

From Side Item to Main Course: Food's Elevated Role in Employee Engagement and the Workplace Experience

A Guide to 2022











For anyone with responsibilities related to employee engagement, the workplace experience, or managing people in any way, the postpandemic world presents unique opportunities to make meaningful change.

As we'll see from data in this guide, employers are faced with tremendous challenges. However the situation is far from doom and gloom and there are strategies and tactics (on premise food being the one we'll cover) that people managers can implement in order to improve sinking employee engagement and raise enthusiasm about returning to the workplace.

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A staggering 89% of professionals are experiencing burnout, fueling "The Great Resignation". A dangerous snowball effect is building as resignations create leaner teams, which elevates pressure for those who remain with their employers.

At the same time, workplaces are still testing out the murky waters of onsite, remote, and flexible work.

Workers have proven — in an unplanned sudden experiment — to be productive from home. But if we consider this fact about productivity to be a sole take-away lesson, we are viewing people through a woefully myopic lens.

Perhaps the most important learning is that productivity's relative weight may be less than we had thought, when we compare it to workplace culture, job embeddedness, community, a fluid exchange of ideas, and people's need for anchorage to their organization's core mission.

Many feel that *something is not quite right* and there is a genuine desire among employers and employees to carve out a better future.

a staggering of professionals are experiencing burnout

This evolving new era is yet to be defined, but at its precipice we can all be certain of some truths:

Employee engagement

Defined as the "emotional commitment an employee has to their organization and its employees" (Deloitte, 2021) is key to solving today's challenges and getting better. Any people leader today (Q4 2021) who has a pulse on their workforce will agree that employee engagement is the priority.

The workplace experience will be different

Offices and the makeup of their populations will not look exactly as they did in 2019. The extent of the changes are yet to be realized, but trends and ideas are forming.

To be sure, employee engagement and the workplace experience are hot topics covered by many right now. We will reinforce the importance of prioritizing these initiatives, however we will not dwell deeply outside of the context of one component of these topics that we know best - food at work.







Employee Engagement: Challenges & Opportunities

In the later half of 2021, the notion of the Great Resignation took center stage as an increasingly popular media topic in the United States. When considering the aforementioned burnout rate among professionals (89%), there is no question that employers have their work cut out for them. But is the ship plunging to the bottom of the sea or are we dealing with a few leaks that can be repaired?

The Good, but Not Great News

The good news is that most haven't given up on their employer. As we can see in the data, the overall sentiment among the majority leans more positive than negative. With some course corrections, people leaders can keep their teams together and engaged as we approach the post pandemic era.

In a survey of 329 professionals conducted in November, 2021, 33% expressed that they are very engaged with their work. 63% indicated they feel either somewhat disengaged or somewhat engaged, leaving only 4% who feel very unengaged. **The critical mass falls within a category that we can call ambivalence.**

How Engaged Do You Feel At Work?



^{*}Data from a November 2021 survey of 329 office workers across the US

Solving for the very unengaged may be a lost cause (you've probably already lost them), but moving the needle on ambivalence is doable.

More Employee Engagement Sentiments in Q4 2021

As stated earlier, employee engagement can be described as the emotional commitment an employee has to their organization and its employees. To understand the most current sentiments among professionals, we asked a handful of relevant questions.

Do You Have a Positive Emotional Connection to Any of the People You Work With?



Do You Have a Positive Emotional Connection to Organization You Work For?

79% feel a positive emotional connection to their organization

*Data from a November 2021 survey of 329 office workers across the US



I See Myself Looking for a New Role in the Next 12 Months



*Data from a November 2021 survey of 329 office workers across the US

33% see themselves looking for a new position in the next year.

There is good cause for people managers to be highly aware of how their teams are feeling. It's not too late for organizations to improve employee engagement and 2022 is a good time to do so.

There are plenty of strategies and tactics to get there. Food plays an important role - but make no mistake - it is one tactic that should be part of your greater strategy. Having acknowledged this disclaimer, let's dive into more data from the same November, 2021 survey.

Do You Believe Your Employer is Doing Enough to Engage You?



*Data from a November 2021 survey of 329 office workers across the US



Food is a Powerful Employee Engagement Tactic

An overwhelming majority of respondents expressed that sharing meals together helps them feel more engaged at work. We've always believed in the power of breaking bread with a colleague (alas, our business depends on it) and the data tells us that most tend to agree.

To What Extent Do You Believe Sharing Meals With Coworkers Helps You Feel More Engaged At Work?



*Data from a November 2021 survey of 329 office workers across the US

The Physical Workplace Experience & Food at Work

Enthusiasm About Returning, In General

Enthusiasm among professionals about returning to the physical workplace has shifted since the onset of the pandemic. Not surprisingly, most people were not enthusiastic about returning onsite throughout the first year. We saw a notable shift however, in the third quarter of 2021, with the majority expressing enthusiasm for the first time. In the fourth quarter, enthusiasm continues to lead, but has waned slightly (by 6%). The reasoning for the decline is not something we have been able to definitively uncover. It may be as simple as people not looking forward to going out in the cold or being onsite around the holiday season. Employers should be aware of their own team's changing enthusiasm and continue to move the needle if being onsite is a priority.



* Data from multiple surveys of hundreds of office workers across the US in 2020 and 2021

Enthusiasm About Returning, As it Relates to Food

When employers consider how they can move the needle on their workforce's enthusiasm about returning, the role of food should be part of the discussion.

Food Options In and Around the Workplace Impact My Enthusiasm About Being Onsite



*Data from a November 2021 survey of 329 office workers across the U

81% agree that food options in and around the workplace impact enthusiasm.

When asked what people miss the most if their organization were to go fully remote and never return to the physical workspace, community ranked the highest.

would miss the sense of community



¹Most HR professionals and facility managers agree that the concept of "the workplace experience" is multifaceted and encompasses more than the actual physical space owned by the organization, where people work. The workplace experience has obviously extended more widely into people's homes and even on their devices.

Food is More Important Now, Than Before the Pandemic

What matters to people when they think about the physical workplace experience¹ is changing as we approach the post pandemic era. Simple examples: people do not want to be crammed together, space matters a lot more, and office desk phones may have turned into museum relics.

When we talk about on-premise food, we're referring to one of the most tangible and meaningful aspects of the physical workplace experience.

69% of employees believe that food at work options are more important now, compared to pre-COVID days. There are many reasons why - including the aforementioned employee engagement experience of breaking bread together, the need to have something special to look forward to during the day when thinking about the transition from remote work, and a strong will to support local businesses.

Do You Believe that Having Food at Work Options is More Important Now, Compared to Pre-COVID Days?



*Data from a November 2021 survey of 329 office workers across the US

Why and How to Involve Local Restaurants

Employees Want to Support Local Restaurants

92% of office workers believe it is important to support local restaurants right now. It should be no surprise. People understand that restaurants have been through a rough couple of years, they want to support the community, and high quality authentic food is something to look forward to when thinking about physically being onsite.



*Data from a 2021 survey of 1100 office workers across the US

Employers Benefit by Opening Their Doors to Local Restaurants

Employers that open their doors to local restaurants are proactively creating positive changes that represent wins for multiple stakeholders. By making restaurants part of their meal program, employers spark a connection with the local community. Restaurants in turn, bring not only delicious food, but also authenticity and diversity to today's workplace.

When Local Restaurants Thrive, So Does the Wider Community



Meet DFG Noodles »



Meet Jarabe »



On Premise Food: Who Pays?

As we've learned from the data, employers earn a great deal when food is a deliberate part of their post-pandemic experience. To summarize what we've seen so far:

- 1. Sharing meals increases employee engagement
- 2. Food at work significantly impacts employee enthusiasm about being onsite
- **3.** Most employees believe food at work is more important now than before COVID-19

With the potential for employers to gain so much, many organizations have made the business decision to pay for their team's meals.

I Would Be More Enthusiastic About Going to the Workplace if My Employer Paid for My Lunch



^{*}Data from a November 2021 survey of 329 office workers across the US

Eight out of ten would be more enthusiastic about being onsite if their employer paid for their lunch. Employees not only view this as a perk, but also as a commitment from their employer to provide them with a better onsite experience.



Making the Business Case for Employer Paid Food

From High Tech Unicorns to Mainstream Employers, Employer Paid Food Gains in Popularity

Once a fringe benefit exclusive to the Googles of the world, employer paid food programs have become more widespread - a trend accelerated by the pandemic.

Employers that pay for food have traditionally been tech and finance companies motivated by:

- **1.** The need to retain hard to find talent
- Building team culture and reinforcing employee engagement
- **3.** Sustaining productivity in scenarios where time is money (e.g. expensive software engineers and financial traders)

As with many evolving trends, the early adopters have shown that the payoff is there. The fact that they keep their food programs is strong evidence that they are worthy investments. Over 95% of Fooda's clients who offer free food, keep their programs in place after the first year.

Mainstream employers have caught on and they have found ways to make the financials work. In 2021, Fooda has fulfilled demand for employer paid programs in industries that traditionally did not pay for food for their employees. Examples include consulting, law, logistics, and healthcare with a range of subsidy amounts.

Subsidize Employee Lunches Purchased at Fooda Popups



Starting the Conversation with the CFO

When presenting the case for employer paid food to decision makers such as a CFO, cost structure and projections are obvious questions.

Subsidizing on a per-meal basis as a "use it or lose it" benefit is one of the most logical and cost effective structures that works well in scenarios where populations are consistent or fluctuating. The employer can pay for all or a portion of the tab. With this model, the employer-sponsored amount is automatically deducted from the check total, and the employee pays the balance.

We have compiled a chart that clearly outlines project costs based on historical data at different levels of subsidies, with 100 employees onsite (an easy number to use as a basis for your own calculations).

The first column is the subsidy amount per meal. The second column represents anticipated participation level based on the subsidy amount (not surprisingly, when the employer picks up a higher percentage of the tab, the subsidized lunch option becomes more appealing).

Projected Costs - 100 Employees Onsite

Subsidy Amount Per Meal	Anticipated Participation	Daily Orders	Daily Subsidy
\$2	15%	15	\$30
\$3	20%	20	\$60
\$4	30%	30	\$120
\$5	40%	40	\$200
\$10	90%	90	\$900



Food Program ROI

Calculating ROI

As we've stated, factors such as retention, employee engagement, and encouraging enthusiasm about returning onsite are as important as productivity (if not more so). Smart HR and finance professionals can find ways to calculate ROI for these softer factors. But when calculating hard numbers, productivity is the most straightforward way to show ROI.

This chart will help justify the cost of a food program by demonstrating the return on a program based on the productivity gains realized when employees are not leaving the office for 30 minutes to get lunch.

Once again we base the calculation on a 100 person office. From our experience, a \$5 subsidy will yield a 40% participation rate, or 40 orders per day. With an average employee salary of \$65,000 and a thirty minute offsite lunch break , we can see \$677 in productivity gains each day.

This model program would cost \$5,000 per month, yielding a 271% return on investment. Remember, this is based on productivity alone and does not factor in the "softer" returns realized when meals are shared together onsite.

Number of Employees	100
Subsidy (in dollars/per meal)	\$5.00
Days per Week	5
Participation Rate	40%
Daily Participating Employees	40
Cost per Employee per Month	\$40
Monthly Program Cost	\$4,000

Monthly Productivity Savings	\$13,542
Daily Productivity Savings	\$677
Travel Time Saved at Lunch (hours)	0.5
Average Employee Salary per Hour	\$34
Average Annual Employee Salary	\$65,000

Monthly ROI	339%

Program Examples

Fooda offers several ways for employers to provide their employees with exciting meals. In all of our models, employers can subsidize individual employee meals at any dollar amount - or not at all (in cases where population numbers allow for sustainable unsubsidized programs).

Popup Restaurants

A daily rotating Popup restaurant program managed by Fooda is like having indoor food trucks scheduled far in advance, with the option to subsidize meals for employees (fully, partially, or not at all).

How Fooda Popup Works for Employers





Cafeteria Replacement

Legacy cafeterias are evolving into a next generation solution that saves money and never gets boring. Fooda replaces traditional food service providers with local, authentic restaurants that people love outside of work. Learn more »

Fooda Cafeteria Replacement Overview



Individual Lunch Delivery

Employees place their own orders, picking from rotating restaurants. All orders are delivered at once by a dedicated staff member, certified according to the highest health standards and trained to work inside your building.

How Fooda Delivery Works for Businesses



Workplace Convenience Services

Elevated self service market with 24/7 convenience. Fresh Food and beverage options, gourmet coffee, healthy fruits, salads and wraps. All with contactless self-payment kiosks. Combine this option with any of our other services to add hot food options and authentic restaurant experiences. Learn More »

Custom-built Programs

Reopening and welcoming back employees is typically being done in phases. We understand that your organization may have unique food needs each step of the way. Your dedicated Fooda team will work with you on a custom tailored plan for your organization.



Scale Up or Down, Based on Your Budget & Population



With low population numbers, your Fooda program can start small (e.g. a single restaurant Popup) and scale up to a fully operational cafe as you welcome teams back in greater numbers.

Looking Ahead: What's in Store for 2022

In looking ahead to 2022, employee engagement and the workplace experience will continue to be priorities for employers. As we've concluded in this guide, sharing meals increases employee engagement, food at work significantly impacts employee enthusiasm about being onsite, and the majority of employees believe food at work is more important now than before COVID-19.

To understand what employers plan to do differently than before the pandemic, we turn to what early innovators are doing right now. We'll look at three examples of workplaces that have started to bring back their teams and how each has approached food differently. We'll look at three case studies that address the following goals:

- **1.** Increasing employee engagement and retention
- 2. Incentivizing people back to the physical workplace
- **3.** Operations: rethinking large cafeteria programs as people return in phases

CASE STUDY:

Real Estate Management Company offers a Partial Subsidy as Part of Their Employee Engagement and Retention Strategy

Recognizing the need to improve employee engagement and retention in an increasingly competitive labor market, the company began to partially subsidize their delivery and restaurant Popup programs in the amount of \$3 per meal served. The employer wanted to offer a perk and encourage teams to share meals together, without a "Google budget". After six weeks, the company saw daily orders increase by 60%.



CASE STUDY:

Chicago Firm Incentivizes People Back to the Office with Fully Subsidized Food

A firm in Chicago wanted to bring team members back onsite at their own volition. The organization had not previously purchased food for their employees. In April of 2021, the company launched a free food program in hopes of encouraging people to come in. Over the course of the next several months, the average number of people onsite increased by nearly 10x. The firm and its employees attest that food has played a big role in driving the attendance record.

Goal: Encourage team back into the office **Program:** Fooda Delivery; Voluntary Return to Work **Subsidy:** \$14 per person



CASE STUDY:

Scaling up a Cafeteria Program in step with Population Increases: Major US Airline pivots onsite food service from traditional model to "building block" program

Challenge: Legacy food service program was a large and costly operation that could not be sustained in the current environment. Separately, participation was dwindling prior to 2020 due to menu fatigue.

Solution: Fooda has implemented a "building block" program that scales as the company brings back its onsite population in phases. e.g. small populations have daily access to grab-and-go options and a barista bar. As more people return onsite, multiple restaurant Popups visit the facility. In the final phase, the company has a full service cafeteria program, powered by local restaurants.



Necessity Breeds Innovation: How Food at Work Technology is Evolving

Changing times have presented new technology needs within the food at work arena. As an agile growth company with a robust engineering team, Fooda is continuously advancing our platform. Examples of recent innovations:

Health and Safety

Where food is served, workplaces need to reduce crowding and promote social distancing.

Solution: Mobile order ahead and contactless payment within the Fooda app provide a more convenient user experience while reducing lines.

Restaurants

Dining room closures drastically reduced revenue, staffing shortages, and costs increased.

Solution: Smart algorithms guide restaurants on meal preparation projections and scheduling. Additionally, the expansion of Fooda's online ordering delivery platform provides restaurants with more opportunities for brand exposure and sales, to people in the workplace, without the need to physically send staff.

Fooda is continuously creating new ways to engage our consumers through in-app user feedback and restaurant ratings, a rewards program, personalization, and digital communications to tell our restaurant partners' stories.

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Health & Safety Considerations

Consistently stated by the **CDC** and the **FDA**, COVID-19 is not a foodborne illness. While the food service industry has been encouraged by this, we have not let our guard down. In the back and front of the house, clear guidelines are needed to promote healthy behavior.

In the back of the house, strict adherence to safety procedures has always been the modus operandi in well-run kitchens. The food service industry is heavily regulated by the government and teams are accustomed to following strict procedures. New rules related to COVID-19 are relatively simple additions to the foundation of back-of-the-house discipline.

Promoting Social Distancing During Mealtimes

Commonly accepted social distancing practices should, of course, be applied consistently throughout the workday, with broader policies addressing break rooms and dining areas. Specific mealtime considerations related to how and where food is served are covered here.

- Posters and floor markings should be used to promote social distancing. When we are hungry, the rules can go out the window, which is why visual cues are especially important during mealtimes.
- Consider time slots or reservations for meals. One simple way to do this is to assign times according to the first letter of an associate's name.
- Made-to-order scenarios like grills and omelette bars in cafeterias should temporarily convert to an order-ahead system whenever possible.
- Multiple one-off food deliveries bring more people into the office. The coming and going of delivery drivers contributes to crowding in elevators and other common areas. To limit exposure in workplaces that choose to permit deliveries, employees should be encouraged to team up in placing bulk orders and meet their drivers outside the building.

Providing appealing in-house food options and subsidizing meals (even partially), are two strong ways to encourage team members to remain within the safe environment your team has worked so hard to provide. As with any business decision, costs should be weighed against benefits and risks.

For a more extensive guide into health and safety considerations as they relate to food at work and to understand how Fooda addresses this important topic, see our article: <u>Workplace Food Programs in our Post-</u> <u>COVID Reality</u>

Fooda Utilizes Maximum Safety Measures for COVID-19



Social distancing measures in place at Fooda events



Company-wide ServSafe® certifications for all Fooda staff members



Increase of prepackaged menu offerings, and utensils and condiments are individually sealed



In Food Halls and Cafes, high touch food areas follow frequent cleaning checklists with hospital grade solutions



Staff members required to wear face masks at all times



New contactless ordering and payment options



On-site Fooda equipment and restaurant facilities will undergo initial cleanings and sanitation using hospital grade solutions



In Food Halls and Cafes, staff members complete a health screen before each shift





Interested in Bringing Fooda to Your Workplace?

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