

8-22-2021

Impact of Coworking on User Productivity

John Runkle

Johnson & Wales University - Providence, jrunkle01@wildcats.jwu.edu

Follow this and additional works at: https://scholarsarchive.jwu.edu/hosp_graduate

Repository Citation

Runkle, John, "Impact of Coworking on User Productivity" (2021). *Hospitality Graduate Student Scholarship*. 27.

https://scholarsarchive.jwu.edu/hosp_graduate/27

This Research Paper is brought to you for free and open access by the College of Hospitality Management at ScholarsArchive@JWU. It has been accepted for inclusion in Hospitality Graduate Student Scholarship by an authorized administrator of ScholarsArchive@JWU. For more information, please contact jcastel@jwu.edu.

The Impact of Coworking on User Productivity:

A Review of the Literature

John Runkle

Johnson & Wales University

Hospitality Capstone

HOSP 6900

August 22, 2021

Abstract

Through the literature, this paper will briefly review what coworking is and discover what services and experiences coworking spaces provide with the amenities that provide the tools and resources that coworkers, such as free-lancers, pay a fee to be a part of. Through the support of onsite staff, providing collaborative working opportunities, and the physical characteristics based on values of openness, interaction, sharing, and participation, how is the impact on productivity felt.

Key words: free-lancers, coworking environment, physical, mental, collaborative, productivity, hosts, hospitality

TABLE OF CONTENTS

ABSTRACT 2

INTRODUCTION 4

LITERATURE REVIEW 4

 INFLUENCE.....4

 DESIGN.....5

METHODOLOGY 5

ANALYSIS 6

 COWORKING ENVIROMENT.....6

 CREATORS.....6

 MENTAL PRODUCTIVITY.....8

 COMMUNITY.....8

 USER ACCEPTANCE %.....9

 PHYSICAL SPACE ON PRODUCTIVITY.....9

 LAYOUT.....10

 AIR.....11

 FURNISHINGS.....11

FUTURE RESEARCH.....12

CONCLUSION.....12

REFERENCES.....14

Introduction

Coworking, defined by Merkel as the practice of working alongside one another in a flexible, shared work setting where desks can be rented on a daily, weekly, or monthly basis (2015), was introduced in 2005 in the city of San Francisco, it has since been deemed the *third way* of working (Seo, 2017). This researcher has been working in the coworking industry as an operator in New York City for over two years. With hundreds of thousands of *free-lancers*, entrepreneurial type workers flocking to these spaces to work, studies have shown that 63% of coworkers have been able to raise their productivity level while working in the coworking environment (Merkel, 2015). The objectives of this literature review is to establish what coworking facilities provide that impacts the productivity of the users within their four walls as well as establishing that coworking spaces are not just office spaces, but highly curated spaces (Merkel 2015, Seo 2017)

Literature Review

Influence

Since 2005, coworking has been a thriving business model as an alternative to traditional office or work from home environments. Certain researchers call coworking spaces the *third way* of working that gives the individuals a feeling of control over work life balance (Seo, 2017). These individuals are often seen as *free-lancers* in their respective industries and have the flexibility in their working arrangements. Coworking facilities provide desks, common areas, modern designed offices, and a sense of community amongst its members that are all included in a daily, weekly, monthly membership fee. Researchers have found that in 2017, there were over 13,800 coworking spaces in the world (Seo, 2017). Within those walls you will find spaces

designed with open floor plans, collaborative conducive furniture arrangements, and other productivity inducing features and services.

Design

The design of the space is intended to have an influence on the movement and interaction patterns between people. The design intention also encourages the contact between coworkers in the office, the meeting room, and the kitchen space to all be collaborative in nature. Transparent barriers in offices and meetings rooms outlined with designer whiteboards, rounded tables edges, and top of the line technology, all have the goal of the coworker in mind as well as a sense of increased productivity (Merkel, 2015). In an interview conducted by Merkel (2015), designers have said that they use a variety of colors in the spaces, especially yellow due to its capability to release dopamine, which is good for motivation and cognition. However, research has been found that a small percentage of coworkers find the design of these spaces is highly appreciated, especially in comparison to the alternatives of the traditional office or home office (Robelski, 2019). In light of that, the literature has stated that there is a small percentage of coworkers where the transformed open spaces and design was shown to be associated with a reduction in productivity (Robelski, 2019). This literature review will seek further research to find out what impacts' productivity within coworking spaces.

Methodology

In reiteration that coworking has been around since 2005, there is not much historical data to base research on. In the literature, much of the authors methods were found to be interview, focus group and survey driven, conducted within coworking facilities. There was an even split of quantitative and qualitative collection that was conducted anywhere from a four-month to a two-year span. Also, within the literature there is a trend of ethnographic research,

which is the study of an individual culture. This is a valid means of research as the coworking way of work, really is a culture in itself.

This researcher believes that the approach found in the literature was the correct way to do it. Interviews, focus groups, and surveys give researchers the ability to get the answers they seek directly from the customer, which is the optimal way to get positive and negative feedback. With the industry being so new there is limited historic data and the best way for this culture to grow is by reaching out to the population with its walls to find answers that are needed to continue to innovate and lead on a path to continued success. To focus on a performance or productivity directive in the coworking environment, one needs to focus on the occurring micro species of the social collaboration that currently is partaking in the coworking experience (Waters-Lynch, 2017).

Analysis of the Coworking Environment created by Hosts

The users who are looking to these coworking spaces come from all types of professional backgrounds and have characteristics that differ from the traditional office worker, such as they are mobile and largely independent knowledge workers. A study conducted by Waters-Lynch, there were over 510,000 coworkers estimated worldwide (2015). This population is made up of a heterogenous group of *free-lancers* that pay to use the facilities as their place of work to engage in social interaction and most times collaborate on projects, they are working on should there be a business-related correlation (Waters-Lynch, 2017). The physical proximity from home, financial savings, and the face-to-face interaction with other members are just a few of the attractions that draw these coworkers to these spaces (Ross, 2015). Thus, coworking appears to not only be a cost-effective alternative, there is a sense of promise when it comes to business

growth, building new relationships, and an increase in perceived productivity (Merkel, 2015). These *free-lancers* are mostly entrepreneurial by profession and are primarily working on new products and the ability to collaborate benefits them with their goals. Further research could be useful in how coworking spaces adapt to the success and growth of the entrepreneurial start-up so that the coworking space can sustain such success and growth.

In order to provide the services and amenities, as well as upkeep the space, there is the other presence in the space, which is the host. The host is either a single entity or a third-party company, that is crucial to assemble and create relationship building opportunities and strive to stimulate new work experiences amongst the *free-lance* professionals (Merkel, 2015). The key word of that being the experience, which is a focus of any hospitality company. The hosts that understand, hospitality is their major concern and they take pride in that. The literature divides the host into two categories:

- a) The host who is the service provider, where the centration is on the work aspect and facilitating a good environment and providing the amenities and services as advertised
- b) The visionary host, who is more concerned with enabling the aspects around the sense of community and the collaboration amongst the coworkers

Both are incredibly important in executing the wants and needs of the coworkers and these roles are regularly left to the founders or the managers of the space. As stated above, not only is the host responsible for the facility, but they are also responsible to facilitate the interactions, spark the creativity, and ensure the productivity amongst the coworkers in the space (Merkel, 2015).

Impact on Mental Productivity

Productivity is defined as the quality or state of yielding large result or yielding abundantly, which is often determined by the ratio of output to input (Ojo, 2018). However, for this review we will use the definition found in the literature for workplace productivity, which defines it as a measure of how well a business or individual uses its resources to achieve a goal (Gupta, 2020). It was mentioned how the coworking host is responsible for creating the sense of community. The literature states that the coworking spaces are a concentration and distribution of knowledge within the community, the question arises how does a coworking space turn this into productivity.

Community

Through community events that create opportunities for the members such as meals, happy hours, panelist workshops, and weekly newsletters, these spaces are not designed for a group or individual performance alone, they are designed to foster a sense of community around those groups or individuals (Waters-Lynch, 2017). Newsletters are a good means of communication of the events as well as give the coworkers opportunities to meet their fellow coworkers through spotlights as well as tell the community what they are doing or working on. The literature states that this is a prime example of cross pollination of ideas amongst a group of members that supports the entrepreneurial mindset, providing a sense of perceived increase in performance or productivity (Ross, 2015). Through the community meals and happy hours, there is an ability to create that social interaction that may be lacking in a home or traditional office environments (Ross, 2015). However, research findings do suggest, that by simply putting people in an open space and providing an opportunity for social interaction, not everyone will

participate (Ross, 2015). These coworking communities are made up of an eclectic group of organizations that may or may not have differing needs and expectations.

User Acceptance %

With the above mentioned in comparison to the home office, through the literature the concept of sense of community in the coworking space attains a higher level of individual mindset, and performance related to concentration, group workability, and especially productivity (Robelski, 2019). In light of this, research conducted states that of the coworking population, 84% appreciate the social interactions created, 82% appreciate the random encounters' and opportunities', and 77% appreciate the sharing of knowledge and information (Merkel, 2015). With the percentages being a majority of the population, this validates the literatures statement that one of the advantages of working in the coworking space was found to be an increase in productivity (Robelski, 2019).

Physical Coworking Space and Impact on Productivity

Coworking not only sustains the productivity by providing the users with experiences, the physical space as previously mentioned has an impact as well. The physical characteristics of coworking spaces are also found to play a role in the creative thinking and productivity, thereby helping the members achieve their goals (Merkel, 2015). The literature suggests, coworking spaces, by identifying the positive and negative environmental settings, it has been shown to influence workers' productivity by two to three percent (Gupta, 2020). When we are referring to the physical space, we are referring to the layout of the workplace, ambient noise levels, ventilation, and the furnishings throughout the space (Rodgers, 2018). This research will discuss each of those a little more in depth and their roles in a workers' productivity.

Layout

The layout of the space is important in how the space is perceived will influence collaboration and productivity towards a goal. Research has suggested that cramped, noisy, and dim lighted spaces make it very difficult, if not impossible, to focus, think clearly, and hinders productivity (Rodgers, 2018). Through spacious layouts of common areas and transparent meeting rooms, the user has an unrestricted feeling environment to work in. Open environments and the flexible seating have been shown to increase creativity and innovation through the ability to collaborate with other workers in the space, a cross-pollination of ideas is a reason why workers chose the spaces they choose (Seo, 2017).

The layout of the space is also a means to control the noise in the space. With the facilitation of meeting rooms, private offices, and individual phone booths, the user has access to a quieter space, that can allow an increase and attention and focus. In a space that is designed to bring people together from different spheres (Seo, 2017), there is also a need to separate when those delicate conversations or projects need to happen. For example, when working in the common areas and you need to take a phone call, experience of this researcher has found that taking phone calls in a common space is very disruptive to others. Coworking offices, focusing on innovation and continuing to push forward, supply private modern designed phone booths where a worker can take a call and not disrupt others. Taking it a step further these phone booths are well lit and ventilated. In light of this, it has been shown that productivity increases by 57% when the worker is satisfied with the noise level in the environment, amongst other factors (Gupta, 2020).

Air

Another factor that helps to contribute to productivity is the temperature and the ventilation of the space. Through the literature, there is shown that there is a link between the indoor environment and the productivity of these coworking offices (Gupta, 2020). Along with the controls of noise, there is an increase in productivity when the ventilation conditions provide an area that is at a preferred temperature and not stuffy or smelly (Gupta, 2020). This researcher through their own experiences has found that the optimal temperature for coworking offices being at 72 degrees in common areas, is the best degree to please the majority of the population. In light of this it has been shown that task errors increased 56% and productivity decreases by 40% when temperatures are higher than appreciated (Gupta, 2020). Coworking offices are going even as far as even giving its individual offices control of their own temperatures through thermostats. The literature suggests, there is a clear financial incentive for the facility when coworkers have this control, as it has been shown to improve productivity and comfort when this control is given, even if it incurs additional expenses (Gupta, 2020).

Furnishings

The physical furnishings that a coworking space provides is not just put in place to be pleasing on the eyes. The furnishings include the furniture, artwork, and the greenery, are all designed to have a perceived influence on productivity. The design with the use of biophilia, or plants, have been shown to influence productivity along with the other indoor environment variables previously mentioned (Gupta, 2020). Earlier we spoke of ample white boards throughout the offices and meetings rooms to spark collaboration along with the design of the tables to have rounded edges so that when brushed against, there is no disruption to the task at hand. A recent trend in office desks has been power integrated sit-stand desks, coworking

locations have begun to implement these as standard amenities in their offerings. Studies have shown, office-based employees spent 82% of their workday in a sedentary position (Ojo, 2018). While sit-stand desks have become popular, other types, such as treadmill and cycling workstations are available, though they have not shown to make an impact on productivity. In fact, while sit-stand desks have had a positive impact on performance, the cycling and treadmill desks have shown a decrease in productivity (Ojo, 2018). In addition to productivity, epidemiological studies have shown that excessive time sitting can increase the likelihood of negative health outcomes, including type-2 diabetes, cardiovascular disease, and obesity (Ojo, 2018). This researcher has witnessed and received real-time feedback, that sit-stand workstations provide an increase in the daily productivity and an overall improvement in the comfort of the workday. Considering what has been discussed, the open areas, bright colors, and access to the amenities, all are put in place to inspire collaboration, instill comfort, and drive productivity for coworkers (Merkel, 2015).

Future Research

Through the literature, it has been shown how coworking is a special resource for the promotion of a culture through its approach towards coworking for the for *free-lancers* that work in the spaces daily. The impact on productivity has been felt through the onsite team, the sense of community, and through the modern human centered design of the spaces, has been shown through the literature. With research within the literature not being very historic, there is still plenty to be done. The coworking industry is evolving and further study in the United States will need to be done as the worker evolves and the areas of professional growth mentally and physically of the coworker's become a focus. In addition, the research shows that more studies

are needed on if in fact the wellness of coworkers needs to be a focus of these coworking facilities as it becomes a more prevalent aspect.

Conclusion

The creation of coworking as an urban social practice highlights alternative ways of organizing labor in the city of the twenty-first century (Merkel, 2015). Escaping the social isolation of the typical office and home office and being amongst like-minded people allows the *free-lancer* to have access to valuable knowledge that impact their mental and physical productivity. The objective was to highlight that coworking spaces are not just shared office spaces, but highly curated spaces focused on the productivity of the user (Merkel, 2015).

Through design and influence the setting is standardized in a way for the third way of working to have a positive impact on their daily goals. Concepts that are implemented by the hosts, such as the air they breathe, the community they are a part of, and the furnishings provided only help to solidify what the research shows as a benefit to the user. As a result, coworking has enabled the user with new forms of solidarity and cooperation amongst other *free-lance* professionals and beyond.

References

- Gupta, R., Howard, A., & Zahiri, S. (2020). Investigating the relationship between indoor environment and workplace productivity in naturally and mechanically ventilated office environments. *Building services engineering research & technology*, 41(3), 280–304.
- Seo, J., Lysiankova, L., Ock, Y. S., & Chun, D. (2017). Priorities of coworking space operation based on comparison of the hosts and users' perspectives. *Sustainability (2071-1050)*, 9(8), 1494.
- Merkel, J. (2015). Coworking in the city. *Ephemera: Theory & politics in organization*, 15(1), 121-139
- Ojo, S. O., Bailey, D. P., Chater, A. M., & Hewson, D. J. (2018). The impact of active workstations on workplace productivity and performance: A systematic review. *International Journal of Environmental Research & Public Health*, 15(3), 417. <https://doi-org.jwupvdz.idm.oclc.org/10.3390/ijerph15030417>
- Robelski, S., Keller, H., Harth, V., & Mache, S. (2019). Coworking spaces: The better home office? A psychosocial and health-related perspective on an emerging work environment. *International Journal of Environmental Research and Public Health*, 16(13).
- Ross, P., & Ressia, S. (2015). Neither office nor home: Coworking as an emerging workplace choice. *Employment relations record*, 15(1), 42–57.
- Waters-Lynch, J., & Potts, J. (2017). The social economy of coworking spaces: a focal point model of coordination. *Review of social economy*, 75(4), 417–433.