A possible reason for this is that more people have reflected on their work situation during last year's labour market turbulence and do not take their employment for granted. This is another factor identified by Cristina G. Banks as one of our new expectations of our workplace. We expect greater security - both physical and mental.

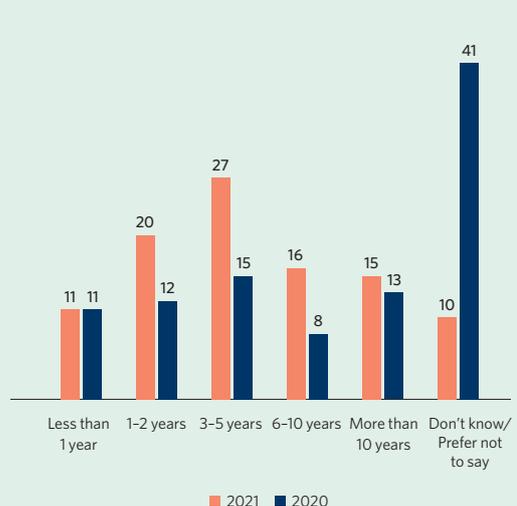
WHAT FORM OF EMPLOYMENT WOULD YOU PREFER IN THE FUTURE?

PROPORTION IN PERCENT



HOW LONG DO YOU EXPECT TO REMAIN IN YOUR CURRENT JOB?

PROPORTION IN PERCENT



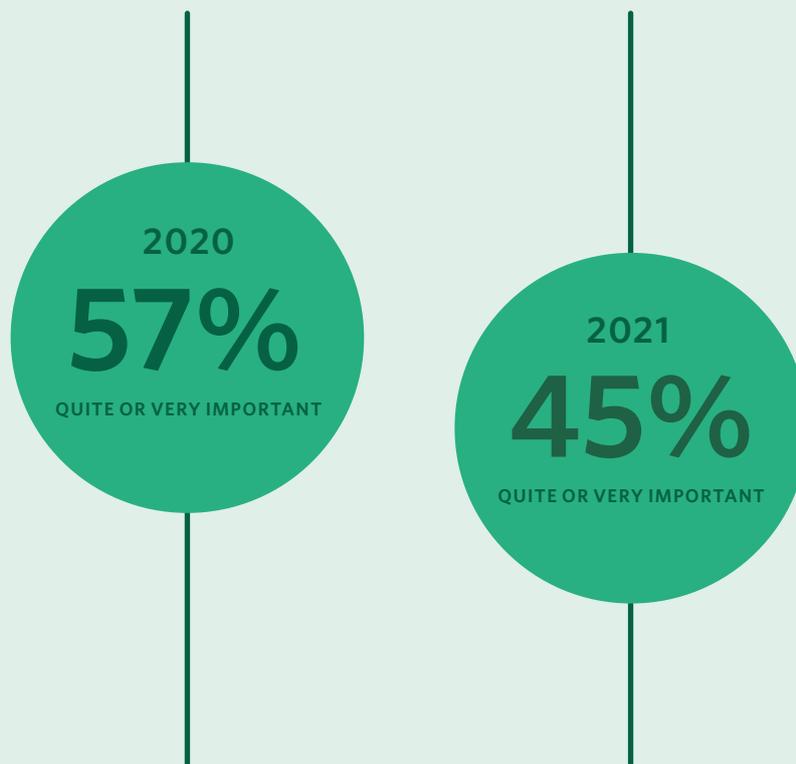
Proximity to retail and services is becoming less important

An interesting shift during the past year of the pandemic regards the importance of having retail and services near one's workplace. Last year, a majority of 57 percent considered it quite important or very important, while this year the figure dropped to 45 percent.

A possible reason for this is that as we've worked at home more, we've become accustomed to shopping online for goods and services instead of running errands after work or during lunch breaks. If this is the case, it could signal a more long-term and permanent shift, which employers as well as real estate companies should take into account when planning future workplaces.



PROPORTION OF RESPONDENTS WHO VALUED HAVING RETAIL AND SERVICES NEAR THEIR WORKPLACE



76%

FOUND IT IMPORTANT FOR THE
WORKPLACE TO CONTRIBUTE TO
A GOOD WORK-LIFE BALANCE

45%

FOUND IT IMPORTANT FOR THE
WORKPLACE TO HAVE SOCIAL
AND CREATIVE SPACES

INSIGHTS



An employer who helps achieve a good
work-life balance is seen as attractive



Tasks requiring interaction and creativity are
best performed at the office

The employer's values are seen as more important than salary

An interesting question to study over time is what impact a company's, public authority's or organisation's mission statement and values have on employees' work satisfaction. We studied this question by asking respondents how important they found getting a high salary as opposed to the importance of the employer's mission and values. Prior to this year's survey, our hypothesis was that the uncertainty caused by the pandemic would make the employer's mission and values less important to individuals. In fact, the result was the opposite. Mission and values have increased in importance compared to last year's survey.

This year, a hefty 41 percent of respondents reported finding their employer's mission and values more important than a higher salary. Before the pandemic, the figure was 37 percent. It is possible that the pandemic has had a dampening effect on this trend, and that the increase would have been even greater without the pandemic. However, we can only speculate on this.

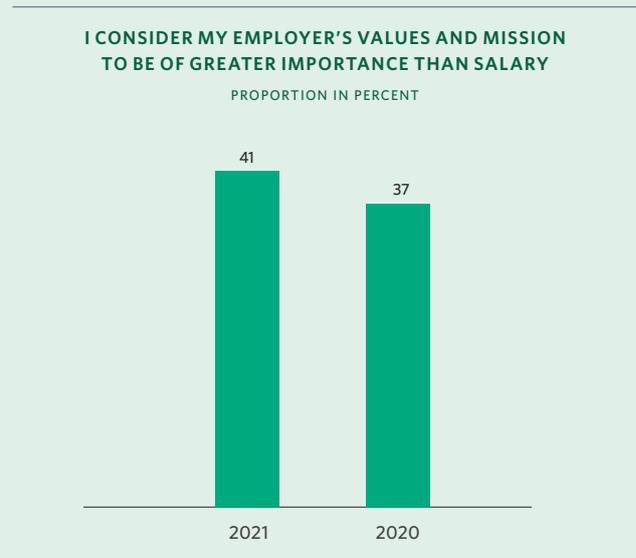
When we break down the figures by age and gender, the results are even more interesting. Women value mission and values over salary to a much greater degree than men. Of the female respondents, 45 percent considered mission and values

more important than a higher salary. The corresponding figure among male respondents was 36 percent.

We can also see that younger generations find values more important. Among Generation Z (younger than 25), 54 percent considered values to be more important than a higher salary. The corresponding figure for respondents aged 55–64 was 35 percent. Interestingly, respondents aged 65 and over also found values more important than a higher salary. The figure for this age group was 47 percent.

The labour market is on the brink of both a generational shift and a gender shift among white collar workers. According to the Swedish Council for Higher Education, women currently predominate in universities and colleges, and also perform better than men. The Confederation of Swedish Enterprise has also noted a doubling in the number of female managers in the business sector since 1998. In 2019, 36 percent of managers were women.

This demographic change, particularly notable among white collar workers, as well as the results of our survey, show that in future it will become more important to pursue and convey an organisation's values.





INSIGHTS



The employer's values and mission are seen as increasingly important in the Swedish labour market - despite the pandemic



54 percent of Generation Z find the employer's mission and values more important than a higher salary



Women attach more importance than men to the employer's mission statement and values

INTERVIEW WITH RESEARCHER LENA LID FALKMAN ABOUT THE POST-PANDEMIC WORKPLACE

'We want to mix and flex'

The pandemic has moved control of the work situation from the employer to the employee. We've grown accustomed to greater freedom and won't accept others dictating when and where we work. Greater demands will also be placed on offices. Nobody will want to be less happy working at the office than at home, predicts researcher Lena Lid Falkman.

How has the pandemic affected our work?

Productivity and efficiency have been surprisingly high when working from home. However, tasks requiring creativity and problem-solving are more difficult when colleagues can't meet physically.

But respondents were divided into two camps. Some see home working as the best thing ever; finally they get to control their own work and schedule. Others long to return to the office. The latter respondents mainly miss the social aspect. Some also miss leaving home and going to the office, where they can focus better. But nobody wants a return to the eight-to-five working day. People want to mix and flex.

What role will offices play post-pandemic?

People will want to go to the office for two main reasons. One is because of the opportunities for social interaction, collaboration and creativity. The other is that we need a place where we can focus and close the door behind us. 'That's why I'm surprised so many offices seem to be designed like aquariums. With windows everywhere. The only way to escape and be alone is to go to the toilet. What we need is an "unattractive room". A room where you can close the door, loosen your trousers, focus completely, be as unattractive as you want and be left alone. A room that you could book and put a "Do not disturb" sign outside.'

What new expectations will we have of our workplace?

We'll want to decide for ourselves. We won't want to be obliged to be either at the office or at home. We'll want to decide how much and when we come to the office, according to our needs. 'Now we've had a taste of freedom, we won't want to clock in and be told "good morning" at nine o'clock.' People want to keep this freedom and flexibility. Consequently, a challenge going forward will be

understanding how to plan meetings and organise work so as to ensure people are present when needed.

We'll also expect a better work environment than the one we have at home. There'll be higher hygiene requirements, with double screens and sit-stand desks. We'll also expect these things in our home office. At the same time, I think many people will continue wanting to work from home a few days a week, which will make these expectations unreasonable. But the expectations are there. What's important is that the work environment at home should not be better than at the workplace.

'What we need is an "unattractive room". A room where you can close the door, loosen your trousers, focus completely, be as unattractive as you want and be left alone.'

How can we avoid 'A and B teams' in the workplace?

In order to be prepared for coming out of the Covid-19 crisis, employers should review their intercommunication processes. Give careful consideration to employees' needs and expectations. Otherwise employees will decide entirely for themselves, and we risk having, as it were, an A team and a B team. The A team will always be at the office and get all the information first. The B team will work from home and finds things out later, or even miss out on information completely.

To avoid this, my advice is to start by reviewing your work procedures and defining what technology will be needed for different types of meetings, based on the purpose of the meeting.



Lena Lid Falkman, Researcher,
Stockholm School of Economics

Lena Lid Falkman is a researcher in activity-based workplaces and leadership at the Stockholm School of Economics. She is also an award-winning rhetorician and the author of several books on leadership and rhetoric.



‘We’ll want to decide for ourselves. We won’t want to be obliged to be either at the office or at home.’

**3 TIPS TO PREPARE FOR PRESSING
THE RESTART BUTTON - FROM LENA LID FALKMAN**

1.

Review your work procedures – it’s important to decide in advance which work procedures will be available. Otherwise there will be as many solutions as there are employees.

2.

Look into how you can work more efficiently without having to hold 1-hour meetings for everything. Schedule shorter meetings. 25, 30 or 50 minutes is usually sufficient.

3.

Hybrid meetings are here to stay. Make sure nobody misses out on information just because they’re not physically present.



Strong upsurge in coworking



The office market has traditionally been a relatively rigid sector characterised by long leases that allow no flexibility for the tenant company. On the positive side, this set-up means security for both parties – it is clear what was being provided and the costs are predictable. But in an ever faster-moving world where the situation for companies and employees has become increasingly fast-changing and volatile, a need has arisen for new, more flexible solutions. The emergence of various coworking solutions is revolutionising the office market.

What exactly is coworking?

Coworking is an arrangement where a workspace is shared by different companies, creators and consultants. Members of a coworking space can range from individual consultants to large companies with over 100 employees. Contracts are flexible, and member companies can choose to share an open office space with others, have a few individual spaces available or work exclusively in private offices. The difference between coworking spaces and the older type of serviced offices is that coworking spaces offer a completely different type of added value in addition to the space by providing events, seminars, different services, networking opportunities and, not least, a community outside one's own company.

The general public's attitudes towards coworking

Coworking has grown in recent years, and we wanted to investigate how people who normally work in offices see this type of work arrangement.

The survey results clearly show that coworking appeals to many people. Two out of three respondents were favourable to spending some or all of their working time in a coworking space.

Younger respondents were found to be more positive to coworking than their older counterparts. A hefty 86 percent of Generation Z respondents were favourable to coworking, while 39 percent of those aged 55-64 said no outright to this type of work environment.



WOULD YOU LIKE TO WORK IN A COWORKING SPACE?



86%

OF GENERATION Z RESPONDENTS WERE FAVOURABLE TOWARDS WORKING IN A COWORKING SPACE

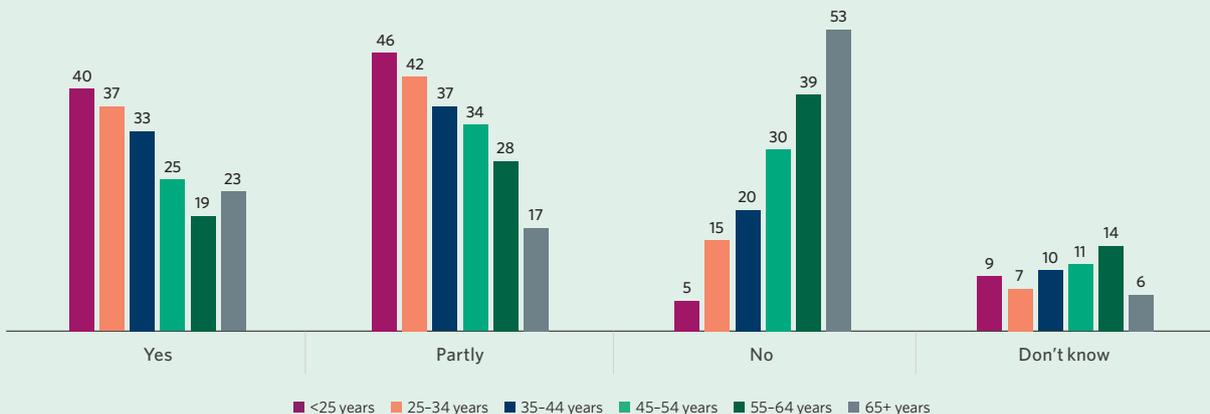


39%

OF THOSE AGED 55-64 SAID NO OUTRIGHT TO THIS TYPE OF WORK ENVIRONMENT

WOULD YOU LIKE TO WORK IN A COWORKING SPACE?

PROPORTION IN PERCENT



Coworking most popular in larger cities

The results also suggested that coworking is more popular in counties with larger cities, such as Västmanland, Stockholm and Halland, whereas counties like Västerbotten, Värmland and Norrbotten do not have the same need for it. There are various possible reasons for this. People in smaller towns often have a shorter commuting distance, thus reducing the need for more office options close to home. More densely populated areas often have a more dynamic business sector, more startups and more freelancers. This can make coworking a more suitable solution in these business ecosystems.

Location, convenience and exercise = good coworking

If we examine what makes a coworking solution attractive, location clearly emerges as the most important factor. 60 percent of respondents chose location as the top priority. However, perceptions of what constitutes a good location are changing. Pre-pandemic, a good location was associated with premises in the city centre with good commuter links. During the pandemic, many people have become used to home working and the convenience of staying local, although they also want the energy and creativity they get from their colleagues. We asked the respondents if they would like their employer to provide coworking space closer to home, to save them commuting to the main office. Nearly 50 percent responded yes to this question. In counties with long commuting distances, even more respondents were interested in this type of solution. So employers should think carefully in future about what is regarded as a good location. We will explore this further in the section on future trends (section 3).

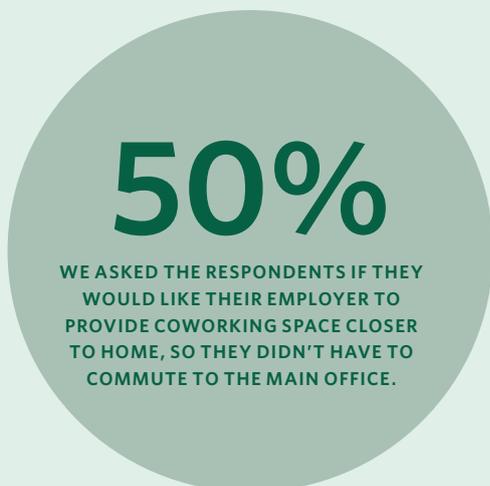
WHICH FACTORS MAKE A COWORKING SOLUTION ATTRACTIVE?

1. Good location
2. Access to a reception, IT and other support facilities
3. Bar, café and restaurant
4. Gym or other exercise facilities
5. Access to workspaces in multiple locations
6. Opportunities for networking with members from other companies
7. Visually attractive premises

The four most highly prioritised factors largely coincide with the factors that make an ordinary office attractive. However, having access to workspaces in several locations and networking in a community are factors that are more uniquely associated with coworking. So is the possibility of having an office to go to while travelling. These seem likely to be the type of factors that will distinguish different coworking companies from each other and enable some to gain a competitive edge.

Given the above considerations, many coworking companies are likely to try to tailor their offering to specific target groups in order to build a community that would benefit the type of companies that use their spaces. Such target groups might be based on profession, age, gender or corporate culture.

In summary, we can conclude that coworking is an attractive concept and is therefore likely to become an increasingly common and more natural part of a flexible working life.

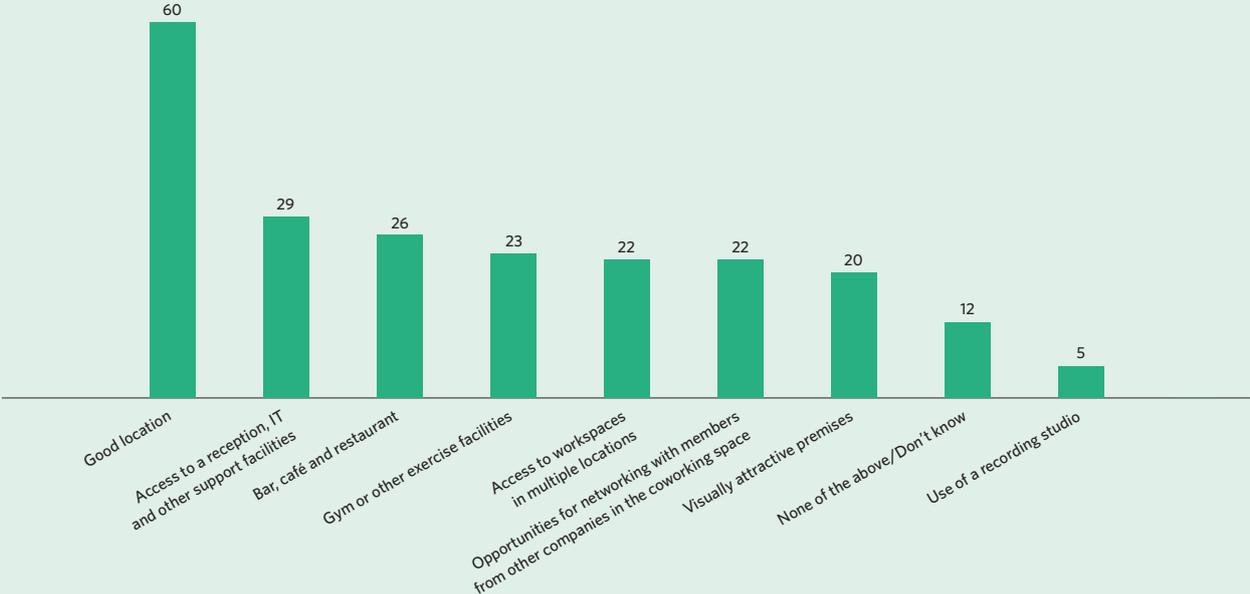


MANY ARE POSITIVE TO COWORKING, AND IS THEREFORE LIKELY TO BECOME INCREASINGLY COMMON AND A NATURAL PART OF A MORE FLEXIBLE WORKING LIFE.



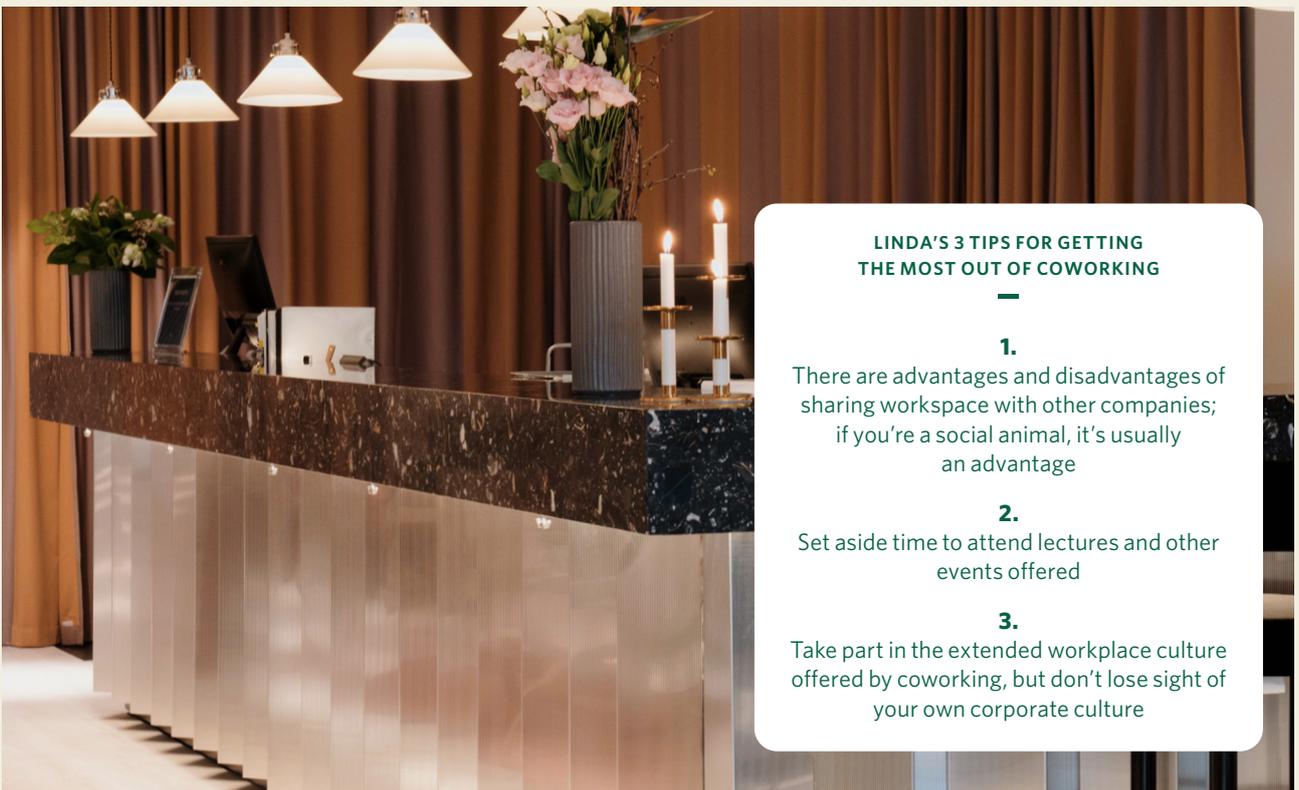
WHICH OF THE FOLLOWING ATTRIBUTES DO YOU FIND MOST IMPORTANT IN ORDER FOR A COWORKING OFFICE TO BE AN ATTRACTIVE OPTION?

PROPORTION IN PERCENT





'Coworking makes it easier to flex up and down. This is a big advantage when the future situation and developments are uncertain.'



LINDA'S 3 TIPS FOR GETTING THE MOST OUT OF COWORKING

1.

There are advantages and disadvantages of sharing workspace with other companies; if you're a social animal, it's usually an advantage

2.

Set aside time to attend lectures and other events offered

3.

Take part in the extended workplace culture offered by coworking, but don't lose sight of your own corporate culture

INTERVIEW WITH LINDA LANDIN, MARKETING MANAGER OF SMOOTHIE COMPANY INNOCENT

Why we chose coworking as the standard solution in all our markets

Innocent, a sustainable smoothie company, has chosen coworking as the standard workspace solution for its offices in 15 countries. Coworking enables a company to focus on its business, quickly upscale when needed and access an existing community and workplace culture. We spoke to Innocent's Marketing Manager, Linda Landin.

You're bigger than most other companies that use coworking offices. Why choose coworking?

Coworking is great because it allows us to focus on our business and operations. It takes a few years to establish your work procedures, and being part of the workplace culture offered by Untied Spaces is very valuable. You can take part in things like holiday celebrations, breakfast and after-work socialising. And the Swedish office only has eight employees, so a normal office solution would almost have felt a bit lonely.

Coworking also makes more sense financially for us. Innocent's products are sold in 15 European countries, and coworking is the standard workspace solution in all those countries. It's only in our absolute largest cities like London and Milan that we have ordinary offices.

What does your workspace look like? Do you work in an open office space or your own office?

We have an office of our own at Untied Spaces. This is very important to us. We have a strong corporate culture and brand and want all Innocent offices to have a clearly defined look. For instance, all our offices worldwide have green grass on the floor.

What's it like working in a coworking office?

There's a constant flow of people. There's always somebody to say hello to and have coffee with. It's really nice. But it's important to see it as an advantage, to be energised by meeting people and having activity around you.

Would you describe it as a corporate culture within a larger corporate culture?

It's important for us to have our own corporate culture even though we're automatically part of the culture of the United Spaces community. If you work in a coworking office, I think it's important to find your own private corner, your own routine and your own rhythm.

Do you think the company will still be using coworking ten years from now?

If you'd asked me that pre-pandemic I'd definitely have said we'd have our own office by then. But now I'm not so sure. For one thing, people will continue to work at home several days a week. And it's also easier to upscale and downscale in a coworking space than in a traditional office. Coworking makes it easier to flex up and down. This is a big advantage when the future is uncertain.

As a company, you highly value sustainability. How does that manifest in your organisation?

It's important for our premises to be sustainable. It's also important how our landlord manages sustainability and that we have opportunities to influence it. Waterfront, the building we're located in, is a very sustainable building. We requested a better waste separation system inside our premises, which has been provided since we moved in.



Linda Landin,
Marketing Manager at Innocent

Innocent is a global company that produces and sells smoothies and juices. The company currently has sales of SEK 190 million in Sweden alone. Globally, Innocent sells more than two million smoothies a week. 90 percent of the company is owned by The Coca-Cola Company.



Trendspotting: More smaller offices, rather than a single large one



A main office has long been considered the norm for most companies. But the pandemic has shaken things up. We've seen that productivity has largely been maintained despite working at home. Many people have discovered huge benefits in not having to commute to a main office, while also missing their colleagues and opportunities to change surroundings and engage in creative collaboration. Is it time for companies to completely rethink the role of a main office?

Proximity, proximity, proximity

Location, location, location is a well-used mantra when evaluating the attractiveness of a premises. It tends to implicitly mean that the premises should be central. But will this continue to be a foregone conclusion in the future?

This year's survey shows that people continue to see the location of their workplace as an important factor. Nearly 80 per cent indicated that their office's location is important in order for them to regard their workplace as attractive. But the definition of a good location is no longer as clear-cut as previously. According to Kjell A. Nordström, a business economist, writer and lecturer, the pandemic has accelerated several societal changes that were already under way. He has coined the concept of the 'donut city' to symbolise the development seen in many cities. More and more people aspire to living in a single-family house and working from home, and are tending to move away from the city centre. High housing prices are causing many to move to suburbs and neighbouring smaller towns. Meanwhile, shopping centres are increasingly being built outside cities, causing more and more shops in city centres to close.

This results in a city centre that is empty like a donut hole, while the outskirts of the city grow stronger. This is leading to a gradual change in people's perception of what constitutes an attractive location.

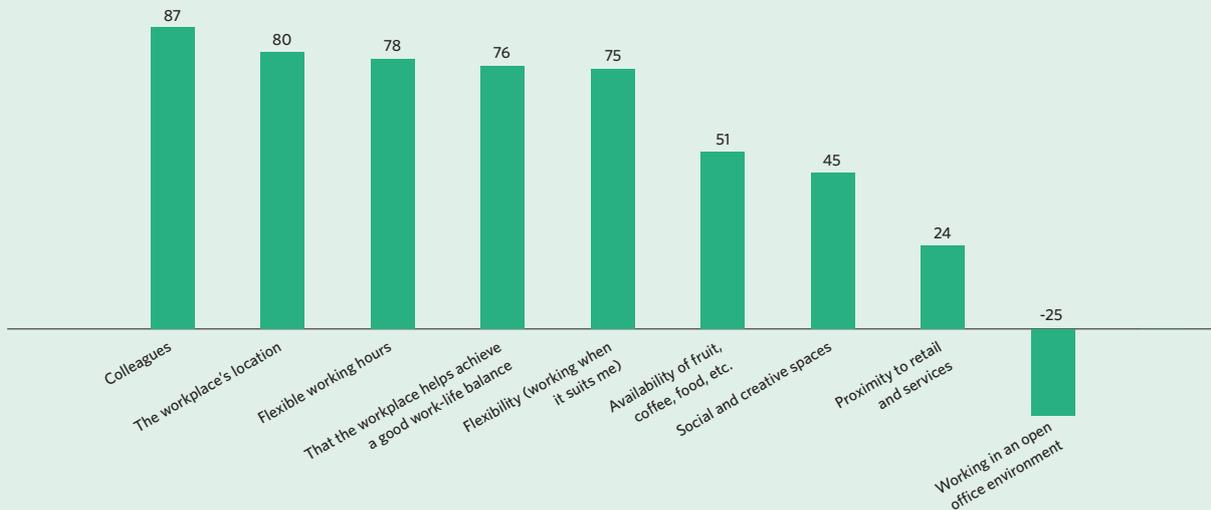
'More and more people aspire to living in a single-family house and working from home, and are tending to move away from the city centre.'

Kjell A. Nordström, business economist

However, it may be some time before the 'donut city' becomes reality, if at all. Urban centres will continue to be seen as commercially highly attractive in the foreseeable future. However, the development and attractiveness of suburbs and environs of major cities will increase. Castellum is already seeing this development in Stockholm, for example, in the form of a boom in demand for office space throughout almost the whole of Mälardalen.

HOW IMPORTANT ARE THE FOLLOWING FACTORS IN DETERMINING WHETHER YOU CONSIDER A WORKPLACE ATTRACTIVE TO WORK AT?

PROPORTION IN PERCENT



People have appreciated less commuting

The experience of remote working has whetted our appetite for a working life with minimal commuting. About half of this year's respondents said they would like access to a coworking office close to home, to avoid commuting to the main office. However, responses varied between age groups. In the mid-aged group of 25-44 years, a clear majority favoured this option. Those aged 55 and over, however, said they would prefer to commute to the main office. This result could be to do with work-life balance, with the mid-aged group preferring a closer workplace to help balance their work and family life.

If Nordström's 'donut city' theory becomes reality, we are likely to see a growing trend where major companies establish a larger number of smaller offices outside city centres, instead of one big office in the city centre. This can be seen as a hub model for offices, with a central main office and several satellite offices closer to employees' homes. Several of Sweden's largest coworking companies already provide multiple offices in the same town/city or in several towns/cities. We are also seeing an increasing tendency to set up coworking spaces in immediate suburbs.

'50% want an office closer to home'





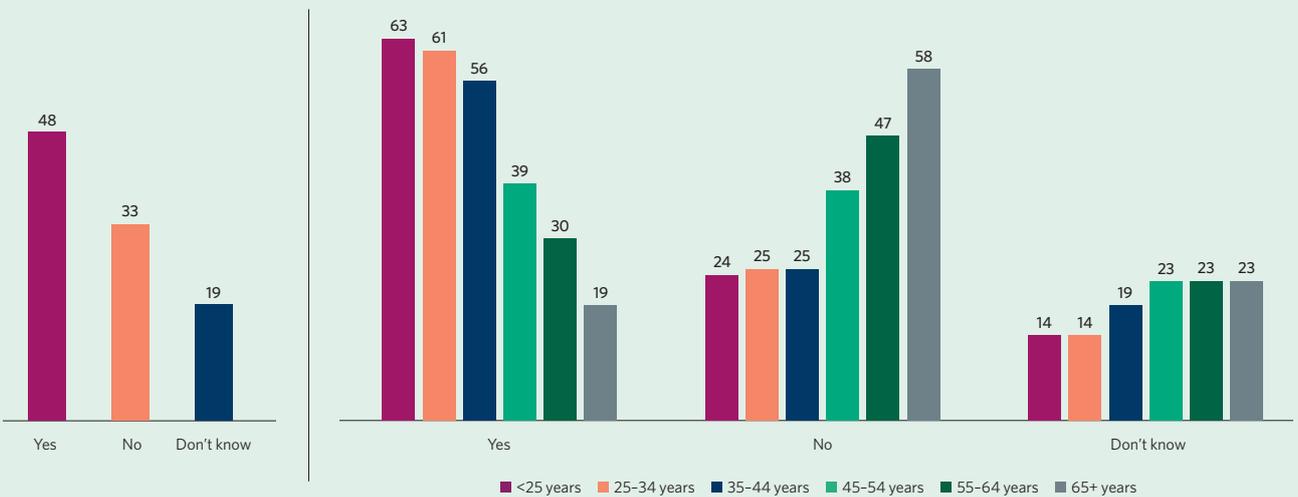
HUB MODEL

If Nordström's theory becomes reality, we are likely to see a growing trend where major companies establish a larger number of smaller offices outside city centres, instead of one big office in the city centre.



WOULD YOU LIKE YOUR EMPLOYER TO PROVIDE AN ALTERNATIVE COWORKING SPACE CLOSER TO YOUR HOME, TO SAVE YOU COMMUTING TO THE MAIN OFFICE?

PROPORTION IN PERCENT



INTERVIEW WITH ANNA JOHNSON, CEO SWEDEN, GRANT THORNTON

'No way will people spend six hours a week commuting'

Post-pandemic workplaces will need to be dynamic and flexible. Companies' offices will become 'flagships'. The ambience should be modern and fresh, like meeting in a hotel lobby. Employees should be able to meet their customers here, but also to come in and sit down, read a newspaper or use the gym.

You have a vision of promoting healthy trade and industry. Could you explain this a bit more?

Our existing business plan includes something we refer to as 'sustainable working life', and flexibility already features strongly in this model. Employees want to have work procedures, technology and flexibility. Being able to adapt your work procedures to your individual needs creates a sense of wellbeing in itself. There is also a health aspect to consider. In order for employees to give their best performance and provide optimal service to customers, they need to be healthy and happy. So the health aspect is also part of our model. Another aspect is mobility.

Describe your new offices and the needs they meet

Our new offices are designed to meet our employees' needs, and will contain different environments for different purposes.

Never waste a good crisis - the Covid-19 crisis has enabled faster change. Many people found flexible working difficult before the pandemic. Now things have completely changed, and we need to pick out and use the most positive aspects.

Our offices will be 'flagships', where people can come and experience the Grant Thornton brand. These offices will need to be in central locations, at street level with large glass windows. The ambience should be modern and fresh, like meeting in a hotel lobby. We want our employees to be able to meet their customers here, but also to come in and sit down, read a newspaper or use the

gym. They should also have outdoor areas where people can enjoy a coffee and chat to colleagues. And we've really invested in our coffee - it's one of the most important things. I really miss our Italian coffee bar!

What will we expect of our post-pandemic workplace? Do we look forward to returning to the office?

We won't want to commute. No way will people spend six hours a week commuting. And it won't matter whether you work in Umeå, Malmö or Stockholm. The location will be immaterial. My colleagues are all of the 1,300 people working at Grant Thornton, full stop. But I think it will also be important to have meeting places where colleagues can come and recharge their energy when needed.

How do you attract young talent?

By offering self-leadership. And this brings us to the question of a sustainable working life for employees. The most important thing in self-leadership is to create a daily work situation where you feel at your best and can work independently. For some, this might mean coming to the meeting place to socialise, while others won't need that at all.

What demands will be made of property owners with regard to future work spaces?

People will expect work spaces to be dynamic and flexible. Space efficiency will be key. I also think there'll be demand for a greater range of services, especially in large cities. Many services are already available, such as gyms and outdoor spaces. In large cities, we're used to everything being done for us. For example, I think it will be important to be able to buy quality food. People will no longer accept having to spend half their lunch break queuing up for good food. The health trend will continue to rise, and quality food is something we want to offer our employees.



Anna Johnson, CEO Sweden,
Grant Thornton



'Never waste a good crisis'



GRANT THORNTON

Grant Thornton is a global company with 1,300 employees in Sweden. The company is a customer of Castellum and operates in 22 locations with a head office in Stockholm. Grant Thornton has sales of SEK 1.6 billion in Sweden. Anna Johnson describes their purpose as assuring financial statements. They do this by offering services related to auditing, consulting, financial services and tax.



A sustainable working life

People have high expectations for a sustainable work environment.

As a result of our new habits and work procedures, strong focus is being placed on the office work environment. This applies to both home offices and traditional ones. Social interaction has decreased. But who does this affect the most and hardest? What can employers do to achieve a cohesive, healthy organisation despite people not meeting physically? And what will a sustainable future workplace be like?

New expectations of the work environment call for a holistic approach

Expectations continue to be high for sustainable work environments. Nine out of ten of respondents found good sound, light and air conditions to be important (2021), approximately the same percentage as in 2020. To meet the high expectations for healthy workplaces, premises will need to be adapted both internally and externally. Environmental rating of buildings is widely used by construction companies and property owners, but the rating systems do not generally cover all the expected aspects of health and wellness.

One of the first building standards to adopt a more holistic approach to work environment is WELL. The WELL standard is designed as an international building standard and is based on a more holistic view of human health and wellness. WELL focuses on ten concepts that affect people's health: air, water, nourish-

ment, light, movement, comfort, sound, materials, mind, community, (innovation). By balancing these aspects, it is possible to create efficient, comfortable spaces that promote movement, interaction and productivity. Several studies show that a healthy work environment results in many benefits: reduced sick leave, higher workplace satisfaction and lower staff turn over. It also helps a company attract new talent.

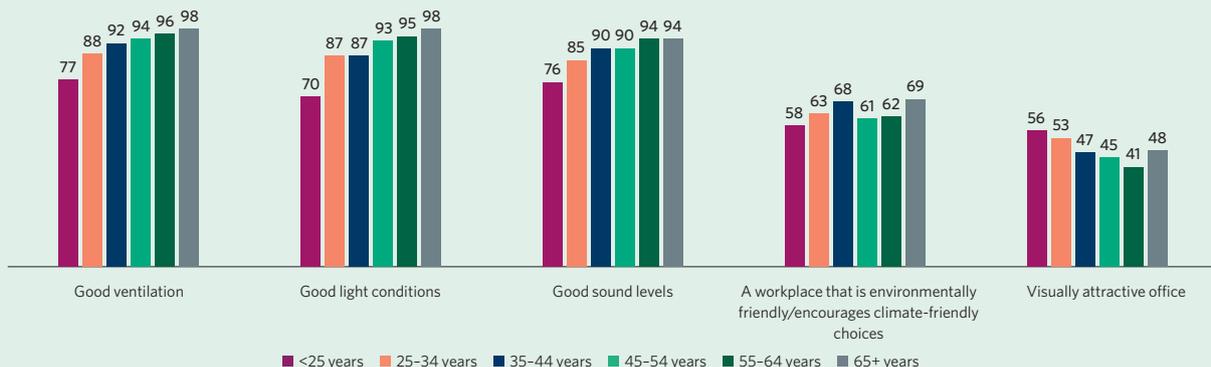
The survey shows that the practical aspects of the work environment become more important with age. To promote teamwork, cooperation and innovation, the workplace needs to be a place where all employees feel good and want to spend time. Younger and less highly educated employees are less exacting than other groups, but want to be able to meet and collaborate with older colleagues. To meet future expectations, it is necessary to take a holistic approach and establish standards for offices that provide a work environment where people feel good and want to spend time.



'To promote teamwork, cooperation and innovation, the workplace needs to be a place where all employees feel good and want to spend time.'

HOW IMPORTANT ARE THE FOLLOWING FACTORS IN YOUR WORKPLACE?

PROPORTION IN PERCENT



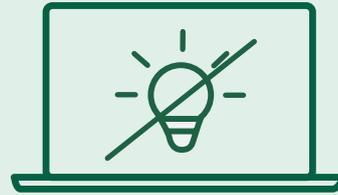
Social interaction – important for wellness and crucial for business

Many have discovered they can work efficiently and productively away from the office. However, many miss their colleagues. Video meetings facilitate remote collaboration but are not a substitute for physical interaction. What happens to employees' wellbeing and creativity when social interaction decreases or disappears completely?

One aspect of working life that not even the pandemic seems to have changed is the importance of having good colleagues. In both last year's and this year's survey, nine out of ten respondents cited colleagues as the most important factor for an attractive workplace. It is easy to understand that people miss social exchange with colleagues, but does such contact also benefit business?

Researcher Cristina G. Banks at UC Berkeley argues in an article that our loss of spontaneous interaction will seriously impact business because it is often through these meetings that innovation is born. Swedish researcher Lena Lid Falkman claims, along similar lines, that creativity and innovation can never be planned, and are therefore difficult, if not impossible, to achieve through a scheduled Teams meeting.

Consequently, to avoid losing business or employees, it is important to consider ways to ensure social exchange takes place even when people work at home.



RESEARCHER CRISTINA G. BANKS AT UC BERKELEY ARGUES IN AN ARTICLE THAT OUR LOSS OF SPONTANEOUS INTERACTION WILL SERIOUSLY IMPACT BUSINESS BECAUSE IT IS OFTEN THROUGH THESE MEETINGS THAT INNOVATION IS BORN.

The office as a promoter of good health

Mental health can also suffer, and teamwork can easily decline when colleagues can't meet physically.

In preparation for the lifting of restrictions, it is vital for employers to provide places where their employees can meet. It is crucial not to allow innovation and creativity to slow down, which would make it more difficult to remain competitive in the market. Whether or not the meeting place is a traditional office is less important. What's important is for employees to have a place where they can socialise and work together.

It is also important to remember that even after restrictions are eased, many employees will choose to continue working at home. People will always want the opportunity to mix and flex, so work procedures must be adapted accordingly. Hybrid meetings, where a physical meeting room is booked and a meeting link is provided for attending online, will be a standard prerequisite to ensure that all employees take part.



87%

CITED COLLEAGUES AS THE MOST IMPORTANT FACTOR FOR AN ATTRACTIVE WORKPLACE



5 EXPECTATIONS THAT PEOPLE WILL HAVE OF THEIR WORKPLACE - ACCORDING TO RESEARCHER LENA LID FALKMAN

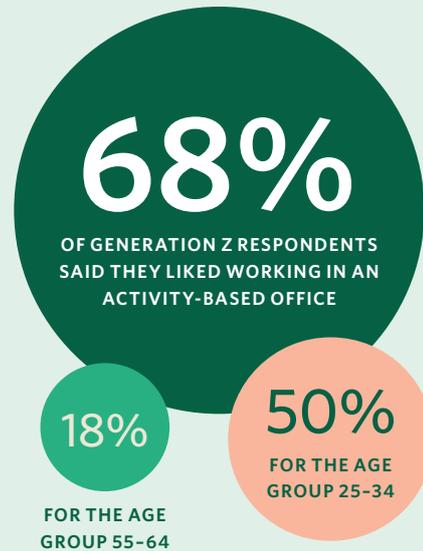
1. Having other colleagues already in the office when you arrive
2. A pleasant staff area where you can have coffee, socialise and chat to colleagues
3. Good project spaces and meeting rooms. It should be possible to use a whiteboard and sticky notes
4. Higher hygiene standards. More frequent cleaning, plastic-wrapped food. Unwrapped sandwiches will be regarded as unhygienic
5. Ergonomics, sound and light. The office work environment must have more to offer than the home office

Open office spaces – both loved and hated

A workplace where everyone has their own office has become an exception rather than the rule. Instead, open office spaces are becoming increasingly common, as companies and organisations attempt to improve exchange and teamwork between colleagues while also cutting costs. Some have also gone a step further by introducing activity-based workplaces, where there are no personal workstations. Instead, employees vary their seating location according to the task at hand.

Our survey provides a divided picture when it comes to respondents' views on office environments. The results clearly show that the older a respondent, the less likely they are to appreciate open office spaces. Only 18 percent of respondents aged 55–64 liked working in an activity-based workplace, compared to 68 percent of Generation Z respondents (younger than 25 at the time of the survey). The corresponding figure for those aged 25–34 was 50 percent.

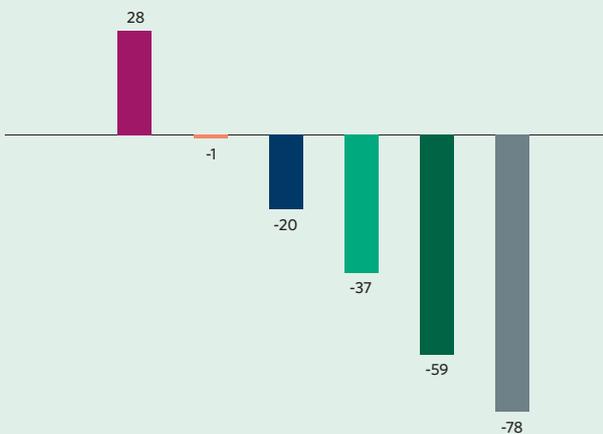
The younger generation was also the only group that felt that having an open office environment made an employer more attractive. For over-35s, having an open office environment makes an employer seem marginally less attractive.



HOW IMPORTANT ARE THE FOLLOWING FACTORS IN DETERMINING WHETHER YOU CONSIDER A WORKPLACE ATTRACTIVE TO WORK AT?

PROPORTION IN PERCENT

WORKING IN AN OPEN OFFICE ENVIRONMENT



■ <25 years ■ 25-34 years ■ 35-44 years ■ 45-54 years ■ 55-64 years ■ 65+ years



OPEN OFFICE SPACES WILL LIKELY REMAIN THE STANDARD OFFICE SOLUTION IN FUTURE.

In a situation where mixing and flexing between home and office working is becoming the norm, while companies are demanding more space-efficient and flexible solutions, it is highly likely that open offices will remain the standard solution in future. In light of this, employees should give careful consideration to how they furnish and fit out their offices. From the standpoint of both corporate culture and teamwork, it is not good if certain employees choose to work exclusively at home.

For this reason, offices will be required to meet many different needs and provide spaces for both socialising and quiet, focused work. It is also the employer's responsibility to explain the benefits of an open office space and give employees the necessary tools to thrive in such an environment.

It remains to be seen whether these generational preferences will persist as the respondents age, or whether their preferences change at different stages of life.



INSIGHTS



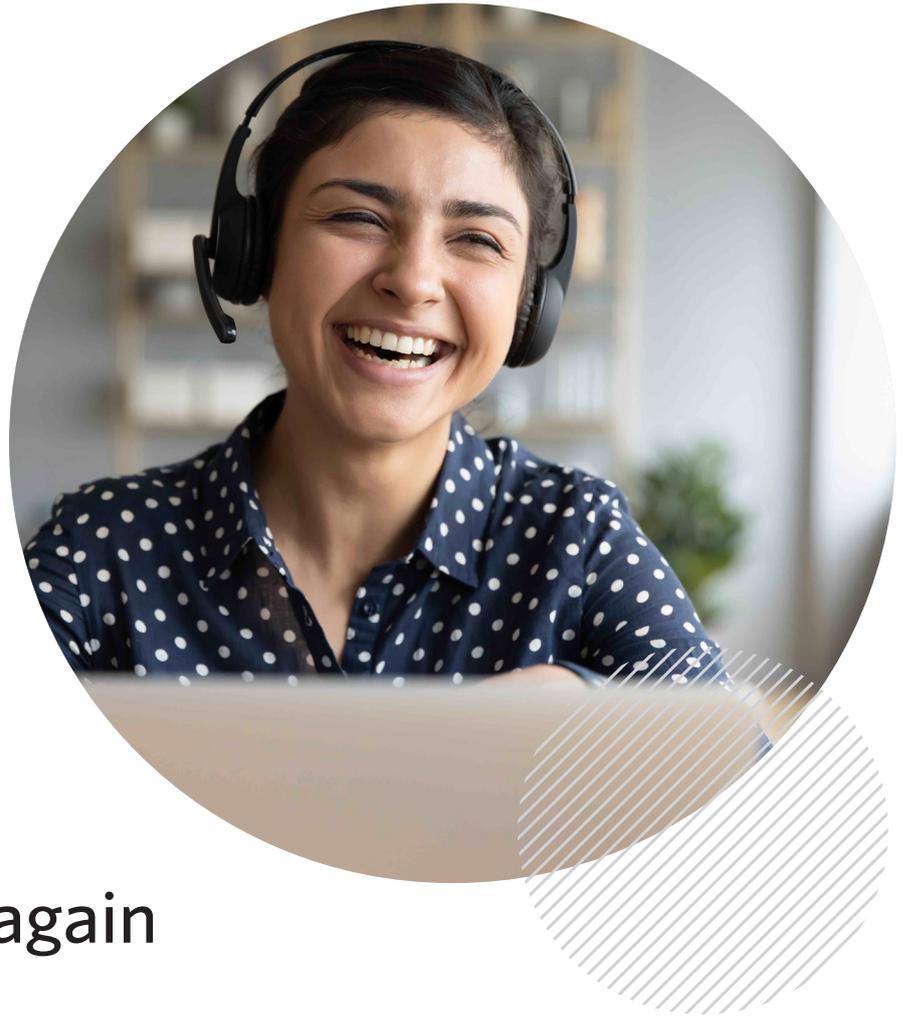
Large generational gap in attitudes to open office spaces.



High demands will be placed on employers to satisfy employees' different needs.



Post-pandemic, it will be even more important for employers to strive to satisfy employees' demands and expectations for an attractive workplace. Otherwise employees might prefer to work from home instead.



Until we meet again

In the past year, we have faced challenges that were previously unimaginable. It has been difficult to be separated from family and friends, and many have missed their colleagues in the office. The pandemic has also brought about many changes and sped up a pre-existing trend towards digitalisation of the workplace. Many of the things we regarded as new and unfamiliar during the pandemic will become part of the new normal. The result will be new solutions, new ways of working and new workplaces. Many employers feel very uncertain about how to ensure that employees feel as happy as possible at work. We hope this report has provided some of the insights needed to take a step towards the working life of the future.

ABOUT THIS REPORT

This is one of a number of studies and reports that Castellum plans to share during the year. The survey for the report was carried out by Axiom Insight for Castellum during March–April 2021.

Read more at [Castellum.se/en/future-working-life](https://www.castellum.se/en/future-working-life)

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