Coworking Is Not About Workspace — It's About Feeling Less Lonely

December 28, 2017 Marion Barraud for hbr

Working remotely has many benefits: flexible hours, no commute, and autonomy and control over how you work, to name just a few.

But as any remote worker will tell you, there are also considerable challenges. According to a variety of studies, isolation and loneliness are among the biggest complaints. Working remotely means missing out on the human interaction and social aspects that being in an office provides.

According to Vivek Murthy, the former Surgeon General of the United States, increasing numbers of remote and independent "gig economy" workers is one of the key reasons for the growing "loneliness epidemic". Murthy also points out that loneliness is much more than just a social problem. It's also a health problem, "associated with a reduction in lifespan similar to that caused by smoking 15 cigarettes a day and even greater than that associated with obesity."

<u>Our research</u> on coworking spaces show that these shared, member-based workspaces where remote corporate workers, startup employees, freelancers, and others "work alone together" can substantially reduce the isolation and loneliness associated with remote work. Some of the key findings from our surveys of coworking space members show that:

- 87% of respondents report that they meet other members for social reasons, with 54% saying they socialize with other members after work and/or on weekends
- 79% said coworking has expanded their social networks
- 83% report that they are less lonely since joining a coworking space
- 89% report that they are happier since joining a coworking space

Our initial research objectives for these studies were not focused on the social side of coworking. In fact, the studies were developed to explore the role that work-related networking plays in coworking communities. The study results show that professional ties are strongly enhanced by membership in a coworking space:

- 82% of respondents reported that coworking has expanded their professional networks
- 80% reported that they turn to other coworking members for help or guidance
- 64% said their coworking networking was an important source of work and business referrals

The research also showed a variety of other work-related benefits associated with coworking membership. Most members (84%) reported that working in a coworking space improved their work engagement and motivation. Most also reported being able to concentrate better due to fewer distractions compared to working from home or in coffee shops.

But despite focusing on the work aspects of coworking, our research found that it was the social ties of coworking that proved most valuable to members. When asked to list three words that best describe coworking, three of the top five words mentioned by coworking members — community, fun, and social — relate to social aspects.

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Other studies confirm these findings. For example, <u>researchers at the University of Michigan</u> found that coworking members report much higher levels of "thriving" than traditional employees. Their work shows this is in part due to the

community aspects of coworking spaces, which allow members to socialize and interact with other members. Another study, <u>Coworking Spaces</u>: <u>A Source of Social Support for Independent Professionals</u>, reports that the main reason most members work in coworking spaces is for the social interactions.

As a society, a growing number of people are facing the isolation and loneliness associated with remote work — and they're working alone longer. Gallup reports that, despite a few high profile examples of firms moving away from telecommuting, the number of corporate employees working remotely continues to grow. Gallup's data shows that 43% of American employees report that they work remotely at least some of the time, up from 39% in 2012. Gallup also reports that the people who work remotely "at least some of the time" are spending even more time working remotely. The number of independent workers (freelancers, independent consultants, etc.) is also increasing, with most of these people working remotely.

For companies, allowing and paying for employees to work out of coworking spaces offers many benefits. In addition to reducing remote work loneliness, coworking spaces provide excellent business and technology infrastructure, strong networking opportunities, and exposure to innovative companies, products, and services. Companies will also benefit from having happier, more engaged, and more productive workers.

Independent workers should also consider coworking. They often benefit even more than company employees from the social aspects of coworking and find that the professional networking opportunities help to generate new business. While independents have to pay for memberships themselves, most consider the cost well worth it. (Coworking spaces range in cost from \$45 per month to over \$1,000 per month, depending on the space and location. A good estimate of the average cost for the U.S. is around \$350 per month.) Our research found very high satisfaction rates: 90% of respondents reported being either highly satisfied (79%) or satisfied (11%) with their coworking space; only 5% reported being dissatisfied. More to the value point, 94% reported the price they paid was fair (77%) or a bargain (17%). Also, most coworking members plan to continue to be members in two years, with only 4% reporting they likely won't be members over that time frame.

The coworking industry has been growing at a rapid pace for the past five years. <u>Our current forecast</u> is for this growth to continue, with the global number of coworking space members increasing from roughly 1.6 million today to about 3.8 million in 2020.

It's clear from the research that a major driver of this growth is the social aspects of coworking. Humans are social creatures who like being around other humans, and regardless of advances in remote work technology, this won't change. The early coworking pioneers recognized this and focused on building supportive communities that included social activities. One of these early pioneers, <u>Alex Hillman of the coworking space Indy Hall</u>, went so far as to say "coworking is not a workspace industry; it's a happiness industry".

Simply put, by creating community and reducing isolation and loneliness, coworking benefits both organizations and workers due to greater levels of work engagement, productivity, and worker happiness.

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