

- **Co-working** has its expiry date and it may no longer be the style for individuals or companies at some point
- **Private** and confidential discussions may not be appropriate in a co-working setting



by
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Sharing is caring



File photo of a section of co-working office provider Common Ground's premises

WITH the world becoming more connected day by day, the ways of working are also evolving. Back then communication and documentation were done via physical means such as letters, paper forms and stacks of folders. But now, with the internet and cloud-based memory, communication and data storage can be accessed from wherever you are.

On the ground, this has ultimately changed the nature of office work with emails, network-attached storage and cloud computing. Office workers are no longer necessarily restricted to their cubicle to do work and this has opened the doors to remote working and mobile office quarters.

As property prices continue to rise, in some cases downright disheartening, the possibility of setting up an office space in preferred locations is very much reliant on one's financial capability, which for smaller-sized companies is rarely existent.

In response to this, a growing contemporary office practice is emerging, commonly known as "co-working". This style of work involves a shared workplace, typically somewhat of an office design and equipped with general office amenities.

Though it has been lauded as a new alternative to office working style, an evolution of serviced offices and office suites, and a possible solution to vacant office spaces, nothing is without its cons and pros.

It's a 'working' solution

Right off the bat, co-working spaces are targeted at individuals and companies which are small in size and require a space that fits their need without having to cough up a large start-up fund just to get a place to work in.

One of the significant benefits often talked about is the flexibility co-working offers in financial and commitment period; these two coming in hand in hand.

Shared spaces are often offered on a short-term basis, going as short as per day to as long as per year. This helps cut the cost to a shorter term and making relocations possible without consequences.

This budget-friendly option is made even more appealing with

the ready-on-hand amenities offered to customers, and aesthetically pleasing space design.

Particularly for individuals working from home or freelancers, co-working spaces provide a space that is outside of one's home space and within a community of co-working peers.

Different from "library-styled" offices, co-working spaces allow discussions and calls to be made in an appropriate setting.

Being in a space with other working strangers also opens the opportunity for networking and sharing, especially if the parties are in the same industry or complementary to each other.

Having access to a pool of potential clients, collaboration partners or even new recruits, becomes an enticing factor to consider co-working.

Furthermore, the usage of co-working spaces allows for flexibility in terms of manpower, be it in the number of desks or rooms.

Usually, when planning a traditional office space, companies would have to predict how their growth will be. Then their existing space must be able to accommodate the needs within the leasing period.

This may prove tricky for jobs that involve frequent changes in employment, especially for job-on-demand situations. But this benefit has its expiry date. To a certain point, co-working may not always be the right solution for everyone.

But is it only temporary in nature?

Going back to basics, which is the cost, renting a co-working space from a purely size perspective (per square foot) is more expensive.

This is especially true if a company's employment size goes beyond the practicality of paying

for a co-working space.

While the benefit of occupying a co-working space is the readily available amenities, there is still the element of sharing to be considered. This may hinder a company's work progress due to "waiting in line".

Compared to having a space of your own, a co-working environment may not be to everyone's taste.

For one, there may be a lower expectation for privacy as you are working among strangers in open areas. You could also be having your private suite next to a potential competitor, or even having a boardroom meeting with strangers walking along the corridors outside.

Information discussed that are private and confidential will not be appropriate for a co-working setting. Then there is this risk of corporate information leaks happening in a co-working environment.

This lack of privacy not only applies to physical discussions, but also phone and video calls. Hence network security and web security are of paramount importance – and are seen as a key selling point by certain co-working solution providers.

Besides, noise and movements in the background cause distraction. Although these can be minimised, it is still a sharing space.

Ultimately, some may find themselves exhausted and stressed from having to endure the chaos, making the whole co-working experience a nightmare.

From a company's perspective, being in a shared space may impede the establishment of its own company culture as, being part of the co-working environment, you have to adhere to others, which is unfortunate especially if it does not match

your own values and practices.

Recruitment will also prove tricky as the image of a temporary office may signal to some as a sign of impermanence and can be interpreted as lacking job security – although this is arguably changing fast in today's environment.

This may also extend to potential clients, collaborators or investors who may factor in permanency and legitimacy when making business decisions. Adding on, customisation of office space is also more limited in a co-working environment.

Co-working users will have to work with what's provided and bear with the layout, albeit customisation is allowed within restrictions.

While there are private rooms and enclosed spaces offered by co-working service companies, these are generally in the expensive and top-tier luxury range.

As co-working is rising in popularity, the choice of location remains limited based on where the space is set up.

To compare, the readily-available traditional office space up for rent or purchase far surpasses co-working spaces. As such, limited supply causes limited availability. If a company already has a preferred building or address in mind, finding a co-working space that is available may be difficult and not guaranteed to meet your capacity request.

Aside from that, with the need to commute, the co-working option is less attractive if access is not convenient. This explains why many co-working spaces operate near transit-oriented or adjacent to a transportation hub.

Finally, the nature of co-working itself appeals differently to different market segments. Certain traditional clients or industries do not believe in mixing work and leisure. They cite

information security as their biggest concern, whilst others, especially start-ups by millennial entrepreneurs, may find co-working a popular preference.

While some see the benefit in "work and play", other corporates see it as a hindrance to productivity and professionalism. For companies which often have clients coming over for work matters, having your own space will be both practical and impressive.

One cannot deny that the establishment of a private office signals success, confidence and reliability in the business world.

In the end, what works for you may not work for me.

Overall, co-working is acknowledged as a working solution to the vacant office spaces in the Klang Valley. Small, fast-growing companies will benefit from this new range of real estate options. But one size does not fit all.

When considering working in a shared office space, companies must take into account their size and working style to see how well, or not, they would fit in with the co-working environment.

Yes, the start-up cost of occupying a co-working space is lower than that for a traditional office space but one has to see whether its capacity can keep up with the organisation's long-term growth.

Regardless, when in a situation of oversupply in office space – as we are experiencing in the Klang Valley where an expected 15.5 million sq ft. are entering the market within the next three years – co-working is a viable alternative to high property prices in prime areas. **FocusM**

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