Innovation Pioneers

THIS BRIEFING PAPER INCLUDES KEY TAKEAWAYS FROM TANKMEETING NR 59, HOSTED BY CASTELLUM ON "LEARNINGS FROM VENTURE CAPITALISTS ON DECISION-MAKING IN CHALLENGING TIMES".

The Tankmeeting took place on May 18th, 2022 at Castellum in Gothenburg.

PARTICIPATING: RISE AB, Googol, ASKO Appliances AB, White arkitekter AB, SKF, Ideon Open, Castellum, Lindab Ventilation AB and CGI.

PURPOSE

Tankmeeting #59 was focused on the workplace strategies of the future to turn the new hybrid way of working into a success.

Before the pandemic we wanted to work from home half a day per week. Post-pandemic we want to work 2-3 days from home. But is this always the best for everyone?

We all want flexibility, but we also want our colleagues to be in the office when we are. How do you create the best work style for your employees, your customers and shareholders?

Castellum shared some of their latest insights and reports and raised some valuable aspects to consider when deciding on the best solution for your workplace. We ideated some creative solutions on how to meet the new demands in the hybrid work environment, and left the workshop a little bit wiser in the world of hybrid work.

Thank you Castellum for sharing valuable insights and hosting a fun and creative day!

CASTELLUM – ABOUT THE HOST

Castellum is one of the largest property owners in Sweden. Castellum is also one of the largest property development companies and one of the largest publicly listed property companies in Sweden. Every day, 350 000 people go to work in their



spaces. Every year, they invest 5 billion SEK in developing their property portfolio and as a long-term property owner they've always focused on ecologically, socially and financially sustainable investments. Read more at <u>castellum.se</u>.

DEMANDS ON THE FUTURE WORKPLACE - FINDINGS AND INSIGHTS

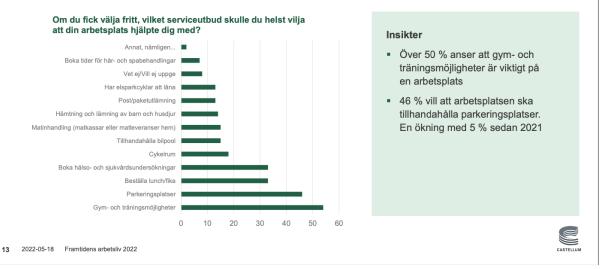
Castellum has conducted a survey with 2000 respondents, in total 6000 respondents before, during and after the pandemic. The latest survey was conducted January 2022 and showcased some interesting findings on how we want to work in the new hybrid world. Helene Lindström from Castellum presented some of the findings from the report:

- The office is considered an important place to build culture. 60% of managers and 60% of employees consider the office important to build a positive corporate culture.
- Flexibility is here to stay. Most people consider 1-2 days per week to work from the office optimal.
- 89% indicate that what they miss the most from the office are their colleagues.
- **Gyms and parking are now defining the attractive workplace.** More than 50% consider gyms and training facilities the most important office perk. Parking spots are the second most wanted, indicated by 46% of respondents.
- **Proximity to retailers and shopping is no longer considered an important perk.** This is most likely due to the increase in online shopping behaviour.
- **82% consider location important.** But it is no longer defined by proximity to shopping.
- **Coworking is on the rise.** 72% indicate they would consider working part-time or full-time from a coworking place. This is an increase of 8% since last year. The young ones are the most keen on coworking 88% of respondents younger than 25% indicate coworking as a desirable place to work.
- We now have **high expectations on our workplaces to be hybrid-friendly.** At the same time, we want the office to be lively and full of colleagues when we do decide to go to the office. Seems like we all want to eat the cookie and still keep it?

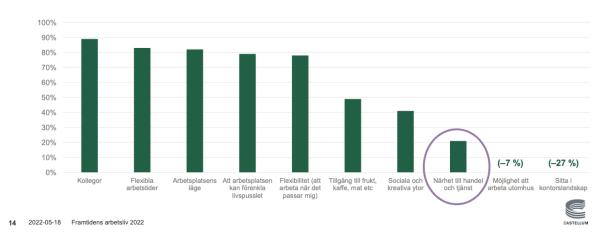
With these insights in mind, how do we design a workplace strategy that works for our own company, employees and customers?



Gym och parkeringsplatser definierar det attraktiva kontoret



Närhet till handel mindre viktigt

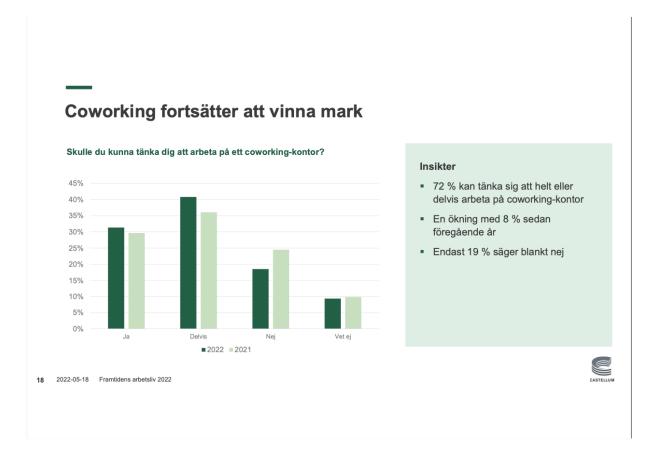


Hur viktigt är följande områden för att du ska tycka att en arbetsplats är attraktiv att arbeta på?

REDEFINING COWORKING - THE DIFFERENCE BETWEEN OFFICE HOTELS AND COWORKING



What does cowering mean exactly? Is it any different to an office hotel (kontorshotell)? If so, what is the difference? What are the benefits? There was a live discussion on stage discussing these topics.



REINVENTING WORK LIFE - AN EXAMPLE FROM CASTELLUM

New demands on our workplaces puts pressure on companies to reinvent themselves. This does not only impact how we work, sometimes this also affects the way we do business. For traditional players, this can be a challenging transition, however it is necessary to adapt to the new normal in order to not fall behind. Niclas Ingeström, CDO at Castellum, shared how a traditional property company like Castellum has adapted to new customer demands.

Niclas Ingeström shared Castellum's new Tech & Innovation Strategy, where properties are now only a part of their full portfolio. In 2030, Castellum aims to get 2030 of their sales from innovative and digital services. Castellum has identified AI and data to be the key component in order to realise this vision. How do you then gather data? Castellum has developed a new integrated office app called Life@Work, aiming to simplify work life for their customers. How do you then get customers to start using an app? For example, Castellum has integrated a digital key into the app, completely independent of hardware. Due to this, everyone needs the app. Thanks to this, they can now log activity, how many are in the office and how often. This data is valuable and can be used to develop new services, such as

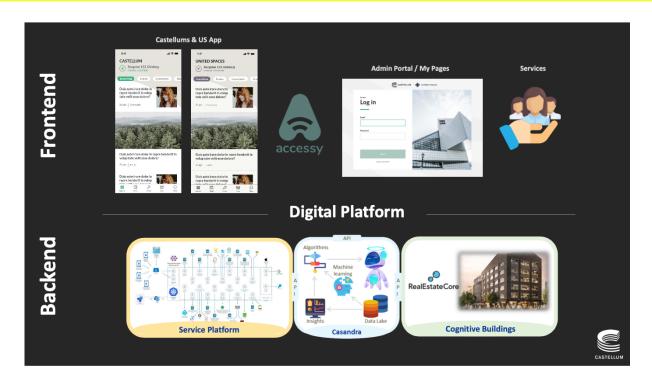


helping companies to optimize desk planning and help colleagues to see who is in the office today - so they can decide if they want to go to the office or not.



Other add-on services include lunch ordering, dry cleaning, ordering flowers and even the new phenomena; spouse desks. There are endless opportunities for services and products you can develop based on data. In other words, data is valuable. It is estimated that the data generated from an adult would be worth \$35 per month.





Integrating data and digital services into properties of course puts high demands on security. Blockchain has opened up fantastic opportunities, where you can store information on renovation data about your properties in the blockchain. Castellum has put some hard work into ensuring its data remains safe. However it is not only enough to do your cybersecurity homework - you also need to earn your customers trust.

THE NEW HYBRID NORMAL - WORKPLACE STRATEGY SOLUTIONS

Heléne Lidström, Workplace strategist at Castellum, has been working with workplace development for a long time. What she has seen after the pandemic is that companies have now realized that workplace design is a highly strategic question. The pandemic has accelerated the workplace development and we have all gotten new perspectives and innovative ideas on how to work together.

We no longer talk about activity based offices, the new hot way of developing our workplaces is anthropocentric - meaning we put the individual in the centre. People do things in different ways and people are productive and creative in different settings. We're not all the same, so if we design our workplaces from the individual's perspective we should all get more productive, innovative and creative.

What the pandemic has also shown us is that working from home has worked relatively well, at least from a productivity perspective. In the beginning many of us get dopamine kicks from feeling productive at home. However what has fallen behind is the creativity, innovative power, culture building, team spirit and belonging.



Many managers have also indicated worry for the wellbeing of their employees, when not being able to meet in person with our full five senses to understand how their team members are doing.

What is the new normal? According to Heléne Lidström it is:

- Hybrid
- Flexibility
- Acceptance

If the new normal is all about flexibility, how do you then create clarity? Freedom often requires clarity, so our flexible way of working requires even clearer goals and expectations on what we are supposed to achieve. Employers need to carefully think through how to create clarity in a flexible work environment.

A lot of people still consider office-first the desired way of working, as a place to meet and collaborate with colleagues. However if we all want to have a lot of freedom and flexibility, whilst still being able to go to a thriving office space whenever we want to, then how are we supposed to solve this tricky equation?

Finding the optimal workplace design for your company

Every organisation needs to do their homework, as there's no size fits all solution. Spotity decided that employees are allowed to work from wherever they want, whilst the telecom company Tre chose the opposite path: they made a public announcement that office-first is their work philosophy. They believe they are more creative and innovative that way.

However it is not enough to tell your employee to come back to the office, if that is what you want. Your employees might not come back unless they see the value. Helene gave us an example of a customer support manager who was unsuccessfully trying to get his staff to come back to the office. The solution? They hosted a workshop with their support agents asking them about the benefits of working at home vs in the office. It turned out to have more perks to go to the office and the employees realised themselves that they wanted to come back. The conclusion is that it is better to involve your employees and make them realise what is best for them, your company and your customers.

Of course you always need to consider the nature of the work you do. If you are a receptionist, then your job is to meet and greet visitors. Physically.

Designing the workplace strategy

First of all, we need management to take the lead in setting **a work place strategy** direction for the company, taking into consideration what is best for their customers, their employees and shareholders. They need to review what we've learned and what your organisation needs.





Secondly, you need to **map your needs**, to understand what impact different workplace strategies will have on your company. Some of us are introverts, some of us are extroverts. For the introverts, the pandemic has often been extra tough as the office played an important social role in their lives. Now some of us are happy to get back to the office, but to our big disappointment we find an empty office space. Maybe we also need to consider what is best for our fellow colleagues and not just ourselves when we decide whether we should go to the office or not? And what about new hires? New hires during the pandemic have felt less part of the corporate culture and therefore more inclined to change jobs again. Should we take more responsibility to make sure new hires are onboarded in a healthy way? We believe we know what is best for us, however sometimes that might not be the case.

Thirdly, you also need to **consider external factors** and Helene presented the "plate model for our brains" (tallriksmodellen för hjärnan) when designing our physical spaces. In order to be productive and creative, we need time for reflection, movement, sleep, focus, social activities, creativity and rest. For example in China, all offices have a pillow by the desk, so employees can sleep for 10 minutes after lunch.





The three components of employee experience

The full employee experience consist of:

- The physical workplace (the place)
- The digital workplace (the technology)
- Culture, leadership and way of working (the human)

All of these three components go hand in hand, creating the full workplace experience for our employees. When designing your new workplace strategy, you need to consider all three aspects.

How do we design space? No size fits all, however a new industry KPI is that we should plan for 50% desks if we have chosen a flexible workplace strategy. When it comes to the digital workplace, it is important to make sure the technology does not rule us, but support us. Lastly, the new flexible hybrid work has put new demands on leadership and the human. A prerequisite of freedom is trust, and trust requires clarity. Clarity creates in return a safe environment for our employees. So the more flexible we work, the more clarity we'll need.

Conclusion: 7 success factors when designing your workplace strategy Helene summarized her insights by summarizing 7 success factors:



1. Leadership - how do we create clarity in the hybrid workplace?

2. A clear 'why' and vision - and communicate in a way so that your employees understand it

3. Involvement - how do you make your employees want to spend time in the office?

- 4. Challenge change is difficult however put it in your DNA that you need to be smarter tomorrow than today
- 5. Clear game rules this creates safety and clarity
- 6. Time, clarity and patience you are on a journey together
- 7. Communication make things meaningful and understandable

DRAGONS DEN - PITCH YOUR WORKPLACE SOLUTION

After a day of insights and inspiration, we got a chance to get creative and ideate new workplace solutions to meet the demands of the future workplace. We got divided into four groups who each got a workplace dilemma to pitch a solution for.

Idea 1: "Rastapupulos" - Belongingness on a Tin

The first group got to ideate a solution to create a better sense of belonging amongst employees working from distance. Could the Metaverse be part of the solution?

The pitch: we need "belongingness on a tin" (samhörighet på burk). "Rastapupulos", the MetaVerse Machine, sense and enhance all five senses within a team. The Metaverse Machine make sure you are all connected at the same time, sometimes unexpectedly, and it turns on the coffee machine exactly at 9.15 for all team members so you can enjoy a coffee break together.

The Metaverse Machine is experience based, incentive driven and curated. It makes sure that fun and exciting things always happen. It measures stress levels and creativity levels, for example through informing you that you've used less new words than usual. It senses when you need help, and when you need support from your team it makes sure you get attention from your whole team. If you are nervous about a presentation the Metaverse Machine makes sure to connect you with a team member who can support you. And if you want to go for a run, the Metaverse Machine will connect you with a colleague who's out running at the same time. To summarise, the Metaverse Machine always finds a way to make you more connected to your team, make work unpredictable just like it would in an office and help you optimise your full work experience using your full five senses.

Idea 2: The Starfish Model

The second group got the task to ideate solutions on how to boost innovation capabilities in the organisation. Employees experience that the innovation and



creative power in the company has decreased since the organisation started remotely, and this group ideated solutions on how to turn the trend.

The pitch: The second group suggested appointing a Chief Hybrid Officer (CHO) within the company. This new role would be responsible for building new innovation power in the company through the "Starfish model" (stjöstjärnemodellen). The Starfish model is developed to create creative collisions in the digital world, just like you would get spontaneous ideas and creative input from colleagues by the coffee machine. The Chief Hybrid Officer would then be responsible for enabling these digital creative collisions through, for example, insight days, inspirational meetings, workshops, coffee breaks, feedback sessions etc. By recreating the creative input you get by working physically together, the Starfish model would boost the creativity and innovation in the company once again. Why is it called the Starfish model? Because it has no brain, is very flexible and can have up to 40 arms taking in and filtering its surroundings.

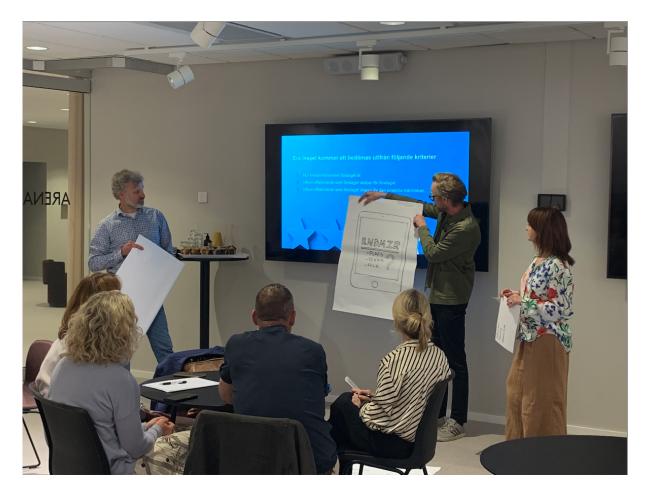


Idea 3: RNDMZR



The third group was faced with the dilemma that employees cancel their participation in a physical workshop last minute, asking to join online instead. What do you do?

The pitch: In order to maximize innovative power, we should not be limited to one specific place. We want to maximize innovative power based on human, place and technology. Because of this, the group pitched a solution called the RNDMZR, which is an app that enables you to meet people you might not have met otherwise. The RNDMZR creates work events that you don't want to miss out on, so that people will want to meet up. Who knows if Beyoncé will perform during the break? You don't want to miss this one, so you'll make sure to not miss the work event.



Idea 4: Castellum Health Office - the CHO

The fourth and last group ideated solutions on how to make people want to come back to the office, so that trying to bring employees back to the office is no longer an issue.

The pitch: The fourth group created an office so attractive that making employees come to the office is a non-issue. The solution is a new concept called the Castellum Health Office, which is an office where you become healthier just by working there. The health office uses smart techniques and nudging to make healthy choices

Innovation Pioneers || innovationpioneers.net A global network & learning platform for innovation leaders and learners



without even thinking about it. In order to get electricity for your laptop, you need to generate the electricity on your spinning bike first. The lightning is optimised for your wellbeing and melatonin levels. You have pillows to nap when you need it. The elevators are so slow you'll want to take the stairs. When you leave a conference room all furniture is automatically pulled back to the walls, so that you need to reorganise the furniture once you host a new meeting. You have a smart watch which over time learns to optimise your own individual health. By going to an office that optimises your health, you'll live until you are 100 years old.

To summarise, some very creative ideas came out of the exercise. Some of them were more viable in the short run than others, however they all served as great inspiration of what companies can do today to solve the hybrid work challenges. Thanks for a great and creative session!

CLOSING THOUGHTS

We had a day full of insights, energizing conversations and brainstorming sessions. We are all facing the hybrid work challenge right now, and it was insightful to not only talk about what employees want, but also what is best for the company. We all left a little bit wiser, and a little more creative, on how to tackle these challenges. Thank you Castellum for hosting such an inspiring day!

SHARED DOCUMENTATION

This and previous documentation from other sessions can be downloaded on our website: <u>https://www.innovationpioneers.net/members-area</u> Password: innopion2019

UPCOMING TANKMEETING

Läntmännen

Date: 21 september Time: 09:00 Venue: Lantmännen Register: TBA

CONTACT

For questions, comments or suggestions, please contact Matias Pakarinen at <u>matias@innovationpioneers.net</u> or +46 70 344 59 70