Workspace

Shared Workspace:
The evolution of the workplace

By Robbin D. Orbison

"Shared workspace" is a term that describes any situation where people are working independently but sharing physical space and resources. Many variations exist within the shared workspace industry and many terms are used, or misused, to describe them. This article is an attempt to explain the nature of this industry and why it has become so popular.

The best-recognized term for shared workspace today is "coworking," the usage of which is not entirely agreed upon either inside or outside the industry, and the origins of which are thought by many to be very recent. While the specific style of today's coworking spaces was recently introduced, sharing of workspace has been around for decades.

The Business Center

A California attorney named Paul Fegen is generally credited with having started the first shared workspace in 1970. His business, known as Fegen Suites, offered sole proprietor lawyers furnished office space that was staffed, maintained and available on flexible terms. Fegen's clients could then give the appearance of having big firm trappings at a fraction of the cost and commitment.

The Fegen model was the forerunner of what became known as business centers, which provided the same services but did not focus exclusively on lawyers. The largest operator of BCs is Regus, which started in England in 1989 and today has more than 2,000 locations worldwide. BCs have traditionally consisted of private offices with shared resources like conference rooms, receptionists and copy/print equipment, usually with a corporate look and feel.

Coworking

In 2005 a software developer named Brad Neuberg created the first operation officially to be labeled coworking space. The concept grew out of Neuberg's desire for the independence of self-employment without sacrificing the community aspect of working with others.

Physically, coworking spaces differ from BCs in that they feature a casual style and open-plan seating. Conceptually, they differ in that they focus on fostering collaboration among their members, which they accomplish through space design, event programming, online collaboration tool and staff trained in community building. They attract members who derive inspiration and creativity from interacting with like-minded others, as opposed to BC members, who generally like being around other professionals but don't necessarily want to collaborate with them.

The biggest operator in the coworking arena today is WeWork, which started in 2010 and is currently valued at over $15 billion, attesting to the popularity of the coworking model with today's workforce.

Other styles

Today, many BCs have introduced open

plan seating components and collaborative elements, and many coworking centers have introduced private offices, creating a hybrid model that many believe will dominate the future. What terminology will apply to these hybrids remains to be seen.

Other terms that should be noted include executive suites, serviced workspace, alternative workspace, flex-space, pro-working space, and business incubators/accelerators. These all have varying nuanced definitions, but all are forms of shared workspace.

Shared workspaces may differentiate themselves by offering a number of membership styles and packages, or by catering to specific industries and offering shared resources relevant to the target audience, much as Fegen Suites did for lawyers in offering law libraries and paralegal assistance in addition to standard office services. A recent example is a facility in San Francisco, which is designed for architects and provides industry-specific equipment such as plotters and CAD stations. Almost all incorporate hospitality elements like coffee bars and social events, with some providing additional amenities like game tables and nap rooms.

Popularity

All shared workspace forms have experienced dramatic growth in the last few years. There are several reasons for this phenomenon, not the least of which is advancement in the functionality and affordability of technology that facilitates remote working. The global financial crisis also played a part. It forced hundreds of thousands of people out of corporate headquarters and into independent work situations, either because they lost their jobs and had no choice but to become self-employed, or because they were shifted to working remotely by employers intent on reducing their cost of and commitment to real estate.

Today, there are more independent workers on the planet than in the history of the modern workforce. According to a recent report from IDC, the U.S. mobile worker population is over 90 million and expected to approach 105 million by 2020. Regus estimates that between one-third and one-half of the global workforce is flexible and mobile.

The business case for shared workspace is easy to make in comparison to conventional commercial real estate. Shared workspace requires no long-term commitment and no upfront capital, it frees users from the administrative burden of facilities management, and when all the operating costs of conventional space are considered, shared workspace is less expensive – 30 percent to 40 percent less, according to one report of industry averages.

The main reason for the popularity of shared workspace is that it provides an alternative to working in isolation. Whether or not users are interested in the collaborative aspects of coworking, they overwhelmingly prefer working in an environment where there are other people and where they can be free from the distractions of working in homes or coffee shops. Surveys report that shared workspace environments contribute to substantial increases in productivity, creativity, focus and self-confidence. In fact, most shared workspace operators consider themselves effectively to be in the hospitality industry, and are focused primarily on creating welcoming and supportive environments for their members. CPB

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