

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

locations where freelancers and remote workers can do their jobs, but also share ideas or just talk during breaks.

Mar. 17, 2014



Cloud technology and wider use of freelancers has more people working from home, remotely, or even from coffee houses.

Being away from the rigid hierarchy of office cubes suits many, but something's missing — a sense of community and collaboration. Enter coworking spaces — locations where freelancers and remote workers can do their jobs, but also share ideas or just talk during breaks.

U-M Ross Professor [Gretchen Spreitzer](#) and Ross PhD student **Lyndon Garrett** are researching this emerging trend, and the early evidence shows it helps isolated

workers thrive and be more productive. They see a couple of business models

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

but they miss interacting with people,” says Spreitzer, the Keith E. and Valerie J. Alessi Professor of Business Administration and professor of management and organizations. “It's not just a feeling. Research shows that people are more productive and collaborative when they are working around others. Chance encounters and conversations spark creativity, and ideas are shared.”

Coworking spaces differ from coffee shops and office rentals. They are open and designed to enhance both productivity and encounters, either social or professional. Some even arrange social events to promote a sense of community. People are not working on the same things or even in the same industry, but they are working together.

People usually pay dues to join, and many are democratic — members take turns with or decide on things like cleanup or stocking the coffee machine.

The lack of collaboration was cited as a reason [Yahoo CEO Marissa Mayer called remote workers back to the office](#). Coworking could be another solution to that problem.

“If you give people freedom but not a mechanism to interact with each other, they'll just be in their own little world doing their own task,” Spreitzer says. “So Marissa Mayer was right, in a sense. Without interaction you're going to have lower productivity and less collaboration. But I think there's a happy medium. There are solutions that don't require everyone to be in the office all the time.”

An unsettled question in coworking is what works best — spaces that cater to people working in different industries, or ones that are more specific. For the moment, both types are cropping up. Some believe the multiple industry model maximizes idea sharing, while others think a coworking space aimed at just entrepreneurs or programmers, for example, bring more value.

“There's probably room for more than one model,” Garret says. “Right now we see

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

unused desks to freelancers and remote workers.

“A lot of companies have an issue with unused space,” Spreitzer says. “It turns out that people are not at their desks much of the time, and it's an inefficient use of real estate. So renting out desks to anyone who needs one temporarily is a way to bring a spark to your organization without making a big investment.”

The rise of coworking has shown not only the need for working people to interact and collaborate, but also shines a light on what the next generation of employees expects from work.

“As social groups like clubs and bowling leagues lose members, work organizations really become the main area of life where people feel a part of something,” says Garrett. “But companies aren't used to filling that need. There's rigid hierarchy, competition, and politics. Coworking shows how you can create a sense of community and productivity.”

Terry Kosdrosky is a research associate with the University of Michigan's Ross School of Business.

Small Business • Technology

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us