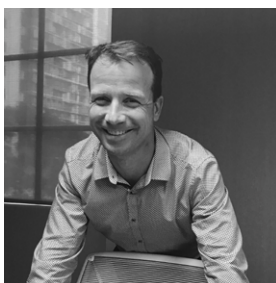




THE PHENOMENON OF CO-WORKING IS UP AND RUNNING... BUT WHERE TO?

CRAIG HANSEN



If co-working was a baby it would require a feeding bottle larger than any commercial office building Australia has to offer and more. Incredibly you and I, have watched the concept and phenomenon of co-working evolve from a newborn to an infant in recent years – and now we can see our baby about to take its very first steps. But steps towards where...

Review the birth of co-working, the strides it has made in the industry and the impact it is having on organisations of all shapes and sizes.

Craig Hansen – Workplace Strategist
+ 61 455 777 146 | craighansen@iagroup.com.au

THE BIRTH

The birth of co-working in Australia took place in Melbourne in 2007, just 2 years after the birth of co-working in San Francisco. Since then, the industry has experienced exponential growth - here are the stats...

- The growth in Australia's co-working capacity doubled from 13% in 2015 to 36% in 2016
- In the past three years, co-working capacity in Melbourne has grown 960%
- In 2016, Melbourne had the highest global growth record in flexible workspace (followed by New York)
- There are over 350 co-working centers shared between Melbourne and Sydney, with over 65,000m² of co-working spaces in Melbourne alone (and that's before global co-working giant WeWork opened it's doors!)
- WeWork aims to occupy a total of 280,000m² of space in Australia in coming years. 65% shared between Sydney and Melbourne, 15% Brisbane and the remainder 20% between Perth, Adelaide and Darwin (Savills).

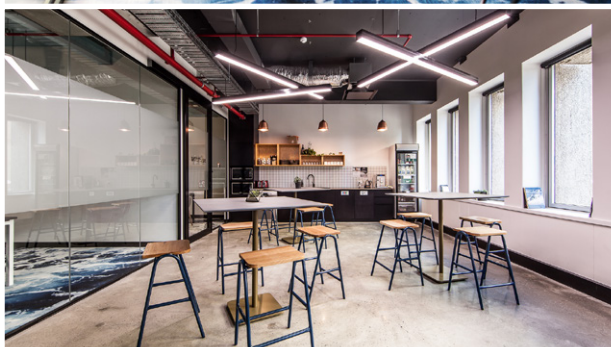
FROM CRAWLING TO WALKING

As the co-working phenomenon has evolved, it has brought with it both challenges and innovation.

A common co-working struggle resides in the lack of knowledge and appreciation for data management that is needed to predict, model and inform future growth strategies.

The response... we are now seeing a rise in intelligent technology solutions such as internal GPS systems, that are giving co-working spaces the wings to effectively bring "people" and "place" together in an agile environment.

The focus for successful co-working environments is now on enabling people to book the space they desire, beside the person of their choosing, for the duration of their need.



INTEGRATING CO-WORKING INTO YOUR ACCOMMODATION STRATEGY?

As both public and private organisations are demonstrating, co-working is not simply an accommodation strategy for tech start-ups and small businesses - it is a workplace strategy that extends to organisations of all sizes.

"We've had a number of enquiries from ASX100 listed companies and it's now clear co-working isn't isolated to freelancers or small business but growing business of any size."

– Brad Krauskopf, founder of Hub Australia

We are now seeing an influx of corporates using co-working arrangements as a way to offer their employees flexible work arrangements. Many corporates are also using co-working spaces for creative hubs for special teams.

THE BENEFITS

The Department of Science, Information Technology and Innovation has had Queensland public servants using purchased desks at commercially operated flexible work centres since April 2014. The two key centres involved were the The Redcliffe Hive and Co Spaces located in Southport on the Gold Coast. The participants were mostly in administrative roles and 47% were over 45 years of age. The results...

- 83% of the participants stated that their health and wellbeing had improved.
- The average time saved in travel each day was 72 minutes plus saving them around \$30 per day in travel expenses.
- 80% of the participants increased their use of digital technologies as communication tools.

The data we find most compelling.... that 76% of participants claimed they would be willing to give up a dedicated desk (in exchange for a hot desk) in their main office if they were able to continue to work at a flexible work centre.

WHAT'S NEXT?

As co-working grows, becomes stronger, those first few shaky steps will soon turn into confident strides. Organisations like KPMG, General Electric and even our own Queensland State Government appreciate the power of including co-working spaces as a part of their overall accommodation strategy. It supports their service delivery models, wellbeing of their staff and let's not forget it is far cheaper than locking into a capital head lease for 7+ years for a project that may only have a life of 1-2 years (...especially as artificial intelligence continues to replace our most redundant tasks as fast as it is).

We are becoming an economy of sharing. Sharing thoughts, space and now even our assets. We want the flexibility to choose who, where and shortly, with whom we work for.

"By 2020, 50% of the U.S. workforce will be freelancers", reported by Brian Rashida, contributor of Forbes.

How will you guide your business to co-working maturity?

By Craig Hansen

Craig Hansen is a leading Workplace Strategist at IA Design. Craig focuses on assisting clients with their accommodation strategies, principally around workplace design. Craig's psychology background provides a unique lens upon which to understand the client's challenge and offer solutions that extend beyond the built environment but are informed by design thinking.

Contact the IA Design team to discuss your workplace strategy and design opportunities.

Email: craighansen@iagroup.com.au

Phone: + 61 455 777 146



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