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COWORKING: A COMMUNITY OF WORK

Abstract. *The number of coworking spaces and the number of people who choose to work in them has exploded over the past few years, with numbers expected to double every year. What is fuelling this growth and where is the demand for coworking coming from? We tried to address this question by looking at the specific needs of the rising creative class, identifying their urgent need for uninhibited sharing of information, knowledge, ideas and also material resources. We argue that coworking spaces are favoured by the creative class, because they offer a community of work which facilitates the culture of sharing. To illustrate what it takes to establish such a community of work, we present a case study of the Creative Centre Poligon which suggests that community building is a multi-step process that needs careful management and plenty of time. We conclude that policy makers should not focus on building coworking spaces in order to combat youth unemployment but should rather support existing initiatives that have been built or are in the process of building up vibrant communities of work.*
Keywords: *coworking, collaborative space, co-creation*

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Introduction: The rise of creative class

The world of work is rapidly changing. Long before the economic crisis of 2008, traditional stable employment in big hierarchically structured organizations, along with the standard 40-hour work week, have started to give way to the new ways of work organized by individuals, small companies and big firms (Schuermann, 2014; Waber et al., 2014). One of the key drivers of these changes was the rise of outsourcing that started taking place in the 1980's and has been increasing its pace ever since. Pfeffer and Baron (1988) noted that increasing outsourcing has changed the way organizations relate to their members and described this as an externalization of employment relations. The classical employment relation in which big companies would

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selectively recruit talent in exchange of stable employment has changed. Companies have increasingly begun to rely on external labour markets to manage their employees (Cappelli, 1995). This trend that was noted 20 years ago across different countries and different industries has continued to the present day (Pfeffer, 1997).

As every part of the business value chain can now be outsourced to technology enabled platforms, this multiplies the jobs and opportunities for a generation that has achieved unprecedented levels of education and views large companies with suspicion, preferring to work for themselves or in a start-up environment (Caulkin, 2015). The extent of these changes can be grasped from the data on contingent work. Eurostat 2014 data show that contingent work already represents a good 50 % of all employment in the EU27 including the 15 % who are self-employed (Kanjuo Mrčela and Ignjatovič, 2015). The US data come from private sources as the US Department of Labor's Bureau of Labor Statistics was denied funding by Congress to administer its Contingent Work Supplement to their monthly Population Survey since 2005 (GAO, 2015). A recent survey commissioned by Freelancers Union and Elance o-Desk shows that 34 % of American workforce are freelancers including 13,6 % who are independent contractors (Horowitz and Rosati, 2014). The survey also found that more than 50% of freelancers started to freelance by choice with 77 % having same or higher incomes than they did before starting freelancing. These results are indicative but need to be referred to with caution. What is presented as choice by the young members of a creative class is to a large degree influenced by the new reality of work that they are facing: fewer jobs with long term contracts and more demand for contracting of their services (Kanjuo Mrčela, 2012; Perčič, 2014). Their choice may be to a certain extent an adaptive response to the changes in the labour market and increasing precarization of work (De Peuter, 2013).

Increasing outsourcing and major improvements and advancements in new technologies during the last decades, have therefore reshaped the world of work and led to the decline of classical employment relation. The 15 % of the workforce who are classified as independent contractors are, in large part, highly educated independent professionals in tech and creative industries that form the backbone of the rising knowledge economy. Millions of independent professionals are connected to each other and to companies across continents, localities and networks by means of various technological platforms and are increasingly integrated into the global production system as big companies increasingly rely on them for specialized expertise, innovation and creative work (Cooke, 2002; Dolfsma and Soete, 2006; Moriset, 2014; Powell and Snellman, 2004).

The shift to knowledge economy with its emphasis on creativity and innovation has triggered big changes on individual and organizational levels. On

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an individual level, work is becoming multi-layered. Pursuing the goal of achieving work-life balance between formal commitments and private life, self-employed individuals are looking for choices regarding the ways they work. They are attempting to work in flexible ways, seeking workplaces that are used by other creative self-employed people who would otherwise work in isolation, and who understand the value of forming social networks and the power that derives from collaboration (Davies and Tollervey, 2013). On an organizational level we are seeing the rise of new organizational forms that respond to the new reality of knowledge economy by favouring collaboration over competition, in open rather than closed networks of individuals, small firms, and giant corporations (Snow, 2015).

The new reality of work has led to experimentation in how new work is organized. Large organizations in an increasing number of industries are seeking ways to adjust to the new demands of their creative employees by softening the strict confines of corporate hierarchies, replacing them with new organization of work that emphasizes flexibility, and by redesigning workspaces that provide physical outlet for a more flexible organization (Rus, 2004). Technology giants such as Yahoo, Google, and Facebook have designed their campuses in an attempt to tear down physical barriers to communication and collaboration by emphasizing courtyards and common areas for uninhibited random interactions among its employees. Apple is currently building "spaceship" doughnut shaped headquarters where 13.000 employees would have plenty of opportunities to collaborate outside the confines of their offices, while Samsung has recently unveiled the design for their new US headquarters with large open spaces inserted between floors in order to overcome its traditional hierarchical corporate culture and to satisfy the new creative class with physical environments reflecting the new, flexible organization of work. Experimentation with redesigning the workspace to better accommodate the rise of the knowledge economy and creative class can also be seen in more traditional industries from telecoms (Telenor) to banking (ING) (Waber et al., 2014).

Outside big corporations, the search for new forms of work and supporting structures is equally intense. One of the recent initiatives which has gained tremendous attention is the rise of coworking and the new infrastructure of coworking spaces. Coworking is now a widespread phenomenon that is not only present in many countries across all the continents, but it is also growing with a breakneck pace almost doubling each year in number (King and Ockels, 2014). While the coworking movement has clear objective in that it intends to provide a new type of working space and organizational arrangements suited to the needs of the new creative class, the question remains why it is enjoying such a widespread acceptance by the creative class which fuels its growth. What is so special about strangers

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working together in a same workspace? In this paper we try to address this question. The answer seems to be that the key attractiveness of coworking spaces is a vibrant community of sharing and collaboration that is so much sought after by the creative class. By reviewing the literature and drawing on the documents created by the coworking movement itself, we show that the concept of community in the workplace is the key characteristics of coworking spaces and the key attraction for the creative class. We illustrate this thesis with a case study of a Slovenian coworking space Creative Centre Poligon (or Poligon in short) where we show the steps taken by its founders to build a community before setting up a formal coworking space. In the next section we explore the concept of coworking. Then we present the evidence on the growth of the coworking movement and conclude with a case study of Poligon.

The concept of Coworking

Spiral Muse Coworking group was the first coworking space set up by Brad Neuberg in San Francisco in 2005. It quickly outgrew its first location and moved to an industrial loft in a former hat factory which gave the coworking space its name. His initiative was soon followed by the founding of two coworking spaces, Citizen Space and Indy Hall, in 2006 that are still open today. Many of the founders were advocates of the Open Source Movement, a rebellion among programmers against big corporations that relied on intellectual property rights to make profits, while constraining the flow of information and stifling innovation, learning and growth of knowledge base. The ethos of open source movement was transplanted into the coworking movement, a global organization setting the vision and the values of collaboration, openness, community, sustainability, accessibility for future coworking spaces.

Coworking spaces were intended to become an alternative to working in a classic office or in private home, a new type of workplace infused with values espoused by the open source movement. But their immediate appeal was to offer a solution for growing ranks of independent creative workers who were escaping isolation of their homes by working and meeting in cafés (Jones et al., 2009). As the creative class rediscovered the *'third space'*, the phrase first used by Oldenburg (1989) to describe the spaces of spontaneous socialization between home and office, they reinvented it and turned it into a coworking space, where work and community were intertwined. Discussing the merits of coworking for the independent professionals, Goncalves (2015: 52) points out that "*this enables a perfect combination between the work done at home and that done at the client's own installations*". DeGuzman and Tang (2011: 9) capture the core idea that *"coworking*

spaces offer an exciting alternative for people longing to escape the confines of their cubicle walls, the isolation and distractions of working solo at home, or the inconveniences of public venues". Coworking spaces thus aim to recreate the physical space that enables the individual users to maximize their productivity by *"combining the best elements of a workspace (social, energetic, creative) and the best elements of a workspace (productive, functional)"* (Botsman and Rogers, 2011: 169). They attempt to achieve this by imposing minimal structure which allows part time users or regular members to keep their independence, to use the space whenever they want and decide to what extent they want to participate in activities that they preselect.

The difficulty of defining coworking arises from the duality that is embedded in the practice of coworking. On the one hand coworking space is an organization that hosts individuals and other organizations. It is no wonder that this leads to a wide variation in what is a defining characteristics of coworking. Spinuzzi (2012) found that proprietors or initiators of coworking spaces hardly agree with their members on any of the defining questions about coworking such as what, why and how. In a 2 year study of 9 coworking spaces in Austin, Texas, he found large variations in motivations, expectations and identities among participants. His most helpful finding suggests that we could distinguish between two types or configurations of coworking spaces. One is The Good Partners model that emphasizes collaboration among its members on common projects. The second one is The Good Neighbours model where participants *"work together alone"* (to borrow from the title of his article) but collaborate for the community within the coworking space. In the first case the community is born out of work collaboration while in the second case collaboration is a result of conscious efforts of space managers and participants to build a community, an activity that is separate from their work. This distinction corresponds to an earlier classification of coworking spaces in three models: franchise, cooperative and community models (Silicon Sentier, 2009) which remains to be very useful in that one can construct a continuum from a franchise model dominated by self interest and profit motivation to cooperative model which sees coworking as a work community that can be instrumental to enrich business networks and get the work done, to a community model where community building is considered a key objective and work related collaboration is a result and not a cause of it.

This duality between work and community is present in most of the conceptual work on coworking. On the one hand some authors emphasize the instrumental dimension of coworking stressing opportunities for contact, collaboration, expansion of networks and exchange of information. Thus Kenline (2012: 1) analysed coworking as an ecosystem and defined it as a *"community-based sociocultural ecosystem of exchange where network of*

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people are linked together by shared social networks and shared resources." Her definition points out that coworking is not merely a physical space, used by individuals as their working ground, but a system where *"social networks and resources are linked together forming a collaborative economy"* (ibid.). Similarly Uda (2013: 2) argues that coworking stands for "*ways of working where freelancers, small-scale entrepreneurs or organizations' members, etc. who possess separate jobs share a work place and flexibility and cooperate under the circumstances while mutually communicating*".

On the other hand coworking is strongly associated with community. Ethnographic studies and case studies of coworking spaces often describe conscious efforts of members to sustain the types of relationships that they associate with community (Butcher, 2013; Jackson, 2013). The most frequently used terms in describing coworking by practitioners are: friendly, fun, creative, inspiring, productive, open, free, community, etc. (Moriset, 2013). Perhaps the clearest definition of coworking as community can be found on one of the community driven web platforms, where coworking is defined as *"global community of people dedicated to the values of collaboration, openness, community, accessibility, and sustainability in their workplaces"* (Global Coworking Blog, n.d.). These values are often repeated and elaborated on in manifestos of local coworking spaces that create formal and informal rules to support those values.

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While the concept of community is so central to the coworking, it is necessary to pay closer attention to this concept. According to Sociology, a community consists of four basic components: functional, structural, cultural and territorial. The Functional component involves social, economic and emotional exchange embedded in the same social network. The Structural component involves repeated interaction among a limited set of participants that form stable patterns of relationships and provide organizational foundation for the community. The Cultural component is based on shared values, symbols and beliefs that shape collective identity and emotional sense of belonging. The Territorial component provides a common habitat for a community. In the words of Davis (1949: 312): *"community is the smallest territorial group that can embrace all aspects of social life"*. In psychological terms it provides its members a sense of community, which according to McMillan and Chavis (1986) consists of emotional connection, membership, integration and influence. Members experience membership as a mutual sense of belonging to a group and are willing to share resources with its members due to their emotional connection to the group. They believe they can realize their needs in the group (integration) by participating in its activities and decision making (influence).

The concept of community is closely linked to Ferdinand Toenies' *Gesellshaft* where bygone community is juxtaposed to the modern society.

Community, for him, is based on the shared understanding of all its members that creates emotional bonds and unites its members inspite of all their differences. Thus, one of the most powerful utopias has been born. Community is a 'warm' place that protects us against the threats of the outside world. Its members are always willing to listen, share and offer help without expecting a repayment. It can quickly mobilize for a common good or to help their individual members. And one can always trust the members to act in the best interest of each and every one in the community (Bauman, 2001).

Sociology has long viewed the concept of community with suspicion. Durkheim has rejected the nostalgic search for traditional community and argued that organic solidarity of modern society was a modern replacement for mechanic solidarity, typical of traditional communities. Weber has contrasted traditional society with the modern one and saw the transition from traditional community to modern society as the core of the grand modernization process. The criticism of community was focused on the social structures that make possible values such as solidarity, commitment, mutuality, and trust associated with community (Frazer, 1999). All these features in fact protect its members against the onslaught of the outside world. Commitment and mutuality in traditional communities arise from social exclusion that sets barriers to the outside world and isolates community members from external influences and threats. It creates obligations of members to one another that preclude any meaningful interaction with outsiders. Likewise, trust and solidarity arise from reliance on tradition and rejection of innovation and change. It is the sameness of the community, the homogeneity of its members that binds it together and makes it ever suspicious of outsiders (Bauman, 2001).

The notion of coworking community has little to do with the traditional community and has taken on a new meaning. Community in coworking spaces does exhibit the features such as sharing, belonging, reciprocity and trust. But it also embraces openness to new people, new ideas, innovation, and to other communities. Its integration does not rely on sameness of its members but on diversity of people with different skills and knowledge that are willing to share and collaborate. And it does not supress individuality and freedom of expression and action but celebrates the heterogeneity of its members and their actions. In short, the community that thrives in coworking spaces relies on modern rather than traditional structures that give it a new character and meaning.

To prevent further confusion, we propose to call the coworking community a community of work. Its defining feature is that social relations are arranged to support individual genius in their/its pursuit of creative expression. It thrives on Durkhemian interdependence rather than on sameness

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of mechanic solidarity. And it uses the culture of sharing in order to provide the production system of coworking with its most important resource, namely free flowing information. Community type of organization of work and the culture of collaboration are the two most important conditions for getting work done by creative individuals. Community is therefore a communication network carefully designed and sustained by coworking managers in order to fulfil the most important resource of the working creative class i.e. unrestricted flow of information. A community of work is therefore quite different from traditional community. Traditional communities sustain solidarity by drawing strict boundaries with the outside world and their ultimate goal is perpetuation of the community itself. A community of work in contrast, is aiming to establish global collaborative network with the goal of unrestricted information and collaboration. The traditional community is the emergent result of a long, secluded interaction among members in a territory. The community of work is a product that promises individuals to enter the culture of sharing and benefit from unrestricted exchange of ideas, knowledge and information.

Viewed in this light, the value of solidarity, commitment, mutuality and trust that are associated with community (Frazer, 1999) are actually organizational devices for unrestricted exchange. Trust is essential for sharing information, knowledge and advice among members. Solidarity and mutuality are the bases for sharing material resources including the time members are willing to devote to help out fellow members in solving their problems and to sustain the community itself. And commitment to the group provides assurances to the self-employed members that the group in which they are investing themselves will have permanence and would not yield to free riding and opportunism. These features provided by a vibrant community are the key structural pillars of creative collaboration that is also the main reason for joining a coworking space. Only by building a community, members of a coworking space can expect to benefit from uninhibited access to creative ideas, help and support of other members of the coworking community. Common space without the community may fail to provide the key ingredients of creative collaboration, namely the culture of sharing.

We can now return to our initial question of what explains the attractiveness of coworking spaces to the creative class. The answer lies in the particular combination of work and community, a combination that until recently seemed impossible to realize. Work used to be done mostly in large bureaucracies that stifled innovation and creativity. Community used to be an exclusive domain of private life where social bonds offer emotional support and warm retreat from a competitive outside world, but would also stifle innovation and creativity. It is a combination of work and the modern version of community that is attractive to the creative class. The result of

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this combination is community of work that integrates rather than separates the rational, competitive world of work with the affective and supportive world of social relations. Sharing and caring is combined with will and skill in ever changing permutations. The high attractiveness of coworking spaces is therefore not driven by the possibility of "working together, alone". It is in the community and culture of sharing which promotes the circulation of information, ideas and knowledge – the very stuff that is the lifeblood of the creative class. It is this functional aspect of community that attracts so many to adopt coworking as their new way of life and work.
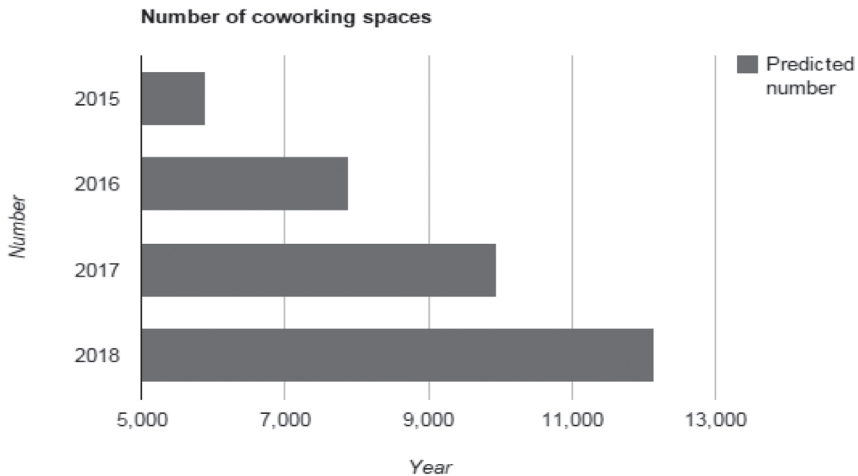
Coworking movement

The pace with which coworking initiatives have spread across the world has been breath taking. Emergent research, conducted somewhere in mid–2014 shows that the number of coworking spaces will double from around 6.000 in 2015, to 12.000 in 2018 (King and Ockels, 2014). Moreover, some of the already collected and analysed data for the upcoming Coworking report shows that about sixty-percent of already existing coworking spaces needed to acquire additional space for their expansion since *"seven out of ten coworking facilitators report that the availability of desk space in coworking spaces can't keep up with the public's demand in general"* (Foertsch, 2014). These numbers should not surprise us – The International Data Corporation's Worldwide Mobile Worker Population 2011–2015 report gives us the fact that global workforce is marching towards mobility and will reach the number 1.3 billion by the end of the year 2015 (Swoyer, 2012). According to Intuit 2020 Report (2010) more than 40 percent of the working population – or 60 million workers – of one of the most developed western countries, the United States of America, will be freelancers, temporary workers and contractors. The same report also indicates that by 2020 the number of small businesses in the States will increase to more than 7 million, with most of these businesses based on digital technologies (ibid.). We can therefore expect that the *"entrepreneur business model will play a major role in the future workplace"* (Giang, 2013). By that we are given a valuable insight into a potential future demand for collaborative spaces in the next few years and can understand their rapid growth.

King and Ockels (2014) predict that the number of those individual professionals who are using coworking spaces as their daily work environment will reach one million worldwide by the year 2018. On the other hand we can also spot the trend that *"coworking has also proven instrumental to remote teams who seek the occasional space to meet face-to-face, and individual members of those teams who could benefit from a break from their home office"* (Vaccaro, 2014). More and more newly formed organizations,

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which take the shape of early stage start-up companies, are deciding to join coworking spaces and share the working environment with self-employed individuals. These decisions are being made on mutual benefits for both sides. If we take a closer look at the data from Daskmag Survey (2012), we can see that 75 percent of asked users of coworking spaces report an increase in productivity since joining the community, and 92 percent report an increased size of their social circles and networks. But one of the most important beneficial factors for users is that the coworking model represents an *"environment that encourages innovation and represents a promising solution to reviving the economy"* (Orel, 2014: 137).

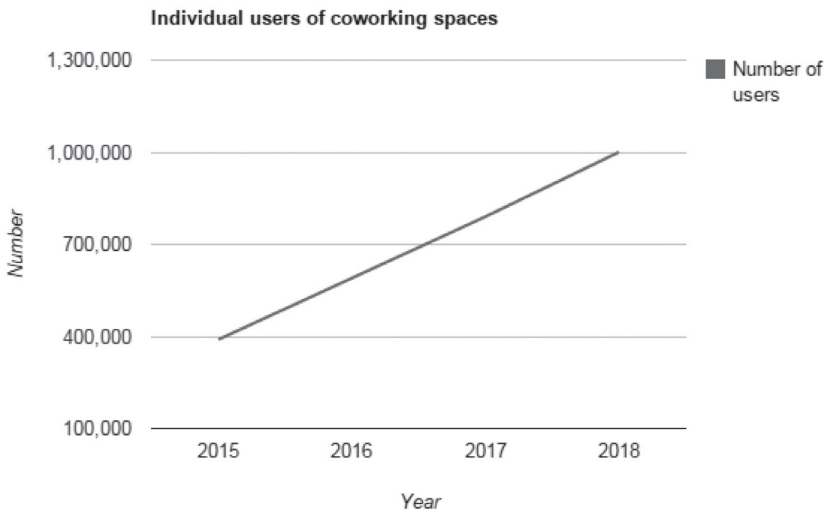*Graph 1: GROWTH PREDICTION OF COWORKING SPACES AROUND THE WORLD 2015–2018*

Source: King and Ockels (2014)

Rapid growth of individuals, who use different coworking spaces on daily, weekly or monthly basis, can also be understood through varieties of different types of spaces that arose in the last few years. They can be community-based and thus understood as community workspaces or simply an open space, which offer their members only a workspace with all needed equipment – something like in the western world almost forgotten model of internet cafés. Capdevila (2013: 3) in his approach to determine typology of community-based coworking spaces or localized spaces of collaborative innovations as he refers it, defines three main characteristics: they are open to the general public; they have collectively agreed and set focus and goals with the community workspace members and they share

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information, tools and other resources between members. Spinuzzi (2015: 85) in addition sets characteristics that can differentiate coworking spaces between one another – as a space with heterogeneous or homogeneous community. The first coworking spaces had the tendency to be opened to individuals (or teams of individuals) from every work background, starting with programmers, architects and designers and going on to marketing specialists, economists and social workers, thus building a heterogenic community. But since demand for open workspaces went higher and higher, so did the need for spaces with concentration of specialized knowledge and like-minded members. Hacker and maker spaces were focused on individuals with interests in science, machining and computers, and fabrication labs were mainly community operated spaces with people who specialized in new technologies such as 3d printing or 3d scanning. Nowadays one can find a coworking space which unites a community with a focus on social entrepreneurship or even spaces solely aimed towards, for example, musicians – as Gray (2014) puts it, *"in order to compete with millions of artists using online platforms, a supportive community might be the key to success"*. With the rising number of freelancers and contractors, soon there may be the trend of new knowledge-based coworking spaces.

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Graph 2: GROWTH PREDICTION OF COWORKING SPACE USERS 2015–2018

Source: King and Ockels (2014)

The Case of Creative Centre Poligon[1]

The case of Creative Centre Poligon in Slovenia is a case of community-based approach to the organisation of creative work, and is presented as an example of how a community can form and run a managed coworking space, where all the resources, ideas and values are shared amongst coworkers.

Creative Centre Poligon today

In February 2014 several creative communities, based in Slovenia's capital Ljubljana, merged and opened up a community based collaborative workplace called Creative Centre Poligon, a coworking space and a training ground for creative communities and self-employed individuals operating in different work fields. Due to extensive media coverage, the initiators successfully introduced coworking to Slovenia and it soon became recognized as an important new concept of work and collaboration (Orel, 2014). A year after its founding, the first formal recognition of its significance came from Central Europan Start-up Awards 2015 where Creative Centre Poligon has been named as best Slovenian coworking space. In the same week, Public Agency of the Republic of Slovenia for the Promotion of Entrepreneurship, Innovation, Development, Investment and Tourism awarded Creative Centre Poligon with 2nd place in the category of national collaborative business centres.

Creative Centre Poligon is located in an old industrial building from late 19th century in Ljubljana and is made out of the coworking area, gallery space, dedicated event venue, seven offices and two specialized labs – Poligon MakerLab and Crowdfunding Lab that are tightly integrated in the coworking space and its community. By the end of 2015, Poligon had almost 150 members who are mainly self-employed individuals, smaller organized groups, and start-up companies, different civic initiatives and organizations. Members can use Poligon as a coworking space platform on a daily, weekly or monthly basis. The aforementioned Poligon's MakerLab is a modern maker-lab and open source technological facility equipped with digital production machines and 3D printing equipment, enabling rapid prototyping

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[1] *The method used in this study is based on longitudinal participant observation. Both co-authors spent significant amount of time observing the development of this case from inception to implementation. One of the co-authors is also one of the three co-founders of the Creative Centre Poligon which granted us an unprecedented access. He has systematically observed the development of this case from the earliest stages till today keeping extensive notes in the process. During the entire duration of observation his analytic work has been under supervision of an academic advisor which, we believe, was sufficient to keep biases in check.*

for industrial designers, engineers and high-tech companies on one hand and techies who are experimenting and generally dealing with new technologies on the other. Its direct integration in the coworking space and the community enables its members to share the tools, dedicated work space and especially skills to bring ideas to life, realize various projects and collaborate in the production of goods for a successful project.

When it comes to the project funding phase, the Slovenia Crowdfunding Lab kicks in and provides its members with support in the presentation and promotion of projects in popular crowdfunding platforms (i.e. platforms that seek funding by the general public). The idea of crowdfunding has gained a lot of media attention in recent years, especially because the concept behind it allows grass root creative projects to get sufficient funding for their launch and realization (Bennet et al., 2014). As Pazowski and Czudec (2014: 1080) define it: *"Crowdfunding is a form of financing of various projects or a venture by the community, which is group of individuals instead of professional parties like banks, venture capitalists or business angels."* Crowdfunding thus enables individuals and communities to materialize their business ideas and prevents newly created companies and organizations to yield control over their future development to financial organizations.

Poligon's Crowdfunding Lab was created to enable a community of work to mutually support each other's projects, learn, develop and share expertise, and exchange knowledge and ideas. In less than two years, Poligon's community helped over ten projects become successfully funded via crowdfunding, collecting more than 1.800.000 EUR that turned them in successful start-up companies (Pierre, 2015). In addition to international recognition, the Crowdfunding Lab has also gained significant experience and knowledge, which has enabled Poligon's community to develop their own methodology on how to prepare and execute crowdfunding campaigns. Above that it collaborated in the development of regional crowdfunding platform *Fusedrops* that enables public and private projects to seek their funding via collaboration, sharing and co-creation in which a large or small group of individuals (co)funds its financial needs.

Community co-creation

Poligon is more than just a coworking space, as it accommodates a vibrant creative community that collaborates and offers support and resources for self-employed people who are using and sharing open office premises (Perčič, 2014). To demonstrate how Poligon has managed to develop a vibrant community within its coworking space we need to dig into the history of its founding and delineate critical events that

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contributed to community development. It has all started with creation of Slovenia Coworking in late 2011, an informally organized initiative with the aim of bringing coworking culture in Slovenia. Three main initiators underwent a four stage community creation process which finally resulted into the establishment of the space by elaborated community at the beginning of 2014.

The first stage can be identified as a learning phase or as Piekkola (2006) would phrase it "gaining knowledge capital as the source of growth". One of the significations of this phase is, according to Lucas and Moll (2014: 2) that *"there are no markets, no prices, and no public or private property other than the individuals' knowledge – their human capital."* First two initiative protagonists (and shortly afterwards joined by another) first started with preliminary research on coworking, focusing on the facts and figures of already operating coworking spaces around Europe. They also drew on their personal experience with coworking spaces elsewhere in Europe. Their key insight was not to rush with establishing a physical coworking space as they lacked capital to do so, but to first generate interest and test the demand for coworking in Ljubljana.

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After six months, knowledge growth stage gradually evolved into community building stage. The initiators of the coworking movement identified about a dozen of self-employed individuals from different work fields that would be keen on trying to work in a shared workspace. Slovenia Coworking initiative organized coworking sessions once per week which took the place in Ljubljana's local cultural centre Kino Šiška, which offered the use of an attractive lobby free of charge (Orel, 2014: 133). Individual professionals started to use the premises while the initiators used a mediation process to build relationships among the early users and seed the culture of openness, collaboration and sharing thus starting to build the community from grounds up. As the early members of the newly formed and developing coworking community developed closer personal relationships within the coworking community the opportunities for sharing the knowledge and other resources started to arise. Jehl et al. (2001) emphasize that this is one of the most important factors in order to develop the knowledge orientated community further. The growing community of work that started to emerge created the incipient demand for a permanent space where some of the community's routines and processes could be institutionalized and supported by formal organization. Following these developments, Slovenia Coworking initiative transformed itself into a non-profit organization in order to begin approaching companies and institutions in search for funding and space.

In organizational terms, the coworking movement assumed a flat structure, which can be described with the following words:

*"Team members in an organization can be connected in various ways. But in an organizational network or a cross-organizational network, they are connected non-hierarchically. That is, in an organizational network, no single node controls the rest of the network. Put simply, there's no permanent boss, though one member might set the parameters and negotiate the schedule for the project. Since each member of the network has her own specialty, she tends to take the lead when focusing on that specialty, determining the time frame and resources she will need to complete the tasks" (*Spinuzzi, 2015: 58*).*

During the coworking sessions that took place in the spring of 2012, many attendees shared their knowledge by giving lectures or presenting their work at organized workshops or simply helped each other with their ongoing projects. Due to the growing involvement and exchange among members, the coworking community underwent a so-called community capacity building, which is *"the combined influence of a community's commitment, resources, and skills which can be deployed to build on community strengths and address community problems"* (Mayer, 1994: 3). Equally important, according to Atkinson and Willis (2005: 3) is that community capacity building has multiple positive effects and outcomes that take the form of stronger community relationships, increased number of community-based opportunities, enhanced ability of members to share their ideas and finally, increased competency in setting and achieving goals. The coworking community, using only weekly meet-ups as their reference point of sharing workplace, soon showed the demand for more – the need of permanent space (Pirc, 2012). But lack of resources delayed the process of planning and potential opening of the new premises.

Third, the ground testing stage came in late 2012 and continued later on in 2013, when Slovenia Coworking initiative closely collaborated with Zavod Rompom, a group of local industrial and visual designers who set two month-long pop-up projects: Pop-up Home (Pop-up dom) and Pop-up Home 2 (Pop-up dom 2). During the two month-long projects that took the form of temporary design shop, visual exhibition, and community space, visitors could attend workshops, concerts and other community based activities in a temporary space in Ljubljana. In addition, the pop-up spaces allowed visitors to sit down and work. Thus, Pop-up Home has been identified as a pop-up coworking space not only by the emerging coworking community by also by other local creative groups. In the process, several dozens of freelancers started to use the space as their daily work venue. According to Schuermann (2013: 30), pop-up coworking spaces *"serve as a test laboratory for a future permanent coworking space or they are opened by a company for a specific project."* For the Slovenia Coworking initiative

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this has been *"an opportunity to talk to a wide audience about what it means to cowork, as well as invite them to the weekly Jellies that the organizations hosted"* (Cashman, 2012).

The ground testing phase resulted in two important developments. Firstly, several local creative communities and individuals across town merged into a single community and confirmed the demand for a permanent workplace. Second, the ground testing phase generated a lot of publicity and gave legitimacy to the coworking ideas, a precondition for the acceptance of coworking by the institutional and business environment (Mayer and Rowan, 1977). It was due to the very positive publicity that the initiators were able to approach business organizations in order to explore renting opportunities on favourable terms.

The final stage of community formation was the co-creation phase. Co-creation in organizational theory stands for model of engagement of individuals or group of individuals who set a new platform that allows them to become part of the value chain of an organization (Prahalad and Ramaswamy, 2002). The initiators of the Slovenia Coworking initiative led the search for premises and found the space in an old tobacco factory in Ljubljana. In February 2014 the Creative Centre Poligon was opened without basic facilities or furniture. The coworking community was mobilized to do most of the construction work, renew and redecorate the space and furnish the workspace by bringing their own furniture or obtaining sofas, tables and chairs as donations from various designers. The co-creation of a physical space was followed by a co-creation of the new organization. In the form of "townhall meetings" the coworking community articulated the core values of the newly formed organization which took the shape of Poligon's Manifesto which codifies it as an autonomous platform for profit and non-profit project development (Kranjec, 2014).

The case study documents the process of community building that preceded the setting-up of the physical premises of the coworking space. The four phases of the process – learning, community building, ground testing and co-creation – represent the efforts at building a vibrant community that creates the demand for a shared physical space. While these four phases may not be universal, they illustrate what it takes to build a vibrant community that is the precondition for the sharing and collaborative culture required by the creative class.

This enabled Creative Centre Poligon to open its doors to an already existing community that inhabited the space and co-created its physical, social and organizational aspects. The result was a sense of community in all four basic properties (as mentioned before in the text) proposed by McMillan and Chavis (1986): emotional connection, which enables the members of Creative Centre Poligon to share formal and informal experience together;

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membership, which enables members to form a mutual sense of belonging; integration, which provides Poligon's members with the feeling that their needs will be fulfilled with community resources; and influence, which creates the sense that every member can participate in decision making and influence the course of development of Poligon. Moreover, the result was not only the sense of community but a formation of community of work that generated a social, self-sustainable ecosystem and the culture of sharing that delivers on the promise of uninhibited communication and collaboration among its members.

Conclusion

Coworking spaces are emerging every day and according to predictions there will be close to 6000 of them by the end of 2015, with growth numbers almost doubling each year. What is fuelling this growth and where is the demand for coworking coming from? We tried to answer this question by looking at the changes in the labour market over the past few years and found a tremendous increase in contingent work – that in Europe alone is reaching more than 50 percent of the workforce – which contains a growing segment that is called a creative class. It is this class, we argue, that has specific demands and aspirations. They are increasingly refusing to work in bureaucracies that stifle innovation and creativity, and seek to maintain their independence. As independent contractors, they work at their clients' space or at home, neither of which offers the sociability or information sharing that they need for their success. We argue that coworking spaces are a response to this latent demand for shared working spaces, which brings independent creatives together but lets them work alone. What resonates with the creative class is the community of work, a term that we propose because it conveys the ideal of a social structure that facilitates uninhibited sharing of information and knowledge.

The outmost important part of a community of work requires insight into how such a community can emerge. To illustrate this question we present a case study of one coworking space in Ljubljana, the Creative Centre Poligon. The case shows in detail how the community was built from scratch. Two distinctive findings emerge form the case study. The first has to do with the steps through which the community of work has taken shape. We identified four steps which included learning, community building, ground testing and community creation. The second finding is that the development of this community of work facilitated the successful operation of a coworking space. This is true in the case of Poligon, which is recognized as successful by public agencies and qualified observers. But the question of generalizability of these two findings remains open. However, we can shed some

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light on both points in order to motivate new ideas and further research. Regarding the four steps, there is a general requirement for any community formation which is the formation of new social relationships. A community of work requires that the new relationships are based on strong ties which engender the trust required for sharing information, ideas and knowledge among the people that were strangers a few days before they met and who are potential competitors. Such ties do not emerge without intense inter- action and common interest. While the common interest is evident from voluntary association among the independent professionals, the intense interaction needs to be facilitated, moderated, and managed. The steps of community building and ground testing seem to provide a combination of opportunity for contact and moderation by the initiators of a coworking space. Lectures, presentations, encouragement of people to help each other on their projects, identification of complementarities among the members of the community are but few of the actions that were undertaken by mod- erators which accelerated the formation of a network of strong ties between former strangers. Once this core group represents a community, the institu- tionalization phase becomes critical. The process that we call co-creation is a translation of community principles into organizational rules. This process needs to be highly participative and inclusive in order for the members to take ownership in the organization and culture of a community of work. And it needs to remain open to change in order to attract new members. Co-creation seems to be another step that successful communities of work could not avoid.

The second finding represents a challenge to policymakers that are increasingly seeing the coworking movement as an opportunity to solve youth unemployment. However, anecdotal evidence all over the world sug- gests that such efforts can offer few benefits because they neglect the build- ing of communities of work. Communities of work are essential because they encourage the sharing of information, knowledge and other resources required for innovation and creativity. Coworking spaces that create a strong sense of community can attract highly motivated people and facili- tate sharing. Those who fail to create a sense of community face difficulties in establishing a sharing culture and may soon be reduced to providing sub- sidized office space. The latter seems to be the case with the first cowork- ing initiatives by local governments: the coworking places built by public policy initiatives, boast large and new premises but they often fail to fill the space or quickly loose their membership to those coworking spaces that offer communities of work.

However, there is a weakness in the coworking movement that public policy could address. While coworking spaces that have developed commu- nities of work may provide uninhibited access to information, knowledge,

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creative ideas, mutual help and support of community members, there is a serious concern of financial sustainability of the coworking spaces and organizations behind them, leaving the successful initiatives at risk. Since the majority of coworking spaces finance themselves with membership fees and event hosting, the self-employed individuals starting-up non-profit organizations that provide coworking spaces may find it difficult to obtain sufficient resources to cover the running costs of their work premises. The fact is that many coworking spaces are barely breaking even, which makes their future uncertain (Moriset, 2014). This offers an opportunity for policy makers to redefine their existing top-down policies. Instead of investing resources in the physical creation of coworking spaces i.e. empty shells to be filled with people and ideas, they could redirect their support toward existing creative communities that are already operating in rented coworking spaces. The synchronization of bottom-up and top-down perspectives would release a tremendous amount of creative energy already existing in the society and would lead to a boom of creative economies perhaps showing the way to a long awaited economic restructuring and growth.

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