

# Spending more now that you're back in the office? Tips on dealing with inflation, peer pressure and temptation.

## SPEAKERS

Nicole, Priscilla, Calvin

00:07

Hey and welcome to Let's Talk CPF, a podcast where we bring conversations on CPF to your years, brought to you by the CPF board. This podcast will answer common questions, offer tips, and feature interviews with industry experts on CPF and financial planning. Thanks for listening and let's get straight into today's episode.

**Calvin** 00:32

Although the pandemic was challenging, there's a whole new set of challenges going back to the office, which is why today's episode is all about how to protect your wallet as you head back to the office. I'm Calvin, and welcome to Let's Talk CPF. I'm joined today by two amazing guests, Nicole and Priscilla from the Simple Sum, you may have seen some of their comics on social media. The Simple Sum was created with the goal of improving financial literacy of millennials through entertaining and easy to understand visuals and articles. Thank you both for coming on.

**Nicole** 01:02

Thanks for having us. My name is Nicole. I am the head of learning and partnerships at The Simple sum what I do is I work with brand partners at the Simple Sum to come up with educational content around personal finance.

**Priscilla** 01:14

Hi, I'm Priscilla. I'm the creative lead of The Simple Sum and I work with our group of illustrators to bring you the cute and colorful comics that talk about personal finance in a fun and interesting way.

**Calvin** 01:26

Okay, so now I'm going to kick this off with a very simple question. Are both of you table buddies at work?

**Nicole** 01:32

Yes. What would you define as table buddies? We sit back to back? Yes, we don't face each other. But we are aware of each other's presence all the time? Yes. Well, during the pandemic, it obviously was a bit more difficult to create that organic conversation because everything was done online. And you had

to set meetings. So when we were back to office that brought back that spark between all of our co workers of being able to, you know, have that interaction and crack jokes. And yeah, and sometimes I realised that, you know, it can be a little bit disruptive to my work. But you know, Priscilla adds a little bit more spiciness to, to the conversations when we have it in the office.

**Priscilla 02:15**

Yeah, that's my USP adding spice and flavor. But I also think it's really hard to share jokes with your colleagues, because it's not that you can set a meeting and then like, Hey, I found out something funny. It's a good experience that to be back in office where you can have like fun conversations.

**Nicole 02:33**

Yeah. And it helps with collaborative work also, because a lot of the ideas that we generate come up very organically through conversation when we're having conversations at at our desk when we're getting coffee and things like that. So it does help with, you know, letting the creative juices flow a bit more.

**Calvin 02:50**

I have a very important question to you, Priscilla. According to your bio on The Simple Sum website, something happened on Black Friday 2020. Tell me a little bit more about it

**Priscilla 03:00**

just after the lockdown or something like that. And then I basically spent a lot of money because I didn't spend on anything. The month before that I had grown out of a lot of my clothes. I guess I couldn't fit into my clothes anymore. So I spent a lot on clothes. Yeah, I think I spent like a few hundred.

**Nicole 03:21**

But did you get any good deals or not for that particular Black Friday? Do you remember,

**Priscilla 03:25**

it was a lot of good deals. But to be honest, I don't really even wear most of the clothes that are bought from that time anymore.

**Calvin 03:32**

Nicole, you're a financial minimalist and investment returns maximalist during the pandemic, most of us were able to work from home and had limited places to go. Now that we're mostly back in office, there's this notion of increased spending. Do you agree?

**Nicole 03:47**

I do think that there is increased spending for myself personally, I noticed that there is a shift in the level of budget that I've have to set aside for things like food, transportation, and etc. So yes, definitely, I've seen an increase in spending when I have to go back to the office, for sure. Yeah,

**Priscilla 04:06**

I definitely feel that my wallet is feeling a bit lighter after I've come back to the office. Especially the food prices, I'm a lot more price conscious when it comes to like lunchtime. So cause especially since inflation is on a rise, right? So I see like prices, and then they have the sticker over it. So that's when you know, it didn't used to be \$6. It used to be like 550 Yeah, so then I'm like, I feel very affected.

**Nicole** 04:34

I think the adjustment after coming out of like a hybrid work environment or full work from home environment back to the office. It's a lot more apparent that you're spending more because of the added pressure of inflation. Yeah, like if it weren't for the fact that prices were going up every you know, six months. Maybe we may not have noticed it but I think a lot of people out there do feel the impact of the increased spending because it's coupled with inflation as well.

**Calvin** 05:02

So for some people, one thing they didn't expect was how inflation will rise to a high after the pandemic. So how much did each of you spend monthly during the pandemic as compared to now.

**Nicole** 05:11

So when I was fully working from home, I was spending 70% less than what I would be spending if I was working from the office. So it was a huge saving. For me, particularly like I cooked at home, I didn't buy anything extra in terms of like my home setup, I did only buy a makeshift standing desk. So it was literally on a desk. And then I bought this contraption, where I can put my laptop on, and I can stand, but that was pretty much it. So it did keep my expenses low, which I, which I did quite like, because I managed to put a lot of money aside in savings during that period. But now back in the office, more price conscious, as well. So I do try to save more than what I used to. So it's about 20 to 30%. More than prior to the pandemic that I'm saving.

**Priscilla** 06:06

So actually I used to spend about a very humble amount of \$200 to \$300 a month. And this was because during that time, I was quite focused on health and fitness so I wanted to cook a lot of my meals. So that didn't really cost much, actually, especially since I still live with my parents. So they still cook dinner. Yeah, so I knew I only needed to spend on groceries for lunch. Yeah. And then I instead of going to like classes as I would pre-pandemic, I just follow a lot of free YouTube videos, and I will go on walks which are also free. Yeah, but right now, because we're back in the office, right? So we go out for lunch, and then instead of following YouTube videos, I will go to fitness classes instead of working out for free at home. Ah, yeah. And that has been eating a lot at my budget.

**Calvin** 06:59

Okay. Okay, so it does seem like we're in office. Now, we are a little bit worse in terms of budgeting. But I'm sure for both of you the work from home period has definitely instilled some good habits. So are there any good financial habits that you picked up during the pandemic? And has it carried over to work in office?

**Priscilla** 07:18

I think it's because I started cooking at home. So actually, right after we came back to the office, I cooked a lot and I brought it to office to eat for lunch instead of buying food outside. But the more I have outside food, it's so delicious. And then I get so tired. And then I've fallen off the bandwagon, and then I need to get back on it. accountability buddy, I do and I see you bring food home cooked food to office and I'm like, Okay, I should do that.

**Nicole** 07:47

For myself, I would say that I didn't really pick up any like good habits during the pandemic. However, I already had a pretty decent hold of my budget prior to the pandemic. I set aside money for different things such as my needs and my wants. And I have set aside money for what I call my fun budget. So things that I would like to enjoy going out and doing. So it could be you know, going on a night out with my friends, or going for a concert, or some sort of activities that required a certain sum of money. So during the pandemic, because we're just stuck at home, and you know, you can't really go out, you can't really go and have fun, you can't really travel. So all the money that I had from the fun budget, I actually ended up saving. So that was actually quite good. So now that we're back in the office, and we're able to travel, we're able to go out and participate in different activities, I just tap back into that fund budget. So I think it's it's important to at least have a budget. So whether you're working from home or working in the office, for both things that are your necessities, like your food during lunchtime, and your transportation and your data plan and all of these things.

**Priscilla** 09:01

Yeah, because if not, if you don't have that budget, you just feel like you're depriving yourself, then eventually, when you're just so stressed, you just like revenge spend, then, either way, you're spending that money. So you might as well have it in a controlled manner.

**Nicole** 09:14

You know, my philosophy is that a budget is not restrictive, it actually gives you more flexibility and more space for you to be able to enjoy the things that you really truly love.

**Calvin** 09:25

That is so true. I think it's very important that we do look after ourselves. Stay healthy, make sure we treat ourselves, right. And to ensure that you don't overspend, you also set a fun budget first off monthly. So that actually does make a lot of sense. So speaking of fun budgets, you know, you're spoken about spending more on food and transport now that you're back in the office. So what are some of the other spendings that could creep up and we should take note off as well.

**Priscilla** 09:50

I don't know about you guys, but I find myself kind of running out of essential supplies a bit more quickly for example I mean when your work get home, you don't need to spray perfume right no one's gonna be smelling you so. So I find that I had to, like replenish my perfume a bit more often than I used to. And perfume is not cheap.

**Nicole** 10:13

Yeah, so I think not just perfume, but I also find myself running out of shampoo a lot quicker. Because like what I what Priscilla said, right? Like when you're at home, you don't need to take two, three showers a day. But when you're going out, I do take showers in the morning before going to work. And then coming back from work. I also do take showers. So that kind of Essentials, where we don't really think about as something that runs out more quickly, because you're going out more, it's also adding up to your expenses, but in a very small, incremental way.

**Calvin** 10:44

So it seems like most of the things that we spoken about earlier are things that we deem to be quite essential, because we do have to use them and go back to the office, right. Also, depending on the job requirements, we also need to be aware of what when how much we're spending. And that also leads to peer pressure. So how does that affect your spending?

**Nicole** 11:01

In a way? Yes, peer pressure is something that I think everybody faces. And you can't really like, always get away from it. And it does impact your spending in certain capacity. So one example that I would give is that, you know, when you're back in office, there's a lot more socializing that you have to do. Perhaps you have to have after work drinks with your colleagues, or with your bosses or clients. And in that situation, you might end up having to spend a little bit more in order to socialize, because it's part and parcel of your job. And that was something that was not possible during the pandemic, right. And so it's one of those areas where it leads to unexpected expenses that crop up in your budget, because it's not something that you are factored for ahead of time.

**Priscilla** 11:47

I think there are a lot of ways to say no, when you're faced with that kind of situation, you can always say, is there a cheaper place that we can go to this place is kind of like a little bit out of my budget. If your colleagues are reasonable, I don't think they will mind at all. And they'll totally be understanding. For example, what you're saying about going to drinks right and getting the cheapest thing on a menu. I mean, do you really have to buy an alcoholic drink to have fun there and to enjoy like socialising with your colleagues? I think just buying a Coca Cola, even if it's like an overpriced Coca Cola is still cheaper and cheapest alcoholic drinks.

**Calvin** 12:21

You guys mentioned a lot about the whole negative side of peer pressure. But there's definitely a positive spin to it as well, because I see at The Simple Sum you guys have different challenges every month.

**Priscilla** 12:32

Yeah, so for us, internally, we also have our own challenge. So for our lunch group, we'll be like, okay, we have a \$5 lunch, we have to keep the \$5. So everyone would challenge each other. Okay, find the nicest lunch within \$5. So we found this cai fan place in the food court, they used to sell \$2.80 cai fan, can you imagine is in the heart of town, and it's \$2.80 to find where can you find \$2.80 cai fan? Yeah, so I think it was quite, it's quite nice to have that kind of positive peer pressure, because I think everyone keeps everyone else accountable.

**Nicole** 13:09

And the thing is that I think a lot of people are very much aware now that prices are going up. So it's not to say that your colleagues are completely clueless to the fact that you know, the current environment, the food prices are actually a lot more expensive. So I do think that if you're open about it, and you do mention that, okay, like, you know, you have a specific food budget that you need to stick to. I think they'll be very reasonable and be they will be very understanding as well, because, you know, they're facing the same sort of price pressures as well.

**Calvin** 13:39

So do you think that some people might feel embarrassed or paiseh about saying that they have a budget that month for food?

**Priscilla** 13:45

I mean, I personally don't feel paiseh, because I don't think there's any shame in saying that because everyone's budget and everyone's financial commitments is very different. So I think we should all do our part and like, try be understanding of other people as well.

**Nicole** 13:59

But just to be realistic, right? We do know that not everybody's work environments can be quite understanding. So that's where you need to strategise a little bit more as to what you say or don't say. So one example you can give, oh I have a lot of stuff to clear out during lunch. So I can't join you guys for lunch. I personally do use that excuse not because it's an excuse, but I really do genuinely have a lot of stuff to clear out during lunch. And people are understanding because it's work related. And they do generally just leave me alone.

**Priscilla** 14:32

I understand you, Nicole.

**Calvin** 14:34

Well, thank you for joining me on Let's Talk CPF, Nicola and Priscilla. I've learned quite a bit from our conversations, such as the tips for managing our wallets, like setting aside a fund budget, and the importance of being firm, not being ashamed that you should let your friends know that you're on a budget that certain month. If you like our content, follow us and give us five stars on whichever platform you're listening on. And with that, thank you for listening to Let's Talk CPF

15:03

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