

May 22, 2017

Coworking Spaces: The Office Trend Every Entrepreneur Needs to Consider



Working in one of these spaces may also light a creative spark, says Bryan Koontz, CEO of Guidefitter.com; he has worked in several coworking spaces in his entrepreneurial journey. “Free to pursue entrepreneurial ventures that commonly stem from a passion or hobby, many people benefit from added meaning and significance to their work,” he says. “When people are in control and free to work on meaningful tasks, happiness and productivity can flourish.”

Financial Flexibility

Many coworking spaces offer a variety of options at different price points. You can rent a space for a few hours a week very inexpensively, or you can spend more for unlimited access and/or private office space or conference rooms. Different options can provide entrepreneurs with a great deal of financial flexibility. Some people even choose to bring employees into their coworking space as their companies grow.

According to Alex Cohen, Lead Commercial Specialist with brokerage CORE, “Coworking spaces are also typically fully built-out (in flexible configurations) and don’t require a tenant to expend capital on fit-out, furniture, or voice/data wiring—all of which are potential expenses when a company leases dedicated office space.”

The money you save may be used to grow your business. Tight cash flow is one of the top problems new businesses face. It can prevent you from hiring new employees, taking on new projects, and buying new supplies. Plus, it's often one of the things lenders look at when deciding whether to give you a business loan (along with your personal and business credit scores). Keeping an expense like office space variable instead of fixed can keep your books flexible and help you grow your business at the right time.

Choose Wisely

Coworking isn't for everyone, of course; there are pros and cons to coworking spaces. One entrepreneur told me the walls in the private offices in his coworking space didn't extend to the ceiling. Not only were phone conversations not as private as he'd hoped, but the entire space would get very noisy at times. William Gadea says, "The biggest downside is the acoustics, especially if the offices are all glass—it makes it really hard to have two people on the phone at the same time."

Make sure the space is a good fit for your workstyle. "Certain floor plan components will help you maximize productivity in coworking spaces," explains Maura Thomas, founder of RegainYourTime.com. "Knowledge work requires quiet, thinking space for flow. However, you can still build in opportunities for collaboration in an open work space."

Noise-canceling headphones may help, but you don't want to be so distracted that you can't get any real work done. Consider renting space for a few hours to try it out before you commit.

Overall, though, many entrepreneurs are enthusiastic about coworking benefits that can help their businesses grow. As Michael Zimmerlich, founder of 80/20 Records, who works out of CO+HOOTS in Phoenix, says, "The real-time education that I've learned from my [coworking] peers is invaluable in keeping my business current and relevant in today's society."