CO-WORKING CENTRES AS A POTENTIAL SUPPORTIVE NETWORK FOR CROSS-BORDER BUSINESS COOPERATION
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ABSTRACT
Coworking became very popular alternative to traditional working places. This place is based on values such as community, openness, collaboration, accessibility and sustainability and it creates alternative working place for networking and entrepreneurship. The objective of the study was to analyse and contrast the main services offered by each centre in relation to the networking potential and development of services for cross-border cooperation. The added value of the paper can be seen in the original suggestions for cooperation between centres in different forms of networking in a type of cross-border cooperation in the Czech-Polish area.

KEY WORDS
coworking, cross-border cooperation, entrepreneurship, SME.

Introduction
Recent competitive business space has opened up alternative ways of networking which are more informal and largely open to the needs of the community. Open and shared space is considered as the foundation and the platform for everything that happens in the local community. On the other hand, the community develops as people occupy the space and form relationships within the conditions which were set by business policy. As a result of these activities, innovation emerges from the connections that people form in the space and in the community.

Coworking as an alternative to flexible and part-time work placement was introduced by Brad Neuberg, a computer technician, who in 2005 founded the first coworking space in San Francisco. It brought about the possibility of an 'alternative way' of working, halfway between the ‘standard’ work life within a traditional workplace and the independent work life of a freelancer, characteristic of freedom and independence, where the worker is in home isolation (Gandini 2015; Frąckowiak, 2015).

Coworking centres are primarily connected with the idea of sharing offices.
The first phase was to be followed by deeper cooperation within coworking centre owners and service users. Coworking centres not only offer the possibility of sharing space, but also provide an opportunity to participate in local events and present ideas to a wider audience. The growth of this modern trend was confirmed by the Global Coworking Survey (2017), when it envisaged nearly 1.2 million people worldwide working in a coworking space, who are motivated by active membership (86%), higher income (81%), more events (71%), and a greater sense of community (84%). Unfortunately, only 40% of all coworking spaces worldwide are profitable. Most of them are still dependent on community support, donations and subsidies. Because of these current findings it could be said that coworking is closely connected with public entrepreneurship activities, academic entrepreneurship and social innovations. The article will not only provide a brief overview of coworking centres in the Moravian-Silesian Region as an example of a border region, but also suggest possible forms of cooperation, which are not yet in use. The paper presents a qualitative evaluation of 10 existing centres, based on standardized interviews with coworking centre providers. A variety of services and different locations in the region offer the possibility of cooperation support. The objective of this paper is to compare and contrast coworking activities in Poland with recent conditions in the cross-border region of the Moravian-Silesian Region as a potential partner for international network activities. Finally, networking activities are suggested according to the current phase of coworking centre development, defined by Capdevila (2013).

1. Coworking philosophy and uniqueness in the knowledge economy

Today’s requirement for human resources in the 21st century, living in the knowledge economy based on the digital economy (Moriset 2013), has dramatically changed. These skills cover creativity, critical thinking, problem solving, communication and collaboration. Given these facts, no wonder that recruitment of human resources is so important to achieve competitive organization (Andronicau 2014). Several of these skills are easier to learn by-doing and social interaction rather than from books (Bilandzic et al. 2013).

There are many ideas on solving this problem of learning when two main themes are combined – collaboration and innovation. One concept of this collaborative learning and creative space is coworking. This concept differs from casual business centres, innovation centres or business incubators in many ways – coworking users do not behave as strangers and invite communication with others, so it is not a typical third place for work (Oldenburg 2001) when it offers a free and informal atmosphere. These places present a “hybrid” type of working place (Moriset 2013) (Figure 1).

Figure 1. Coworking and its definition

Source: Moriset 2013: 7.
Moriset (2013) mentioned significant differences between coworking and other business models, supporting start-ups or innovations. Business centres, incubators or telecentres play a role in the area of sharing space regarding technology or support start-ups with counselling. In contrast to this there is coworking, the role of which is to bridge the gap in communication and collaboration and provide a core of entrepreneurial teams in a space as shown in Table 1.

Table 1. Different business centres model comparison

<table>
<thead>
<tr>
<th>Objective</th>
<th>Tenants (Prime target group)</th>
<th>Tenants (Atmosphere)</th>
<th>Facilities/services</th>
<th>Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business center</strong></td>
<td>Offer office space</td>
<td>A wide range of businesses</td>
<td>Formal/informal</td>
<td>Low service level, some shared facilities or services</td>
</tr>
<tr>
<td><strong>Shared office</strong></td>
<td>Offer flexible office space, business services, facilities and managed technology</td>
<td>SME's, freelancers</td>
<td>Formal</td>
<td>Business services (e.g. accounting, administration, word processing), IT services and secretarial services (e.g. reception, mail, fax, email, telephone service)</td>
</tr>
<tr>
<td><strong>Coworking office</strong></td>
<td>Create a work community. Encourage a sense of collaboration and synergy</td>
<td>SME's, freelancers, large enterprises and location independent professionals</td>
<td>Informal</td>
<td>Business services, IT services, secretarial services and access to networking events and workshops</td>
</tr>
<tr>
<td><strong>Incubator</strong></td>
<td>Support and facilitate start-ups. Promote local job creation, technology transfer and economic development</td>
<td>Start-up enterprises</td>
<td>Formal/informal</td>
<td>Business services, IT services, secretarial services, access to networking events workshops and business support services</td>
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Coworking is being used by companies to express their “support of the wider strategic agenda around collaboration, innovation, flexibility as well as attracting talent and retention” (JLL 2016). According to this definition the main goal of coworking is to build a sustainable network of innovation, particularly used in creative industries like music or writing and for social entrepreneurs, or even spaces that combine childcare facilities with coworking for women (Bain 2013; Schatzki 2014; Merkel 2015; Siemieniak, Łuczka 2016). The previous definition (JLL 2016) stresses “a ‘movement’ or a ‘philosophy’ characterized by four common values: collaboration, openness, community and sustainability” (Reed 2007), which showed the main principles of a coworking community, which have an influence on the motivation to start up a coworking centre. This motivation has an influence on the promotion of the working style suggested by Satani et al. (2012), where coworking space offers a unique working style for people across their jobs and occupation “to share the same workplace and improve each other through actively communicating and sharing wisdom and information.” This informal communication could be seen as the first step to the future network activity, especially in small businesses (Šebestová et al. 2016; Malecka 2016; Kaszuba, Łuczka 2013).

Partnerships based on previous coworking activities are mentioned by Capdevila (2013), who offers a theory of coworking
spaces as ‘microclusters’ that could transfer knowledge and innovations among members from a coworking network. On the other hand, an important factor exists in order to be successful in networking activity – good-neighbours and good-partners configurations as well as other possible configurations that similarly apply to network activities within a given coworking space (Spinuzzi 2012).

Coworking could be examined as a new way of organising labour and it finds support amongst freelancers and self-employed persons worldwide. Coworking spaces are seen as flexibly rentable, cost-effective and community-oriented workplaces which offer interaction and an exchange between diverse work, practice, community and culture. This relates to cultural, economic, political and social transformation in municipalities by the innovative solution of creating office space for start-up professionals to provide an area for the implementation of their ideas (Merkel 2015; Spinuzzi 2012; Moriset 2013; Lees et al. 2008; Bain 2013).

Coworking spaces bring an innovative solution to the structural and recession linked changes in local labour markets, they are also related to current attempts at renegotiating urban problems in the process of negotiating shared spaces, resources and values (Ferguson, 2014; Gandini 2015).

There were four models of coworking collaboration identified by literature (JLL 2016) based on types of collaboration and membership (Figure 2).

The first stage of coworking activity, named internal collaboration is created within an internal business “umbrella” to support creative activities and innovative space. This project is open for employees in order to enrich their working activity and to improve their networking skills in human capital development at a specific department (research and development, marketing etc.). This model represents an innovative approach to human resource development with the option of flexible working space projects.

When the project of “creative space” is successful, coworking space moves into the next stage – internal coworking space, where creative ideas are brought to the company through external start-ups or employees – “companies”. These members are selected via an interview proc-
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ess and companies offer them mentoring and cooperation in their business projects. These relationships are more open than in the previous model, but the company still has the main control over the space and creative projects. The development of this model leads to another option – *coworking memberships*, where a company seeks fresh, open space without the influence of maternal working space. This factor leads to the modification of the coworking area, mainly outside of the company location to gain new impulses from the external business environment and to “isolate” people from internal problems and stress in order to support an increase of creative ideas and outputs. *External coworking space* is the final model of coworking space, when the influence of the maternal company is very low. There is cooperation with the external provider of the coworking space and companies benefit from two types of innovation sources – external and internal, without any influence on their internal behaviour and values made by external subjects. Coworking spaces situated in urban areas motivate professionals from outside the city to gain access to local customers, suppliers and colleagues. Setting up the coworking space may cause many future problems – how to establish relationships in order to be successful and profitable. These variables – relationships and profitability are dependent on the current stage of the coworking centre, which was discussed by Capdevila (2013 as follows (Figure 3): (a) Phase I: Start up – reducing costs, (b) Phase II: Growth – a need to share more resources and (c) Phase III: Stagnation: a need for innovation.

**Figure 3. Identification of the three stages of coworking spaces during their life cycle**

In the cost-related collaboration, coworkers are motivated by reducing their operational costs or transaction costs related to collaboration. This type of collaboration is performed based on attaining the lowest cost of renting business space. The main effect is sharing space on a “roommate” basis.

The progress of collaboration is measurable when coworkers actively seek activities and events to search resources in order to learn from each other or simply integrate them into their own resources in order to expand their business opportunities. In the development stage of the coworking space life cycle not only knowledge-shar-
ing events and coaching or mentoring are provided, community aspects are also drivers for business activities. Networks, which are based on coworking centre membership are stable and more formal and they could bring other possible outputs such as responsible entrepreneurship or social innovations needed by the local community.

LaRochelle-Cote (2010) summarized coworking activities and their advantages as: (1) being able to address the isolation issue that workers had felt with teleworking; (2) being helpful for entrepreneurs who were trying to keep costs down; (3) providing a new place for businesses to network; (4) being an incubator alternative; (5) being community oriented; (6) being technology focused; (7) supporting a mobile workforce; (8) being sustainable; (9) being women centric; and (10) being the future of work.

According to this, there is no obligation to participate in coworking centre activities by its members, so some of them could share the place without any networking. On the other hand, some of them have no skills relating to team work and joint activities, which may cause some barriers for networking support and coworking as a whole, such as security, privacy, culture and motivation (JLL 2016). Security is related to personal devices, often used in coworking spaces and containing members’ confidential data. Privacy means the fear of the loss of ideas and information connected with confidential data. Some private spaces are needed for sharing these types of information to protect coworking members. The cultural factor has an influence on the behaviour of each member so rules are needed to avoid a clash of cultures. Motivation as the last element presents value added to participation in coworking projects and this “innovative” workplace solution. Among the things coworking affects are the impacts on the local economy and the possibility of causing a rise in the number of micro entrepreneurs (LaRochelle-Cote 2010; Kwiatkowski 2012).

2. Co-working cross-border cooperation: case study of the Moravian-Silesian region

Previous studies (Šebestová et al. 2016; Malecka 2016; Kaszuba, Łuczka 2013) showed the undeveloped potential of Czech and Polish cooperation in small businesses, so authors were inspired by the study of Larochelle-Cote (2010) who concluded that due to being laid-off after the 2008 financial crisis many people became self-employed. He found that this did not apply to a number of resource industries (mining, oil and gas, etc.), where the newly unemployed were not becoming entrepreneurs. Therefore, coworking sites could contribute to the rise of entrepreneurship in that region in terms of this group. This situation is mostly the same in the Moravian-Silesian Region, where mining and heavy industry has declined. On the other hand, Kwiatkowski (2012) explored the impacts of coworking on the local economy and stated that coworking helps people to stay in smaller towns, which preserves their money and talent for use in the local economy. She has also stated that coworking spaces provide a safe environment for local entrepreneurs to try something new, which will eventually benefit the local economy. These factors were examined using the location of coworking centres.

The main motivation to set up a qualitative case study in the Moravian-Silesian Region is the location of the region within Czechia. Being a border region with Poland (Silesian and Opole Voivodship) and Slovakia (Žilina Region), member of three
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Euro-regions with Polish cooperation: Praděd (Pradziad), Silesia and Těšínské Slezsko (Śląsk Cieszyński) and one with Slovak cooperation named Beskydy, raises the question of how to deepen cross-border cooperation in the area of knowledge sharing (Figure 4).

![Figure 4. Area of interest in the case study](http://www.cz-pl.eu/zakladni-informace-o-programu)

This research was based on qualitative methodology. A qualitative approach can help explain how theoretical principles are enacted in particular cases (Van Maanen 1998) and were most suitable for the coworking phenomena that is novel and that has not been previously theorized (Eisenhardt 1989). This case study is based on two main data sources:

1. **Primary data collection** based on 10 semi-structured interviews, and direct observation (all officially introduced coworking centres in the Moravian Silesian Region). This data collection was connected with a personal visit to a coworking centre, an interview with a coworking centre provider and the direct observation of “coworking life”. We took notes which helped us to complete the main description of the centre, atmosphere, services and values to be able to classify it into the model of Capdevilla (2013). The main questions of the qualitative interview were based on previous studies of Bilandzic et al. (2013) and Weijs-Perrée et al. (2016):
   - main motivation to start-up coworking,
   - identification of lifecycle of coworking centre – start up, growing or stagnating?
   - specification of main coworking centre users - individuals or start-up companies.
   - forms of marketing communication.
   - financial portfolio.
   - coworking events.
cooperation – cross-border cooperation, other types of cooperation or coworking without borders.

2. Secondary data based on the content of the spaces’ web pages, online forums (source of Polish experience, cooperation with AIP network – Akademickie Inkubatory Przedsiębiorczości – Academic Business Incubators).

The data analysis was based on an inductive approach (Strauss, Corbin, 1990). The data analysis began with commentaries on (1) secondary data analysis and (2) each interview and observations, noting emerging themes. Interviews were transcribed the same day of the interview or the day after. In the second step, we explored four types of collaboration approaches characterizing types of coworking spaces (Figure 2).

3. Main results of the study

This case study discusses the research question: How is collaboration enhanced in coworking spaces? The results are divided into two groups of findings. Firstly, a comparison between the coworking environment in Poland and Czechia has been made (Table 2).

<table>
<thead>
<tr>
<th>Czech Republic</th>
<th>Poland</th>
</tr>
</thead>
<tbody>
<tr>
<td>History</td>
<td>2009 Coffice, Prague’s first coworking space</td>
</tr>
<tr>
<td>Level of cooperation</td>
<td>Phase II, a few in Phase III</td>
</tr>
<tr>
<td>Main motivation to provide coworking space</td>
<td>Sharing space</td>
</tr>
<tr>
<td>Focus groups</td>
<td>Mostly freelancers</td>
</tr>
<tr>
<td>Number of Spaces</td>
<td>Approx. 60</td>
</tr>
<tr>
<td>Access</td>
<td>Office hours</td>
</tr>
</tbody>
</table>

Source: Own elaboration.

As seen in the table above, Poland has a shorter history of coworking centre start-ups, but there has been a quick dissemination of the coworking idea within the community, not only in cities but also within the academic environment. Relationships in coworking centres are more open to cooperation; coworking places are suitable for women with babies or people with disabilities. These types of coworking centres in the Czech Republic are quite rare. The database of coworking places is on the official coworking website, seen mostly in the Czech Republic as a voluntary activity. A more important issue for coworking centre users in Poland is that they could, in many cases, use the spaces 24 hours per day all week (as they need).

Secondly, the collected field data reveals three sets of distinct but complementary collaborative approaches that lead to different collaborative dynamics and types of coworking spaces according to Capdevila (2013) to select potential partners of cross-border cooperation (Table 3). The main difference on the Polish part is that the main concentration of coworking spaces is in regional capital cities, not in rural areas as was presented as the main idea of relational coworking.
Results from qualitative research has shown that 50% of coworking centres are situated in the capitals of the regions, only two of them are connected with the academic environment (Ostrava-ViVa and Karvina), three of them have an impact on the community (solving local migration, unemployment – Havířov, Krnov and Nový Jičín).

The models can be summarized as follows, based on interviews, personal observation and comparison with previous studies (e.g. Moriset 2013; Holienka, Racek 2015):

- **cost-based collaboration**: The main goal of the collaboration is based on the reduction of operational or transaction costs of sharing space (Coworking 2.0). There is no motivation to open the space for a higher level of cooperation;
- **resource-based collaboration**: Providers collaborate driven by the need to learn or to have access to new knowledge and resources. They support creative space and innovations, but they are typically at the start of their activities, so there could be a lack of skills for cross-border cooperation, although a high level of motivation;
- **relational collaboration**: Providers of coworking centres engage in collaboration seeking synergistic results, investing actively in the community building dynamics. They are members of worldwide coworking networks so they do not seek other types of cooperation (e.g. Regus, Impact Hub).

In accordance with these findings we suggest the following activities to support and open the space for cross-border cooperation (based on previous findings and secondary data evaluation) because these concepts were not used in the studied coworking centres and could push their openness into the next stage of cooperation activity:

- free coworking days in above mentioned coworking centres to attract
Polish partners (http://www.freecoworking.org/). This activity is provided only in the Prague Hub and Warsaw (Cowork Centralny) and Strefa Startup (Gdynia). This activity is suitable for the resource based coworking model based centres. It could support knowledge exchange and networking in the most informal way;

– coworking activities “on the border” (e.g. the Cieszyn coworking centre “Na granicy”) to present a location suitable for cross-border cooperation, possibility of expanding the local market, small language barrier. Also, suitable for coworking centres based on sharing resources;

– coworking Cross-Border Visa: Firstly introduced in the US in 2008 (JLL, 2016, p.3). Suggestion of Network Card with discounts on mentoring and other services, free use of space for network members in order to support freelancers and the migration of the labour force to gain more experience within the network. There is a need to establish a coordinating body and have a formal agreement between the networks of coworking spaces. Possibility of using funds from Interreg Funds;

– sharing of coworking concepts (crafts, creative industry support). Most coworking centres in the Moravian-Silesian region are interested in IT and media, so an extension of specialization is needed due to the demand from the labour market.

Conclusions and limitations of the study

Finally, the limitation of our study derives from the level of the analysis based on regional data and cross-border region conditions. Coworkers are still individuals that interact among themselves in the personal sphere but that at the same time are representatives of small businesses. This fact confirms the importance of collaboration. Our research has focused on the collaborative potential of coworking centres in selected regions. However, the generalization of our results in other regional contexts might be limited. Nevertheless, our results show the importance of the competitive advantage which coworking centres have in cross-border regions.

Coworking in cross-border regions could support cooperation and export orientation of start-ups by sharing knowledge and sharing resources. There is a significant advantage of a small language barrier which may enrich the level of cooperation. Unfortunately the studied coworking centres are not prepared for this type of cooperation in the considered regions. This was the reason why the initial action was suggested as open days, joint activities or joint projects to encourage coworking centre providers to support cross-border cooperation and adopt this value into the coworking culture in the Czech-Polish border area.

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