

Australian coworking spaces cater to a more diverse crowd than just young tech entrepreneurs

Written by Tim Mahlberg, PhD Researcher, University of Sydney



Most coworking spaces target small-business workers who tend to be in professional services and technical or knowledge-based work. Josh Hallett/Flickr, [CC BY-SA](#)

The phrase “coworking spaces” may conjure up images of tech-savvy millennials working for startups in converted warehouses. Add in the obligatory ping-pong tables, bean bags and beer on tap.

But our [report on the Australian coworking industry](#) shows much more is going on in these spaces than this cliché. We found more than 300 coworking spaces are operating across Australia, up from only [60 spaces](#) in 2013.

Rather than just catering to one type of worker, coworking spaces are used by people from different backgrounds, professions and ages. We also found the majority (53%) of Australia’s coworking spaces are in or around the CBD of our major cities. Sydney and Melbourne take the lion’s share overall, where our coworking industry first started out.

Most coworking spaces target small-business workers, who tend to be in professional services and creative or knowledge-based work. They are also more likely to be living in our major cities.

However, newer coworking spaces are emerging on city fringes (7%) and in our regional towns (15%). These spaces focus on supporting local employment opportunities and bringing businesses together for economic development.

The form and function of these regional spaces are often inspired by city-based models. As an example, [The Creative Fringe](#) in Penrith, on the outskirts of Sydney, seeks to drive local innovation and collaboration.

Beyond the tech start-up hub

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There's a trend we found where coworking spaces are popping up in locations geared towards supporting lifestyle choices of professionals who want a "sea change".

The Gold and Sunshine Coasts in Queensland and the Central Coast in New South Wales have a surprisingly high number of coworking spaces. Other popular seaside locations include Byron Bay and the South Coast of NSW.

One example of this type of space is [Cows Near the Coast](#). It's on the main street in Bega, South Coast NSW, and actively encourages "sea-changers" to join their community.

We also found certain recurring types of spaces. One type focuses specifically on high-end professionals wanting to work in style and impress their corporate clients, often located on the top floors of CBD high-rises. [Gravity](#) coworking spaces are a good example of this type.

In contrast to this corporate atmosphere, we found some coworking spaces are also the home of social enterprises. These spaces support typically younger people to combine business know-how with their passion for community impact, specialising in supporting their altruistic visions.

These spaces have none of the gloss of many other coworking spaces. You'll find recycled furniture and inspiring quotes emblazoned on the walls in these spaces. The Common Room at [Vibewire](#) in Sydney epitomises this type.

For many smaller towns and regions, coworking spaces are where fiercely proud locals go to take action around the future of their community. [BizBuddyHub](#) in Point Cook, Victoria, is an example of this. This coworking community was set up with a campaign advocating for a space for locals who would otherwise have to commute into Melbourne.

Who owns and runs coworking spaces?

Around 75% of coworking spaces in Australia are owned and run as private businesses. The

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majority of these (54%) are run as a separate business, for profit, under private ownership.

Small-business owners are also enhancing their appeal to existing and future clients by starting up these coworking spaces. In our research, we found 21% of all Australian coworking spaces are run as ancillary to an operator's regular small-business activities.

Not-for-profit coworking spaces make up 8% of Australian spaces, usually established to pursue a social causes, such as reducing youth unemployment. Some of the most well-established coworking spaces in Australia are set up as non-profit organisations.

A small numbers of coworking spaces are state or local government funded (6%) with an aim to support economic development in that region.

Recently a number of corporate-owned coworking spaces (7%) have emerged, which are primarily set up to support their own customers, such as small business customers, who use these spaces to grow their business. Good examples of these include [The Village](#) at National Australia Bank, and Australia Post's [Small Business Hive](#) at Geelong.

Commercial real estate operators are also exploring coworking as a way to facilitate a sense of community in multi-tenanted office towers, such as [Dexus Place](#) .

Coworking spaces operated by universities (4%) are the latest addition to the industry, supporting alternative career choices for students, and deeper engagement with industry.

The future of coworking

Coworking spaces are now found in at least 89 countries, spanning six continents. Best guesses indicate that by the end of this year there will be over [14,000](#) spaces worldwide.

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Coworking spaces facilitate work in ways that other workplaces can learn from. They go beyond simple “hot-desking” and the open plan work settings which many of us have become familiar with. They are places where people are welcomed and hosted, with regular social and learning events that engage members and their guests. This creates a real sense of community and belonging.

This is something that larger organisations are starting to look for inspiration. Recently, WeWork, the world’s largest coworking operator, has [started designing workplaces](#) on behalf of large corporations. Many Australian corporates are engaged in partnerships or sponsorship of coworking spaces, with some simply supporting their employees to work flexibly from them.

The diversity of coworking spaces we found in this study means that these spaces can cater to a variety of workers, allowing them to collaborate with other interesting businesses and professionals from all walks of life.

These coworking spaces offer examples of how work can be transformed to have a greater focus on community and belonging. The humanity we found in our coworking spaces offers us hope for the future of work which, under constant threat of disruption and automation, will no doubt continue to play an important role in our lives and in forming our work identities.

Tim Mahlberg does not work for, consult, own shares in or receive funding from any company or organization that would benefit from this article, and has disclosed no relevant affiliations beyond the academic appointment above.

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