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Emerging trends in coworking spaces among young people

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Over the past decade, we have witnessed important changes to the ways work is organised, conducted, and experienced worldwide. A growing number of young people have found themselves working part-time, doing project-based and precarious work, becoming self-employed, or even delaying their entry into the labour market¹. Various studies² have shown that early unemployment experiences may impact the future career prospects of the individuals and even their overall wellbeing and mental health.

¹OECD/ European Union. 2019. The Missing Entrepreneurs 2019: Policies for Inclusive Entrepreneurship. Paris: OECD Publishing. https://doi.org/10.1787/3ed84801-en.

²Daly, M., and L. Delaney. 2013. 'The Scarring Effect of Unemployment Throughout Adulthood on Psychological Distress at Age 50: Estimates Controlling for Early Adulthood Distress and Childhood Psychological Factors.' *Social Science and Medicine* 80: 19–23. Dvouletý, Ondřej, Monika Mühlböck, Julia Warmuth, and Bernhard Kittel. 2018. '"Scarred" Young Entrepreneurs. Exploring Young Adults' Transition from Former Unemployment to Self-Employment'. *Journal of Youth Studies* 21 (9): 1159–81. <u>https://doi.org/10.1080/13676261.2018.1450971</u>.

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In this rather unstable and insecure employment context, coworking spaces, hubs, and other collaborative workplaces (hereafter CWS) have emerged. CWS are flexible workplace arrangements in which workers share office space and common infrastructure. That way, they manage to keep costs low while escaping from the isolation of the 'work from home' model. In some cases, workers who work from a CWS develop friendships and collaborations as such spaces provide the ground for meeting other young professionals. Coworking can be seen as a new social practice³ which triggers knowledge sharing, networking, and enables socializing among the users of such spaces.

CWS offer flexible ways of organising work and employment for young people who try to enter a rather volatile labour market. These spaces are mostly used by freelancers and early-stage entrepreneurs belonging to the highly skilled 'educated youth' who work in the wider knowledge economy. These new settings are giving rise to a number of dynamic coworking trends that are shaping young people's experiences of work.



#1 Trend | CWS in non-urban areas

Historically, urban areas have been more attractive for the young people in terms of providing a wide range of meaningful employment opportunities and enabling vibrant lifestyles. On the other hand, rural and peripheral areas have been usually associated with economic decay and lack of

³Merkel, Janet. 2019. "Freelance Isn't Free." Co-Working as a Critical Urban Practice to Cope with Informality in Creative Labour Markets'. Urban Studies 56 (3): 526–47.

opportunities, as many of these areas are often called "places that do not matter"⁴. These places were characterised by structural problems such as brain drain, youth unemployment, and the lack of innovation and creativity.

A major trend in the current evolution of the coworking phenomenon is the expansion in non-urban, peripheral, and rural contexts. While this tension has been prevalent in the last few years⁵, the experience of the Covid-19 pandemic seems to have accelerated their growth. The possibility of mobile working during the pandemic has fuelled migration waves to peripheral and rural areas. Early-stage academic researchers, remote employees, and self-employed people from a wide range of sectors seem to be the diverse and significantly wide clientele of rural coworking spaces⁶.

CWS have the potential of activating those areas by bringing back – as well as retaining – highly skilled young employees through the creation of meaningful job opportunities. EU funded projects such as <u>Youth Re-Working Rural</u>, <u>'Cowocat_Rural'</u>, <u>TRACES project in Apulia and Western Greece</u> aim at fostering youth entrepreneurship and local development through the promotion of CCIs (Cultural Creative Industries) and the values of coworking. <u>CORAL-ITN</u>, a Marie Skłodowska-Curie Actions research programme has been launched with the aim to provide training to <u>15 Early Stage</u> <u>Researchers</u> (ESRs) to trace the development of coworking in rural and peripheral areas. Through the exploration of different case studies of coworking spaces in rural and peripheral Europe, CORAL aspires to support the further development processes of such spaces and integrate them as tools in local and regional policies.

#2 Trend – CWS hosts and community managers as an appealing career steppingstone for the youth

With the expansion of CWS, there is also an emergence of new employment profiles: community managers and hosts. CWS with their flexible and easy-going atmosphere, are an appealing workplace for young graduates. The emerging role of the hosts and community managers is to act as intermediaries⁷, as physical proximity is not enough to encourage productive exchanges among those who work in CWS. The maintenance of a business environment of conviviality, the organization and facilitation of coworking events, as well as the overall day-to-day care of the space

⁴Rodríguez-Pose, A. 2018. 'The Revenge of the Places That Don't Matter (and What to Do about It)'. *Cambridge Journal of Regions, Economy and Society*, no. 11: 189–209.

⁵Avdikos, V., and Janet Merkel. 2020. 'Supporting Open, Shared and Collaborative Workspaces and Hubs: Recent Transformations and Policy Implications'. Urban Research and Practice. https://doi.org/10.1080/17535069.2019.1674501.

⁶Bahr, U., J. Biemann, J. Lietzau, and P. Hentschel. 2021. 'Rural Coworking: People, Models, Trends'. Bertelsmann Stiftung. CoWorkLand.

⁷ Brown, Julie. 2017. 'Curating the "Third Place"? Coworking and the Mediation of Creativity'. *Geoforum* 82: 112–26.

are among the primary tasks of hosts and community managers. These emerging professionals put all their efforts to sustain CWS's social backbone: events, meet-ups, informal lunches, and workshops.

While their tasks are essential to the overall fostering of 'a sense of belonging' among co-workers, community managers and hosts, as precarious employees are caught between short-term internships, low pay, and persistent insecurity. This adds to the provisional basis of transition to employment offered by EU funding and mobility schemes such as Erasmus+, Erasmus for Young Entrepreneurs, European Solidarity Corps, and others. While these schemes help early-stage professionals to enter the labour market, they tend to reproduce the precarity, which is already endemic especially in the wider creative sectors of the economy.

Since CWS, host mainly freelancers, small businesses, and start-ups, and provide space for in-person events, they have been significantly affected by the pandemic⁸. Hosts and community managers have faced layoffs and staff cuts. Since public support in CWS is being rather dispersed, the emerging professions of hosts and community managers are 'doomed' to remain precarious despite their essential role within CWS.

#3 Trend | Coworking spaces with childcare facilities

For freelancers, young entrepreneurs and those employed in small businesses and start-ups, childcare facilities are limited. Without the help of grandparents, young parents – and especially women - find it hard to balance their time between work and family responsibilities. For some professionals, the postponing of parenthood has been a way to deal with the pattern of long working hours. Therefore, it can be argued that the absence of childcare facilities has contributed to the reproduction of long-standing gendered patterns of disadvantage and exclusion that are prevalent especially in the wider creative sectors of the economy⁹.

To combat these gendered patterns of inequality, family-focused hubs have emerged, promoting a more inclusive workplace culture. So far, there are quite a few coworking spaces that have nurseries and childcare facilities in the United Kingdom, Germany, Italy, and Spain¹⁰. In Berlin, where public childcare facilities are in high demand and the waiting lists are long, the German Youth Welfare

⁸ JLL. 2020. 'The Impact of COVID-19 on Flexible Space: What the Future Holds in a Fast-Paced World Affected by the Pandemic'. Jones Lang LaSalle. https://www.jll.de/content/dam/jll-com/documents/pdf/articles/covid-19-and-flexible-space-report.pdf.

⁹Gill, Rosalind. 2014. 'Unspeakable Inequalities: Post Feminism, Entrepreneurial Subjectivity, and the Repudiation of Sexism among Cultural Workers'. Social Politics: International Studies in Gender, State and Society 21 (4): 509–28.

¹⁰For a full list of the CWS which offer nurseries and childcare facilities in the EU and the UK, *Working with kids: Europe's coworking spaces with childcare*, <u>https://sifted.eu/articles/working-with-kids-europes-coworking-spaces-with-childcare/</u> accessed 21/11/2021

Office refunds those who are not offered public day-care and choose to work from a coworking space that has childcare facilities.

Nevertheless, both coworking spaces and nurseries are high-risk businesses whose profit margins are rather slim. Without public subsidies many CWS that offer childcare were forced to close, for example CoworkCrèche in Paris (FR), Officreche in Brighton (UK) and EasyBusy in Berlin (DE)¹¹. While new CWS which offer such unique services are currently emerging, their position in the rather crowded coworking market is far from financially secure and sustainable.

#4 Trend | The emergence of co-living

During the pandemic, an increasing number of young highly skilled workers have been pushed to seek employment in digital freelance platforms. Such platforms offer piece-works, 'one-time jobs' that are 'location independent', but financially insecure. At the same time, countries like Greece, Spain, Estonia and more recently Croatia and Montenegro have introduced a new type of visa addressed to 'digital nomads'. Next to coworking spaces which promise a greater life-work balance, co-living spaces emerge as spaces where home can be "mobile, a place of work and a social hub"¹² (Bergan, Gorman-Murray, and Power 2020, 3). Although it is difficult to estimate the current number of co-living spaces, the interest around them is growing. A Google search on ["coliving spaces in Europe"] in November 2021 generated about 530.000 results. These spaces offer housing and office space solutions to those who are in digitally-enabled employment.

While in popular imageries 'digital nomads' are portrayed as the ones who escaped corporate cubicles to find shelters in exotic beaches, studies warn about the precarious working and living experiences of those who are in digitally-enabled employment. 'Digital nomads' may enjoy the freedom to work from anywhere but "this is matched with a downward mobility in their financial status, as they can no longer count on full-time employment like their parents' generation but must rely on digital piece-work or gig, employment"¹³. As a result of the structural inequalities that already existed in employment, and accelerated due to the pandemic, 'gig workers'¹⁴ of the Global North seek "suitable" ¹⁵ housing and office solutions elsewhere.

¹¹ Working with kids: Europe's coworking spaces with childcare, <u>https://sifted.eu/articles/working-with-kids-europes-coworking-spaces-with-childcare/</u>accessed 21/11/2021

¹²Bergan, Tegan L., Andrew Gorman-Murray, and Emma R. Power. 2020. 'Coliving Housing: Home Cultures of Precarity for the New Creative Class'. Social & Cutlural Geography. https://doi.org/10.1080/14649365.2020.1734230.

¹³Thompson, Beverly Yuen. 2018. 'Digital Nomads: Employment in the Online Gig Economy'. *Glocalism: Journal of Culture, Politics and Innovation* 1. https://doi.org/10.12893/gjcpi.2018.1.11.

¹⁴ Huws, Ursula, Neil H. Spencer, Dag S. Syrdal, and Kaire Holts. 2018. 'Work in the European Gig Economy'. FEPS - Foundation For European Progressive Studies, Europe and University of Hertfordshire.

¹⁵Bergan, Tegan L., Andrew Gorman-Murray, and Emma R. Power. 2020. 'Coliving Housing: Home Cultures of Precarity for the New Creative Class'. Social & Cutlural Geography. https://doi.org/10.1080/14649365.2020.1734230.

The future of CWS: searching for policy recognition and concrete public support

As freelancers are becoming one the fastest growing population in the labour market in Europe since 2008¹⁶, CWS will continue to play a crucial role in young people's working life. However, CWS will continue to face severe challenges as such spaces operate in a crowded coworking landscape where large firms are using coworking as a real estate tool. For example, in Berlin, since 2016, WeWork has rented around 40% of the entire flexible-office market¹⁷. That said, bottom-up and independent CWS have long passed the moment where they need public support. At the moment, there are few concrete national public policies supporting CWS that delineates coworking and provide permanent support. An exception is the <u>Mission Coworking</u> in France whose aim is to identify existing CWS initiative and support the development of new ones not only in urban districts but also in rural areas.

At the same time, collective solutions are needed to envision how CWS could function in favour of their users. <u>SMart</u> - which stands for Société Mutuelle pour ARTistes - is a cooperative of freelancers that was founded with the aim to recalibrate the unequal burden of risk that young workers have to bear when they navigate the labour market. SMart is present in 8 European countries, with 80,000 members across Europe. Freelancers who have irregular income and a diversity of clients can be employed by SMart for their projects and process their payment and invoices through the cooperative. In that way, SMart has the role of employer, allowing freelancers to access the most protected legal status, that of the salaried worker. At the same time, as an employer, SMart simplifies bureaucracy by handling all their taxes and social security costs.

Therefore, as conversations take place to improve EU social protection systems, CWS should be regarded as important institutional stakeholders, and they should be invited to participate in EU and national government forums. Governments should provide more secure employment paths, with guaranteed minimum income and access to affordable workspace and housing for those who are in irregular employment. Only that way, we could envision and explore realistic employment paths that are meaningful for young professionals and allow them to live and work in dignity.

https://apo.org.au/sites/default/files/resource-files/2016-05/apo-nid201721.pdf and The self-employed landscape written by C. Jepps, Head of Research at IPSE, https://www.ipse.co.uk/static/cca002d0-c1b3-4875-a4a03210a23343d9/Kingston-Report-2020.pdf
¹⁷ Going corporate: The rise of Berlin's coworking spaces, https://www.exberliner.com/features/zeitgeist/coworking-goes-corporate/, accessed 16/11/2021

¹⁶Multiple studies have reported the remarkable growth of self-employment and freelancing in the EU and the United Kingdom, to name few: Future Working: The rise of Europe's Independent Professionals (iPROS) by Patricia Leighton and Duncan Brown

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Antigoni studied political sciences (University of Athens) and cultural management (Panteion University), and she received her doctorate in cultural industries from the University of Leeds. She is specialized in qualitative research methodologies and she has worked as a social researcher on strategic projects in the areas of creative industries, hubs, and start-up entrepreneurship, communication development and youth trends, in academia and beyond. Her main research interests lie at the intersection of



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