

Co-working + Free Addressing = The Office Game Changer

It used to be that an employee working for a company was required to show up at a physical office from nine-to-five, five days a week (pending any kind of vacation or illness). The idea of off-site work was considered ludicrous; employees had to be at the office to complete job tasks.

Technology and increasing operating costs have softened the corporate mindset when it comes to remote work. Co-working and free addressing are, in many cases, replacing the nine-to-five, five-days-a-week mindset of many companies. In fact, in an effort to reduce their real estate footprints, many companies actively encourage their employees to work remotely and come in a couple of days a week.

And when those employees do show up at the office, there are no more assigned workplaces. Instead, the employees will find empty desks where they can plug in their devices - laptops, tablets and smart phones - and get to work. This concept is known as free addressing (or hot-desking, in some locations), in that the employees take the space on a temporary basis.

Then there is co-working, which provides a work space, Wi-Fi and outlets for individuals without a permanent office, such as freelancers or the self-employed. Co-working also provides an alternative for companies that require short-term space, and, therefore, don't want a long-term lease.

The Future Office Trend

Co-working and free addressing can work together to benefit organizations of all sizes. Take a 15-story building; the top five floors are occupied by an international corporation. The bottom floors are taken by small- and medium-sized companies. The middle five floors are run by a co-working business.

The smaller businesses can use the co-working space to expand, eliminating the need for a long-term lease. And, if the need for space goes away, the smaller businesses can depart the co-working space. The co-working space gives the smaller businesses time and space to work out expansion decisions and strategies.

Meanwhile, the multinational has done away with assigned workstations (except for employees who must be on-site) and is embracing free addressing. The workforce operates remotely and comes in only for meetings. But a short-term project is requiring more employees to be onsite. The co-working space is ideal in this situation. And when foreign employees travel to the multinational for visits, they can be set up in the co-working space.

This scenario is not so far off. Corporations continue shrinking their real estate footprint to save costs, and are turning to free addressing. Smaller businesses find co-working space, with its monthly payments, less restricting than a long-term lease.

Co-working and free addressing are trends that office brokers and facility managers need to watch. As organizations continuously change the way in which they operate, their space needs change as well. The way things are going now, those needs are headed to smaller footprints, remote activities, and space on demand.



MARC SHAMMA'A
Head of Strategic Consulting, APAC
marc.shammaa@ap.cushwake.com