Coworking Spaces as Propagators of the Creative Economy from a Community Management Perspective

Ned O'Hara

Seminararbeit im Interdisziplinären Lehrangebot
des Instituts für Informatik

Leitung: Prof. Hans-Gert Gräbe, Ken Pierre Kleemann

http://bis.informatik.uni-leipzig.de/de/Lehre/Graebe/Inter

Leipzig, 21.09.2018

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1 Preface

Coworking is a phenomenon amongst others approaching an interregnum in the bridging of the old and the new work paradigms. Many writers and economists are observing the formation of a new economic order, of which previously unknown or deemed economically insignificant categories of work are increasing in importance; attributing to a change in consumer values, or perhaps more generally, the increasing competitiveness in the landscape new startups are generated in. I intend to assist in documenting outliers of this paradigm shift in economic order by attempting to dissect experiences I gained working as a business development intern at a coworking space in Leipzig, Germany. Considering that every coworking space has different practices, demographics and physical layouts – the context dependency of each unique coworking space is information dense, requiring rigorous academic documentation. Not to mention that the next generation of workers typically reside in coworking spaces, with the average coworker being 34 years of age and ranging from their twenties to their late thirties (Foertsch, 2011). This indisputably calls for continued study, as the phenomena develops and evolves.

2 Thesis

With government recognition of coworking spaces as playing an interconnected role in the context of urban development research (Schmidt et al, 2016) and the positioning of developing cities (City of Leipzig, 2012) as *creative cities* suggests that coworking undoubtedly plays a role in the propagation of the paradigms that encompass proprietors of creative economies. Although this is certain, it is unclear whether coworking spaces are the result of, or the instigators of paradigms associated with the propagation of such principles and concepts. This assignment attempts to explore whether coworking is a phenomenon which is a result of delocalised independent initiatives worldwide, or if it is directly propagated by commercial actors.

3 Exploration of Relevant Coworking Definitions

3.1 What is Coworking?

Coworking spaces – henceforth CS's – on the most basic level, are physical spaces built to accommodate individuals (coworkers) looking to work, in an enhanced or circumstantially-beneficial working environment, non-exclusive to any single corporate identity, also dubbed "third spaces" in (Kingma, 2016). CS's each have different business-models, different niche communities that inhabit them, and different services offered to their users. Users are henceforth referred to as *coworkers*.

These kinds of spaces arise primarily to prevent the "lone eagle" effect (Avdikos, 2016) from occurring in individual freelancers working from home – the "lone aagles" allegedly suffer from many pitfalls, loneliness, isolation from the outside world (often referred to as "cabin fever"), a higher state of operational costs, and a lack of geographical proximity to their clients and peer co-workers.

3.2 Types of Coworking Spaces

According to the German ministry for research and education, coworking is placed under an umbrella term, namely "Open Creative Labs" which attempts to address the "diversity of open, creative, collaborative and community-oriented places" (Schmidt et al, 2016).

Various types of communities inhabit "labs" with particular demographics and community values. Though the niches for individual spaces cannot be explained nor categorised without context-dependant micro-investigation (Schmidt et al, 2016), these spaces can be overarchingly categorised based on their form of management (Avdikos, 2016):

(a) those that are operated and managed by dedicated firms in coworking that are more entrepreneurially driven, aim in generating profit, and assist their tenants through networking events and connections with venture capitalists, etc.

(b) those who are more community-led, not-for-profit and they are comanaged (often via peer-to-peer management) by creative people who have professional and — somehow — a social and political proximity between them.

Business-operated. Business-operated CS's – usually being profit-oriented – host a variety of open-admission event formats to create and curate a community of like-minded individuals, these networks are often capitalized-upon by the pool of expertise provided to participants (regardless of whether the participant is a paying coworker or a public attendee) in the form of a talk, workshop format, or one of the various international event formats many CS's host.

Coworking spaces create global pipelines with other coworking spaces in order to connect the "knowledge buzz" created in their CS's with other "international buzzes and [...] offers coworkers infra- and supra-local knowledge collaboration opportunities" (Flew, 2010). Organisational and management decisions made in a CS are made by a director or facilitator.

Community self-managed "Work Collectives". Work collectives (Avdikos, 2016) – hereafter WCL's – share many features with traditional CS's, but are usually formed – rather than by a managing team or entity – by small numbers of freelancers of similar (often synergistic) occupations with differing skillsets, with the intention of pooling resources, and sharing operating costs for a "third workspace" to alleviate the symptoms of the "lone eagle" effect (Avdikos, 2016). Organisational decisions are made democratically. WCL's often share political goals and desires which facilitate the motivation for individuals to bind together against individualism and tending toward the corporatisation of creativity, suggesting strong social and political proximity between coworkers within WCL's (Avdikos, 2016). Principally, the minor differences stemming from Coworking and WCL's are that WCL's are closed to the public and less transparent to that of a CS (Avdikos, 2016).

3.3 Theoretical Spatial Framework

Space within (but not limited to) coworking spaces, do not all operate the same, and perform varying functions through theoretical frameworks such as the "Spatial triad" (Kingma, 2016) of "perceived space", "conceived space" and "lived space".

Where "perceived space" is given as "spatial practice" (consisting of routines and interactions occurring within the space), "conceived space" is given as "the representation of space" being the socially pre-defined "setting" of the space – which in turn facilitates various degrees of presence and privacy. For example, a reception is – by design – equipped with a front desk, where newcomers are expected to inform themselves before continuing to the subsequent spaces, wherein the degree of presence and privacy changes.

"Lived Space" is given as the "representational space", which usually incorporates critical reflexivity in terms of work arrangements, and creative construction of "extended interfaces" used to allow coworkers to interact with the space.

I will regularly be referring to these enhancements throughout this text.

3.4 Coworking as a Network

Networks are defined as a set of actors (individuals or organisations) and a set of linkages between these actors (Nikolski, 2012).

> "Actors try to gain access to tangible and intangible resources held by other actors, such as capital, services, market information, technology or advice [...] In addition, networks provide emotional support [...] or are used to recognize entrepreneurial opportunities [...]." (Nikolski, 2012)

In CS's where cohesion is high, the rate of exchange of tangible and intangible resources is consequently high (Nikolski, 2012). Hence stressing the importance of a highly cohesive environment, in turn explaining the various priorities and practices of CS's. The act of hosting community events, inclusive of a minimal sense of privacy and a high level of talent diversity produces a cohesive network, that acts as a magnet to talent within the physical and social reach of the network.

Nikolski uses the term "governance mechanisms" to define the mechanisms that coordinate network exchange. Governance mechanisms can conceptually be applied to the roles that a community manager fulfils – inclusive of community events, management of the "lived space", propagation of the communicated "conceived space" and the physical arrangement of the "perceived space". Nikolski also emphasises the importance of trust in dictating the quality of resource exchange – having a personal contact to request help from, in the form of advice or emotional support, strengthens the centrality and the social ties to a community manager within the network strongly positioning the community manager as a "network orchestrator".

4 Exploratory Coworker Interviews

In order to gather an exploratory summation of popular opinions surrounding the topic of coworking in Leipzig, I conducted several interviews with coworkers in various coworking spaces in Leipzig. Here is a summary of questions and answers.

4.1 What is coworking?

What is coworking?

Edwin: "The organisation of different parties in an office sharing costs and resources."

Firat: "Sharing ideas with people around you, working alone is difficult, cooperation."

Björn: "Working together with other people, or self-employed."

Mihai: "People working in a shared office, doing independent work and exchanging time, skills and advice in the given community."

Does coworking make economic sense for your business?

Edwin: "Yes, you pay your share for the package with usage by pooling resources – the more full-time employees we hire, the more coworking makes less sense."

Firat: "Yes and no. Yes, because its low-cost to cowork, and can increase team efficiency. But it can also be a distraction to team – at those times, I wish we had an office."

Björn: "Definitely, we cannot afford an office space. Team space of six, cross national and delocalized."

Mihai: "I was a student working in a coworking space to complete my master thesis in France, maybe one day one of the relationships I built there may provide economic sense."

How does it influence your quality of life?

Edwin: "Aside from the economic benefits, social benefit – other freelancers help me with things I'm stuck with, and I feel a sense of trust."

Firat: "I used to work in an office, everything was the same, stagnation. Coming to work depressed was difficult, but coworking provided a sense of fulfillment."

Björn: "Purely economical, but working from home is terrible. You need a boundary between work and home. Coworking provides this."

Have you worked in a conventional workspace before?

Edwin: "I worked as an intern at a big office space. Auditing assistant was onsite most of the time. Room of six desks, no community aspect, less cohesion between employees."

Firat: "Yes."

Mihai: "Yes, small team 4 people – shopping mall management."

How would you describe the work you produce inside a coworking space versus in a conventional workspace?

Edwin: "I have freedom to plan my day, big brother in conventional companies, don't like management."

Firat: "If academic or data science work, conventional workspace is better. To create some-

thing or to be creative, coworking is better."

Björn: "Scalability of company drives me as a self-employed to be more productive."

Mihai: "Greater social cohesion in coworking spaces, coworking spaces are generally less productive from a focus perspective."

Would you say you are surrounded by creative people?

Edwin: "Not necessarily, a number of employees working remotely, some people working for economic reasons, some people are creative however."

Firat: "Yes."

Björn: "Yes and no, 5 out of 7."

Mihai: "Yes."

Would you say your ability to be creative is influenced whilst you're in a coworking environment?

Firat: "Yes, I'm more creative – coworking is unstructured. Conventional workspaces are structured and hinder creativity."

Björn: "Definitely. Coworking positively influences my creative ability."

Mihai: "Having the possibility to express myself without restrictions is a powerful tool that can intermediate creative thought."

Do you feel more or less inclined to share here than in everyday life?

Edwin: "More so than in an office, not more than everyday life."

Firat: "Yes, more – you can trust the community more than people in everyday life, there is a sense of reliability one might not otherwise have."

Björn: "Yes, I don't have an everyday life."

Mihai: "If you're of sharing nature, then you will share wherever you are. It's definitely something that is stimulated by people running the space."

What is the "coworking mindset" to you?

Edwin: "Share resources responsibly."

Firat: "Give give give ask."

Björn: "I don't think there is a "coworking mindset", context dependent reasons for people being here."

Mihai: "A general attitude where you are willingly searching for connections and help from others, in exchange for your own time. For people that want to be surrounded by others."

4.2 Perspectives from management of coworking spaces

Do you participate in any international partnerships?

Marco: "Onecoworking – giving coworkers the opportunity to exchange spaces with cooperating (Germany only) spaces, and international event formats."

Mihai: "Startup Weekend, Startup Safarai and Fuckup Nights, more so international event formats."

What is traded in the partnership?

Marco: "Physical desk spaces and coworking services. With respect to Fuckup Nights and global brands, brand identity and movement – in the case of Techstars, access to super-early-stage startups, communication with alumini. (f6s.com)

Event facilitators have their expenses paid for by event organisers but are not paid for their time. They participate to spread the "empowering mindsets" created in events like a "Startup Weekend", a franchise by Techstars."

4.3 My own Perspective and Experience

I should disclose that I undertook a community management internship at a coworking space called "Basislager" (Base Camp) in Leipzig, Germany. Basislager is a coworking space significantly financed by the Leipziger Volkszeitung (the local newspaper). They state on their website

> "A key aspect of our coworking space is our partnership with MADSACK Media and the Leipziger Volkszeitung, which are not only involved as investors in the project, but also provide publicity and media opportunities for new startups. Young companies can certainly benefit from strong partners with media coverage and an excellent network."

Though within conversations with team-members, it was communicated that the Leipziger Volkszeitung (LVZ) undoubtedly has an issue with its own core business model. This is true for many newspaper publishers, as young people quite simply don't feel the need to pay for novel information any longer; one should also acknowledge that not all newspapers require payment to gain reading access – though, in an age of free-flowing information, one is constantly overstimulated with the amount of freely-available novel content that users are often inadvertently lured into consuming.

However, this is by no means an analysis of the ways in which the conventional media industry is changing in the information age. The key observation I'm making here, is that the LVZ is undertaking a pivot, and feels the need to participate in the financial investment that is: building and managing a partnership with a coworking space. I will often be referring to my experiences working at Basislager anecdotally in affirmation of the literature surrounding the topic.

My four month Business Development internship at Basislager, a CS in Leipzig, Germany with four Coworking floors and one event space on the ground floor. The event floor is equipped with beamers, large whiteboards that span the size of a room, drinks fridges, modular seating and furniture which is easy to move and rearrange, making the event floor well equipped for the various international event formats that the CS offers to the local community.

Basislager is a business-operated CS, which is managed by a team of four. Initially, I was given the title of "Community Manager", general duties included: personally getting to know every co-worker in the house, often through management tasks which presented themselves organically in the CS, refilling printer cartridges, making sure the community felt looked after by hosting regular community events, onboarding new members into the community after an initial interview, etc. Roles and tasks were fluid in the CS and were often allocated at the

beginning of a week, where team-members would sit down at a "Jour-Fixe" and discuss who would like to take on projects and tasks throughout the week.

Part of handling the onboarding process for new customers included coworker interviews or "castings". Castings were communicated as a way to get to know potential coworkers and determine if they are a good fit for the community. Considering that Basislager has a limited member capacity, and management's goal was to keep the level of cohesion in the space as desirable as possible, new members of the community are evaluated based on specific qualities. Either that they are excited and enthusiastic about contributing, or if they fill a gap in the collective knowledge of the CS and have a useful skill or service with which they would provide additional value to the community. In this case, greater cohesion or "sense of community" was more desirable.

One could interpret these interviews using the framework laid out by (Nikolski, 2012) as screening potential actors before integrating them into the in-house network, providing a socially determined form of quality-control. All in all, potential coworker interviews were primarily evaluated based on "good-feeling", although there was a unanimous level of agreement that had to have occurred within the team in order to have permitted a coworker access to our services. This unanimous decision was based on the aforementioned factors, namely the demand and supply of coworkers in the space at the time, value provided to the community, and strategic partnerships with management or the LVZ.

4.4 Extended Interfaces

Extended (primarily digital) interfaces are considered the building-blocks for coworking as a phenomenon of the changing economic paradigm. Without the communications infrastructure necessary to delocalize the workforce, more emphasis would have been placed (from a managerial perspective) on the geographical proximity of employees being essential for a profitable company. Extended digital communication infrastructure has allowed us to increase the range of effective communication between connected individuals and businesses alike. Now that the possibility of working remotely – wherever you might find yourself in the world – is becoming viable thanks digital infrastructure a culture has emerged, namely: "digital nomadism" (Digital Nomad, 2018). A cultural phenomenon, or buzzword of sorts, which encapsulates the envisioned lifestyle of workers working abroad with nothing but a laptop and an internet connection. This lifestyle is made possible by digital infrastructure – of which coworking is also built upon.

CS managers set-up and use all sorts of digital interfaces to communicate to coworkers – *Slack*, for example, a cloud-based form of IRC –, where users can post into channels for different purposes. All posts can be commented on and will open new individual threads which are publicly comment-able; in addition to this, users can send private messages directly to one another. One might refer to the theoretical framework to suggest that in-house communication allows CS managers, and coworkers to shape the "conceived space" by suggesting how one might behave in the CS. In practice, inviting new coworkers to all existing communication infrastructures was a part of the onboarding process at Basislager. We had different *Slack channels* for each individual floor of the CS (similar to IRC channels) to post evidence of undesirable behavior, like unwashed cups, tables in need of cleaning, and general issues of cleanliness and wellbeing in the form of pictures or written text. To incentivise coworkers

to keep their workspace at a collectively acceptable level of cleanliness, we attempted to use "Chorewars", a role-playing game where one completes pre-defined "Chores" determined by the CS directors in-order-to receive "Experience", this only seemed to gain traction amongst a niche group however, and the majority of users continued to use Slack.

We communicated that the CS belongs to the community and attempted to promote an environment where community members conceive their own productive environment. We would also regularly inform members of the #events channel when events were scheduled. This resulted in coworkers self-regulating the CS, in that they began posting their own perception of undesirable behavior in the CS, and other coworkers began commending them for their efforts – it also served the purpose of informing coworkers of community events. Slack – here representing the in-house communication infrastructure – reduced the amount of effort required to organizationally manage the space and created a sense of community. In addition, we used "Cobot" (a room-booking management tool) to allow coworkers to book meeting rooms independently of any management, reducing the organisational effort required to optimise the usage of the meeting rooms. Finally, management was tasked with the production of a weekly newsletter. In which, relevant regional and important organisational info's were placed, in order to serve as a digital bulletin-board for coworkers. Consequently, coworker spotlights were given in the newsletter as a part of the onboarding process, this allowed for a greater sense of community and cohesion, giving coworkers an idea of what to expect from the individual without having physically met yet.

4.5 Coworker Demographics and Mode Company Sizes

Coworking spaces attract self-employed businesses, early-stage startups, entrepreneurs, freelancers, and remotely-based employees from larger businesses, depending on the target audience their services suit the needs of.

Coworking spaces are majorly populated by university-educated graduates:

> "Four in five coworkers start their career with a university education."
>
> "The overwhelming majority of coworkers now work in the field of creative industries and new media. Most of them are web developers or programmers, although the boundary between job descriptions is fluid and many coworkers specialize in more than one specific field." (Foertsch, 2011)

Remotely-based employees are often encouraged to work in CS's – instigating that upper-management in larger corporate enterprises recognise coworking as beneficial to the productivity and the consequent wellbeing of the individual employee. We observed a large proportion of international, English-speaking coworkers specifically at Basislager – given that in business-spheres, English is usually the predominant language.

Additionally, CS's also host teams of employees, but large team sizes tend to be avoided in most spaces that feature an active form of community management. Reasoning for avoiding large teams of workers from the same employer is complex and is often context dependent, the allowed team size varies from space-to-space and varies due to the following factors:

The potential for reduced cohesion. Within a team structure, there often exists a conventional employment paradigm, which incentivises interactions between members of the

same employment structure – this in turn lowers cohesion and actively works against the sense of community the CS is trying to create. However, large teams harbour a proportionally large amount of specialised expertise and expand the pool of knowledge and expertise a CS might have to offer to all coworkers.

Equally, the larger the number of large teams, the lower the diversity of the pool of knowledge and expertise available in a given CS.

Potential liquidation of the "coworking spirit". Many CS's are an economic solution for workers of all types looking for a "third space" (Kingma, 2016) but cannot afford an office, making coworking a great solution for growing startups and small businesses. Many smaller coworking spaces do not allow large teams from corporations with large employee counts, the reasoning for this being communicated as a complete depersonalisation and economic liquidation of coworking and the community spirit.

CS's are undoubtedly attractive to larger corporations, considering that working in a CS is a pull-factor for recruitment and general employee satisfaction, it comes as no surprise that CS's were being used as a price-effective alternative to conventional offices. From the perspective of "Work Collectives" (Kingma, 2016), one might assume that large teams are a threat to the social and political closeness that binds and drives like-minded communities like these.

The three T's of economic development (Florida, 2004). According to discussions relating to the topic of the creative class (Florida, 2004) economic development is deemed a product of three factors. These three factors represent Technology, Talent, and Tolerance. Prior to Florida's contribution, economists supposedly attributed increases in economic development to factors of tolerance and diversity in the workplace.

However, these factors were never taken out of a localised context – Florida stretched these assumptions and placed them upon a city-wide context, including factors of whether or not a university exists within a given city, the presence of technological infrastructure and the somewhat controversial factor of thriving presence of nightlife within a city. Florida analysed the aforementioned factors empirically in a multivariate analysis of indexes including *brain drain*, *melting pot*, *gay and lesbian*, *integration*, *university and creativity* and *Bohemian* indexes from various reputable data repositories.

In addition, the three T's of economic development showed correlation with economic prosperity; we can attribute some of the hazily defined "coworking spirit" (see interviews) to these factors. Hence stressing the importance of having diverse teams of individuals, with varying talents and specialisations, most optimally found in an environment of small team sizes. (At Basislager the mode team size was 1–4.)

In conclusion, the question of whether CS's cause economic success "spillover" (Florida, 2004) similar to that seen by the presence of a university in a city, is one that will be explored at various points within this assignment. In reference to the three T's model, Florida references economists using this model to evaluate workspaces, if this is the case – the question of whether this model can also be applied to CS's is raised, perhaps fueling subsequent future empirical studies.

4.6 Management and Payment Model

CS's vary in their economic models from location to location, and how they price their differing "representations of space" (Kingma, 2016). Model pricing plans are usually based on the level of privacy and presence offered to the customer. Basic pricings usually involve "Flex", "Fixed", and some form of specialized office arrangement, usually with an increased level of privacy suitable to the needs of strategic partners.

"Flexible" working space is communally used by all coworkers, in "flex areas" – as previously mentioned – coworkers are encouraged to converse and collaborate with one another to increase cohesion.

"Fixed" workspace either describes a permanent desk which is exclusively used by the paying coworker. Fixed workspaces are usually more expensive than typical flex models, due to the increased level of confidentiality they provide and the level of socially pre-defined presence the "conceived space" provides. At Basislager, our CS contained 5 floors of office space. Basislager also featured a private office space on the third floor, which was in high demand – this may have been due to its level of privacy (regular fix-desk coworkers did not have access to this floor) and the sheer amount of space available to personalise; though it is important to note that a level of social prestige existed for the third floor office holders within the house, one could speculate that the level of demand was created by the inaccessibility of the floor to other coworkers.

In addition to the heightened privacy on the third floor, the ground floor featured an event space where the management team worked. Essentially, the ground floor comprised of a front desk – where potential coworkers and those unfamiliar to the space can inform themselves, inclusive of two event floors, which were regularly rented out by external companies as a form of additional income.

To make up for this lack of privacy in parts of the workspace, coworkers of all membership plans have the ability to rent meeting rooms using a digital booking tool. This compromise allows for the flexible use of space to fit the specific needs and functions of the CS. Finally, CS's are not only limited to membership-based plans, but also operate on pay-as-you-go models. Consequently, the coworkers usually pick plans that suit their individual needs and desires for geographically-stationary or inversely fluid "third workspaces" (Kingma, 2016).

4.7 International Coworking Partnerships and Event Formats

International coworking formats are designed to support and educate coworkers at every stage in their entrepreneurial development. Though the content of the education and support is context dependent, I will be drawing analogies from the experiences I gained throughout my Business Development internship at Basislager. It must be noted, that the experiences and analogies of international or regional partnerships specifically relate to the Leipzig area, in Saxony, Germany. For example, some of the regional coworking and event formats seen as functional in Germany, may not necessarily be as successful, or appropriate, in countries where other cultures or economies exist. Event formats and CS's alike must attend to the individual needs of their local inhabitants – inclusive of their inter-local demographics.

If we begin with defining international coworking partnerships, we find partnerships in many forms, designed to provide benefits to coworkers of the cooperating spaces. At Basislager, we

participated in what was called a "Coworking Visa" (Coworking Visa, 2018), an international format (or platform) where CS's can apply to become part of an international network of CS's that provide workplaces for coworkers without them having to pay for multiple memberships. This platform provides coworkers with a cost effective "third workspace" (Kingma, 2016), of whom traveling internationally is a frequent part of their career or business.

However, coworking partnerships also consist of strategic individual partnerships between key spaces. In any given city, the presence of greater numbers of coworking spaces increases the size and ultimately the worth of the knowledge economy in the local vicinity. As the diversity of interdisciplinary professions increases, the number of possible context-dependant partnerships increase.

Some of the specific partnerships might include exchange of key assets, such as – but not limited to – the trading of 3D printing capabilities, workshop formats, hardware, social media channels, networks and even coworkers. International event formats perform a different function, although they are also intended to educate and provide a pool of like-minded individuals to assimilate – their primary function is to propagate an entrepreneurial mindset.

Case Study: *FuckUp Nights.* Taking FuckUp Nights (hereafter FUN) as a case study, a global event franchise based on placing speakers on a stage and having them talk about their biggest failures in personal business endeavours in front of a live audience (FuckUp Nights, 2018). Metaphorically, the overarching goal being "taking away the fear of failing", FuckUp Nights have received great success as a global format – currently operating in 304 cities worldwide and have opened their own business research initiative, *The Failure Institute* (The Failure Institute, 2018). The Failure Institute focuses on "helping decision-makers make better decisions on business, academia and public policies." (ibid).

A FuckUp Night in this specific example was run by the managers of the CS I worked with during my internship, it resonated well particularly with the coworking community and the city of Leipzig as a whole.

Case study: *Startup Weekend.* Another case study of an international event format follows, namely a Startup Weekend, a successful event format (Startup Weekend, 2018) by 'TechStars', a startup accelerator based in the US (TechStars, 2018). They organise regular events in 150 countries and have about 200.000 alumni members to date – the scale of this knowledge-sharing infrastructure is one to be recognised.

A Startup Weekend is essentially a weekend (54 hours) where people come together to form teams and work on their ideas with entrepreneurial support, taking the form of mentors and workshops designed to bring teams the experience they need to build an early-stage startup. At the end of the weekend, the formed teams pitch in-front of investors. Additionally, Startup Weekends cooperate with a number of international and regional partners – some of which provide mentors for the events. CS's like Basislager work in parallel with these event formats, providing event space in exchange for the knowledge-infrastructure and brand that is provided by TechStars.

Case study: *Startup Safari.* Startup Safari is a franchise invented in Berlin, thereafter taken over by the organisers of Pirate Summit in Cologne (Startup Safari, 2018). Startup

Safaris are organised as open door, city-wide events for local institutions and startups, they do this by supporting "local heads" within the local ecosystem, providing brand-specific graphics and metrics. Their slogan being "Connecting local ecosystems within a global community". Startup Safaris can be seen as a collaborative event infrastructure that provides public exposure to a community of institutions and startups within a city.

I personally participated at a Startup Safari and assisted with organisational aspects of the event; the event consisted of two workdays of talks and workshops run by various startups all over the city. Shuttle-busses allowed participants to travel to the different parts of the city to arrive to talks on-time. Startup Safari hosts their event format in 20 or more cities (Startup Safari, 2018).

4.8 Event Format Interpretation

Consequently, the question of why these particular event formats are found within and around CS's is multifactorial. Cohesion is desirable in all CS's, contributing to the prosperity of the CS and respective inhabitants by increasing the level of knowledge "spillover" within the CS, but also inclusive of the knowledge economy outside of the physical boundaries of the CS.

Event formats propagate cohesion by providing a common knowledge framework for participants to draw from. From the perspective of CS's as a network, event formats like these provide the cohesion necessary to increase trust within actors in the network and continue to accelerate the flow of value throughout nodes in the network (Nikolski, 2012). Social ties become stronger with geographical proximity and event formats provide a platform for acquiring, as well as strengthening the weight of social ties between actors. Some of the participating institutions at the Startup Safari were part of the research community in Leipzig, providing some evidence that the research community – at least particularly in Leipzig – is interested in interfacing and cooperating with local startups.

Event formats serve the purpose of raising the level of communication and knowledge exchange between institutions in a city, one would also expect the number of collaborations and partnerships to increase in parallel. However, it should be noted that Techstars is a startup accelerator which uses its event format to increase the scale and quality of startups willing to join their accelerator program in exchange for equity – this can be interpreted is an attempt to create a knowledge-infrastructure conducive to an entrepreneurial culture. Relevant to the initial question posed in the thesis, this suggests that coworking spaces are influenced by external actors.

5 Creativity and Economy definitions

5.1 Knowledge economy

Within CS's exists a large repository of diverse talents, which allow for the productive cohesiveness of information and expertise in free-flowing, accessible form. Community and network managers are tasked with the responsibility of keeping cohesion at a level conducive to a productive working environment, sometimes even physically introducing newer coworkers to members of the CS that might produce fruitful partnerships. In other cases, listening to the concerns of coworkers and responding accordingly to other coworkers to resolve con-

flicts is also a central part of the role. Cohesion is actively inspired by community events and international event formats designed to produce an atmosphere of sharing. International event formats and CS community managers alike actively discourage competitive idea privacy, sometimes referred to in the form of NDA-signing. In a similar role to that of the University, posed by Florida (Florida, 2004) the existence of coworking spaces within a city may well be conducive to the successful economic development of a city.

5.2 Sharing economy

> "The trust needed to make economic exchange came from social ties."
>
> In reference to pre-industrial times: "The core element of the town economy was the one-man shop" (Sundararajan, 2016)
>
> "Communities emerge naturally at lending sites or 'asset libraries'" Gene Homicki, CEO of myTurn

CS's undeniably feature an active sharing economy, where users pool resources – in the case of WCL's (Avdikos, 2016) – or are supplied resources as part of a service – in the case of CS's with an active form of management. CS's generally provide access to in-house technology that would otherwise be too expensive for home use, such as 3D-printers or Virtual Reality technology. Costs are shared either with pay-per-use models, or as a part of the coworking membership. Inhouse crowdfunding initiatives can exist without digital infrastructure, a community manager can deduce the individual needs and demands of coworkers in a CS personally in a short amount of time. This receptiveness to the needs and demands of a community allow CS's to become quickly adapting environments that provide the technological infrastructure to meet the needs of specific niches of coworkers within the space whilst working in an environment conducive to their own social wellbeing. Once again this supports the role of a CS in comparison to one of a University within a city, as an "engine of innovation" providing key technology to talented individuals capable of creating valuable products (Florida, 2004).

5.3 "The Creative Economy" – an Analysis of Definitions

I would like to begin this section by laying out a framework for the varying modes of discussion found within investigation of differing infrastructural scales. Firstly, by attributing the definitions seen in literature to a global context – due to the issue of definitions of the "creative economy" being highly context-dependent and becoming incongruent with a change in either infrastructural scale or geographic location. Secondly, applying the definitions communicated in my practical experience working within business-development spheres in Leipzig, Germany, to the global context found in the aforementioned literature. Thirdly and finally, I will attempt to find parallels and draw from some of the opinions gathered in my exploratory interviews at Basislager.

Creativity as attribute and economy definitions in literature

> "In 1900 creative workers made up approximately 10% of the workforce, today some 30% of the workforce are employed in the creative sector." (Flew, 2010)

Cunningham, see (Jaaniste, 2010), has provided definitions within the creative sector which help categorise different forms of creativity, with the intention of documenting creative policy evolution. As follows, the creative sector encompasses creative arts (culture), creative industries (business services) and a creative economy (knowledge and innovation framework). Attribute-based definitions include generic creativity as generic human culture, commercial creativity as creative business acumen and knowledge-based creativity, within the scope of the commercial creative sphere. It should be noted that the portrayal of *creative occupations* encompass certain frameworks of occupations laid out by Richard Florida and Rich Gold (Florida, 2004, and Gold, 2010), namely the "Super-Creative Core" and "Creative Professionals", of which the "Super-Creative Core" consists of a wide range of creative occupations – research, media, science, engineering, arts and sciences, to name a few – who are tasked with the creation of products and services that provide consumers with value. Creative workers within the super-creative core that are commercially creative, use generic creativity to create products and services. Whereas "Creative Professionals" are educated professionals that draw from a large pool of learned, often interdisciplinary sources of knowledge to solve complex problems. Creative professionals use knowledge-based creativity to produce solutions and products.

Rich Gold's quadrant of creative disciplines are dubbed necessary for innovative success (Gold, 2010). Rich Gold's quadrant depicts four sensibilities in interdisciplinary sectors of the creative economy – art, design, engineering, and science –, which upon intersection and interaction with one another produce innovation in the form of the intersection of the ways people of differing respective disciplines think. Whereas art and science are inward facing, academic and abstract disciplines, design and engineering are outward, external and anchored to realism.

Within his work, Gold refers to the importance of an exchange within the different disciplines, stating that without interaction with arts, humanities, and social sciences design grows stale. Similarly, using physicists as my own demonstrative analogy, of whom are generally known to be responsible for deriving and proving equations that engineers use on a daily basis – though not to say that engineers are incapable of this. However, without the exchange in expertise, physicists find themselves in purely theoretical realms of thought, in many cases missing grounding external focus to guide their efforts towards real world application. In contrast, physicists provide the theoretical framework for engineers to build and apply to external reality. "Speculative engineering" exists between the intersection of experimental physics and engineering – painting a descriptive analogy of Gold's quadrant of creativity.

Using Cunningham's definitions, see (Jaaniste, 2010), Gold's quadrant is a representation of a creative economy existing primarily from an exchange in knowledge and talent – a knowledge-based creative innovation framework – making itself an interface to creative industries by providing a talent pool, procured by a generic human culture, forming a "generic creativity potential". Flew in (Flew, 2010) begins to lay foundations for the rise of the creative industries by attributing the importance of the internet as a key factor of the observed economic shift. He places an emphasis on "the increasingly important role of tangibles as sources of value" and emphasizes "an increasing importance attached to new ideas as a primary source of new value" (ibid: pp. 30–31) – pointing to a shift in global economic culture from "production and outputs" to "markets and knowledge". Creative economies are responsible for interfacing between industry output and communicating novel information relevant to customers decision-making process in an entertaining fashion (Flew, 2013), further deepening the importance of creating a sustainable flow of novelty to meet consumer demands.

Additional discussions referenced in (Flew, 2013) include critique of creative industry definitions, stating that although people working in creative industries are better paid on average in comparison to other economic sectors (ibid), lives of the passionate advocates of flexible, autonomous work fundamentally blur the difference between personal and professional life, promoting an "always on" working culture. Critical discourse associated with the topic has addressed dangers of the dissolving of the work-life gap with concerns of precarity, increased normalisation of long working hours, relatively low pay and radical terms like "the social factory" in reference to the creative economic paradigm. Flew documents the discourse held between Boltanski and Chiapello on the topic of a "new spirit of capitalism" where workers are committed to their work on the basis of it being creative. In conclusion, Flew bases his definition of the creative industries on "the continuous search for innovation in products and processes" whilst expressing concerns of precarity and forms of "soft control", also giving credit to the benefits of networked innovation models.

Use of the Term "Creative Economy" within Coworking

> "The overwhelming majority of coworkers now work in the field of creative industries and new media. Most of them are web developers or programmers, although the boundary between job descriptions is fluid and many coworkers specialize in more than one specific field." (Foertsch, 2018)

CS's that provide services which accommodate a target audience within the creative sector are commonplace, community managers within respective spaces are responsible for keeping the environment of the space fit for creative work.

CS's focusing on these demographics usually attribute their success to the increased activity within the creative sector.

> "Creative industries are estimated to be growing globally at an average rate of 8.7% per year." (Flew, 2010)

Basislager used in-house communications infrastructure (slack, cobot) and modular flexible design choices to encourage and facilitate cohesion within the space.

In addition, the facilitation of regular event formats within a city encourage creative thinking with – but not limited to – the promotion of using methodologies found in the creative arts. Management allowed for the facilitation of creative work-methods by providing the tools (post-it notes, whiteboards, digital workspaces) and the communicated freedom for coworkers to change space via consensus to suit their individual needs.

Also, management actively curated potential coworkers with aforementioned "castings", sometimes actively searching for creative attributes and offering those with them free coworking spaces. This resulted in a community of individuals with creative attributes, acting as magnets for other like-minded creative individuals, further propagating the desired creative environment.

Case study: Use of the term "Creative Economy" at city-wide infrastructural scale in Leipzig, Germany

Leipzig is a growing city in the east of Germany with strong city infrastructure which produces content in cooperation with the EU european regional development fund EFRE and UNESCO in the Creative Cities network (City of Leipzig, 2012).

Within its cluster strategy, the city of Leipzig conducts five clusters, the *automotive cluster*, the *health economy and biotechnology cluster*, the *energy and environment cluster*, the *logistics cluster* and finally the *media and creativity cluster*. All five clusters represent strong contributors to the local economy in Leipzig.

"Media and Creativity Cluster, a cluster with seven sub-sectors" (City of Leipzig, 2012) showcases local businesses, a few of their personal contact details and their relation to the Leipziger infrastructure. Seven sub-sectors in the context of this cluster, represent *IT and Communications*, *Publishing and Printing*, *Broadcasting and Film*, *Arts and Music*, *Advertising and PR*, *Architecture and Design* and finally *Trade shows and Services*.

These seven individual sub-sectors portray Leipzig in the format of what I can only begin to fathom as being a business-travel brochure, providing persuasive rationale to tempt businesses and skilled workers within creative sectors to move to Leipzig. The seven sub-sectors intend to represent a strong knowledge infrastructure within a city.

"Media" in this context, (being a plural of medium) can be interpreted as means of communication that increase any given exposure (to an audience) for content. Leipzig therefore intends to position itself as a hub, within which a potential for exposure given to content producers exists, whilst additionally advertising that there is a value for media in the city. In end effect, this provides a pull factor to content producers such as writers, artists, musicians, filmmakers and more generally, those who are "generically creative" (Jaaniste, 2010), in the hopes of increasing their exposure to content that they produce. Consequently, media-savvy specialists are also drawn to the city in the hopes of working with quality content producers and having access a diverse media infrastructure.

> "Die Medien- und Kreativwirtschaft fungiert auch in Leipzig als Antriebsmotor für wirtschaftlichen Erfolg. Mit ihren vielen Teilbranchen ist sie eng mit der Leipziger Wirtschaft verwoben und wirkt als kreativer Katalysator. Sie verbindet kulturelle und künstlerische Ideen und Produkte mit technologischer und wissenschaftlicher Kreativität und wird damit zu einer neuen, wachstumsstarken "Schlüsselindustrie"."

Cluster development and innovation and technology funding are primary points of interest for Leipzig's department for economic development, the above quote also depicts that Leipzig's department for economic development sees the Media and Creative Cluster as a creative catalyser to the economy in Leipzig. Leipzig also features a "Mittelstandsförderprogramm" which provides funding for "the transfer of creative ideas", a line of workshops including "Brand, Market, Design and Innovation" formats and a bonus for "innovative" founders. Shedding light on the initial thesis, in that the fact that these forms of funding exist imply that commercial actors are not the only actors propagating creative economic paradigms. Regional actors must also play a significant role in these observed changes.

Exploratory Interview Examination

In the following examination of the exploratory interviews that I conducted, I will be commenting on aspects of the conversation (interpersonal communicative scale) in parallel with the literature (global scale) and the Leipzig scene (local scale) due to the fact that the conversations took place in Leipzig – in the hopes of finding parallels between the differing scales of creativity and their surrounding attributive definitions.

> **What is Coworking?**
>
> *Firat:* "Sharing ideas with people around you, working alone is difficult, cooperation."

Loose definition of coworking as a knowledge-based economy, with a focus on sharing. Briefly mentions the lone eagle effect (Avdikos, 2016).

> **How would you describe the work you produce inside a coworking space vs. in a conventional workspace?**
>
> *Edwin:* "I have freedom to plan my day, big brother in conventional companies, don't like management."

Interprets coworking as beneficial to a more flexible, autonomous work-method.

> *Firat:* "If academic and data science work, conventional workspace is better. To create something or to be creative, coworking is better."

Suggests creative working environments suit a function exclusive to that of creative disciplines.

> **Would you say your ability to be creative is influenced whilst you're in a coworking environment?**
>
> *Firat:* "Yes, I'm more creative – coworking is unstructured. Conventional workspaces are structured and hinder creativity. "
>
> *Björn:* "Definitely. Coworking positively influences my creative ability."
>
> *Mihai:* "Having the possibility to express myself without restrictions is a powerful tool that can intermediate creative thought."

Affirmations of coworking as a creative working environment.

> **Do you feel more or less inclined to share here than in everyday life?**
>
> *Björn:* "Yes [. . .], I don't have an everyday life."

Though initially humorous, this affirms the literature critical of the dangers that creative economies propagate.

6 Parallels between Definitions of the "Creative Economy" at Various Scales

Coworkers, as postulated above, are a demographic phenomenon and consciously advocate for flexibility and autonomy, at the cost of potentially precarious labour. CS's adopt principles and aspects of the creative arts (design thinking principles), creative industries (makerspaces, tinkering and Do It Yourself application focused engineering principles) and promote an environment conducive to the facilitation of a creative economy – via communication of "conceived space" and creation of a knowledge sharing culture with the facilitation of event formats.

Thriving CS's with a strong creative economy are high in social cohesion and harbour a range of individuals, of which the majority work in the creative sector. This does not suggest exclusivity to the creative sector however, as it should be noted that not all coworkers are generically creative. In addition to this, CS managers aim to facilitate the communication of "conceived space" – in "flex areas". Coworkers are encouraged to converse and collaborate with one another. This gives merit to specific design choices seen in CS's, which continue to place emphasis on the physical and communicative construction of a flexible workspace, by which the different functions of the space and the needs of the community are adapted. CS's generally aim to provide environments conducive to the success of a range of disciplines, inclusive of the individual occupations they comprise of.

Tolerance and diversity of a space's access to economies reinforce the analogy of coworking being seen as similar to the eccentric, knowledge sharing environment that a university intends to produce, but with different demographics, upholding business focused sets of values. CS's play an interconnecting role within a city, especially in the context of urban development and research (Schmidt et al, 2016). CS's fall under an umbrella category of "Open Creative Labs" and claim to be proprietors of a new economic paradigm, their ability to provide value to industry in the form of B2B sponsorships and B2C services has been recognised in "Open Creative Labs in Deutschland" (ibid).

Nevertheless, CS's like Basislager are direct cooperative actors of local and regional development initiatives, but this cannot be said for every individual CS. Though it is unclear whether CS's are the cause or the effect of gentrification, CS's emulate similar talent and knowledge "spillovers" (Florida, 2004) seen around cities with a university active in research, or the licensing of patents. CS's also provide networks and environments conducive to creative enhancement for entrepreneurs, freelancers and more generally, participants of the creative economy. Generation (and hosting) of event formats, city-wide content streams and a strong creative service infrastructure arguably position CS's as significant actors within creative city clusters (Flew, 2010). Irrespective of which actors are propagating the change in economic paradigm – be it commercial or regional –, CS's are actively providing the services, intellectual framework and the communities that propagate it.

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