



**COWORKING SPACES
IN THE AGE OF COVID-19**

Impacts, Considerations, and Forward-Thinking Solutions

THE STATE OF COWORKING BEFORE THE PANDEMIC

Coworking, where employees from various companies share workspace under one roof, is increasingly popular. According to Cushman & Wakefield, more than two million people co-worked in over 22,000 sites worldwide in 2019.¹ Startups and solo entrepreneurs are drawn to the financial flexibility of coworking. And more established businesses use coworking spaces when they occasionally need additional conference rooms or offices that their current lease can't accommodate.

HOW COVID-19 CHALLENGES THE APPEAL OF COWORKING

The pandemic has turned many of the perks of coworking into disadvantages. The coworking model was built on social interactions and fluid boundaries between members. Now, that close proximity to other occupants is no longer appealing. Businesses want to protect their employees and the lack of physical barriers between occupants makes it easier for the virus to spread.

Concerns about the spread of infection are already affecting coworking providers. Unlike traditional commercial real estate, the coworking model allows for short-term agreements and doesn't penalize as heavily for contract breaches. Coworking providers say cancellations – of events, meetings, and memberships – are their top concerns around COVID-19.² With no clear end in sight to the pandemic, many businesses are choosing not to renew their contracts.

WHAT COWORKING PROVIDERS NEED TO CONSIDER

Coworking providers must understand the concerns of the individuals and businesses who use their space, as well as their own employees. Businesses will want stronger boundaries between each other to prevent the spread of infection. In addition to membership cancellations, coworking providers must contend with the fact that there are fewer startups and fledgling businesses that have the budget for memberships.

With a smaller market to choose from, and wariness among current members, coworking providers need to assess how to move forward.

Questions to Ask

What changes do coworking providers need to implement to ensure their viability?

Will the popularity of the coworking sector continue to grow in the future?

How will coworking environments change over time?

CREATING THE WAY FORWARD

Despite the concerns around safety, the flexibility of coworking is still attractive for many companies. To attract and retain current and potential members, coworking providers must take steps to address member concerns and create healthier facilities. That may include any or all of the following:

- Reconfiguring to reduce density and capacity in common and private areas
- Screening all occupants before entering the building
- Introduce physical barriers to separate spaces in open areas
- Using stickers and signage to promote social distancing
- Staggering start times to reduce foot traffic in hallways, elevators, and stairwells

In terms of maintenance, occupants will expect to see more frequent, visible cleaning. Coworking providers need to incorporate daytime disinfection protocols in accordance with guidance from the Centers for Disease Control and the World Health Organization to give them peace of mind. Air ventilation and purification is emerging as an important way to mitigate the spread of infection, so coworking providers should also consider making changes to their HVAC maintenance protocols and opening windows where possible.

Creating a healthy space is a team effort. Members need access to hand hygiene products, gloves, and wipes to help reduce viral transmission through surfaces. Additional changes, such as disposable, single-serve items in pantry areas and touchless fixtures, reduce the number of touch points altogether.

WITH THE RIGHT PRECAUTIONS, COWORKING CAN ENDURE

The economic uncertainty caused by the pandemic can work in coworking providers' favor.

The affordability and flexibility of coworking is ideal for businesses that are unsure about their long-term financial picture. Working from home hasn't been beneficial for everyone. Some remote businesses may offer employees coworking options to help combat loneliness and promote a healthier work/life balance. Also, companies with traditional office space may look to coworking spaces to accommodate social distancing that isn't possible in their own office.

In the near term, providers who show that they're taking infection control seriously will have the best chance of attracting and keeping these businesses. In the long term, providers should implement wide ranging Environmental, Social, and Governance (ESG) strategies, and even consider a health and safety grade (similar to LEED certification), to demonstrate their commitment to occupant wellness.

GIVE YOUR MEMBERS PEACE OF MIND

ABM provides facility services expertise to help you foster occupant wellness and ease safety concerns. **Contact us today at 866.624.1520 to learn more.**

Sources:

- 1 <https://www.cushmanwakefield.com/en/insights/covid-19/the-changing-role-of-coworking-in-the-workplace-ecosystem>
- 2 <https://www.coworker.com/mag/survey-how-coworking-spaces-are-navigating-covid-19>

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