

COWORKING DURING COVID

INTRODUCTION

COVID-19's health and economic impacts have been felt across all of rural America. One industry that has been hit hard and forced to adapt is the rural coworking space. Shutdowns upended the model of people collaborating in shared workspaces. Communities have had vastly different responses to health guidelines, and there remains significant uncertainty and variance regarding when coworking spaces can re-open and how they can best do so safely.

At the same time, the coronavirus might grow the popularity of rural coworking. As long-hesitant <u>companies are now adopting</u> <u>widespread remote work policies</u>, coworking may offer a happy medium for employees between the home office and traditional HQ. The value of "on demand" real estate assets like coworking spaces is skyrocketing, according to <u>Proximity</u> founder, Josh Freed, and many people are itching to leave their living room and re-join a community. Plus, the tech-enabled jobs that coworking and innovation spaces support have proved the most resilient during both this pandemic and recent economic shifts.

To help Rural Innovation Network (RIN) communities in this moment of both difficulty and potential for rural coworking, we created this guide for operating rural coworking spaces. We talked to seven coworking space leaders in the network, and organized their expertise to show what rural coworking spaces should consider as they re-open and operate during COVID and beyond.



CLEAN, CLEAN (AND TELL PEOPLE YOU ARE CLEANING)!

The spaces that will succeed are the ones that show their members they are safe and healthy work spaces. Keeping cleaning supplies visible and accessible is a priority. Be sure to include things like: masks, hand sanitizer, disinfectant, paper towels, and tissues—in larger quantities than you think. You can get more creative too: modular distancing shields can act like super-masks around desks. Regular professional cleanings also help, as does increasing the frequency of wiping down shared space. Remember crevices you might not think of, like elevator buttons, door handles, or communal food spaces.

Here's one key aspect to not overlook: Make sure users know the new rules of the space. Communities vary a lot in how they're treating COVID-related restrictions. Your members and guests should all know—before they enter the building—what protocols they need to follow to keep each other safe. Communicating this in advance, through flyers or waivers, for example, can prevent interpersonal conflict that undermines the community vibe central to coworking.

REDESIGN THE PHYSICAL SPACE FOR FLEXIBILITY

Lots of pre-COVID coworking spaces were designed to maximize collaboration and seating space. Now, social distancing means that typical multi-person couches, spontaneous interaction corners, and generally shared social spaces are less desirable. Instead, you can separate desks and seating space at least six feet apart. Dedicated desks or offices are likely better than a free-for-all, giving people confidence that their preferred spaces aren't contaminated. It's fine if your redesign doesn't house as many members: multiple interviewees have enjoyed the aesthetic of their spaced-out redesigned areas. Local architects and design firms are excellent resources for ideas, as are fellow coworking spaces.

ADOPT REMOTE AND BLENDED PROGRAMMING

The virus has shut down most in-person events, and even in places that have reopened, restrictions still thwart typical community events. To make sure your space stays relevant and known in the community, start running remote programming. As things open, build in blended programs that combine in-person benefits with remote interactions. Effective remote events can include entrepreneur interviews, digital skills courses, and community forums. The best have locally focused content, to avoid competing with nationwide virtual events. For blended events, consider spacing out interactions over time, such as a pitch competition with a staggered convening and online follow-ups.

UNDERSTAND COMMUNITY CONTEXT AND NEEDS

A coworking space will only be as successful as its community wants it to be. That's especially true during COVID, where workers' needs are shifting rapidly. As you prepare to open, talk to current members about what they're looking for in the space, in terms of both safety and functionality. Convene (virtually) key community stakeholders to figure out the new demand for coworking and how you can modify your space to accommodate changing requirements. Many companies are exploring new models of work, and by building deeper relationships with employers and employees, you can tailor your offerings to fill these gaps.

DIVERSIFY CURRENT AND FUTURE REVENUE STREAMS

COVID has severely impacted many coworking spaces' bottom lines, meaning rural spaces will need to adjust their offerings to match the demand. One concrete way to accomplish this is by shifting part of your model from shared space to private office space. These private spaces can secure longer-term and more consistent revenue, and can enhance the value of your shared spaces as well by increasing visibility traffic and broadening the membership's diversity of expertise. For spaces supported by government or philanthropic funds, discounted memberships can be an important community service, but start planning now for how the new world of work will affect your path to financial sustainability.

BONUS: JOIN PROXIMITY CONNECT

Proximity is a startup based in rural Montrose, Colorado that manages software for hundreds of coworking spaces across the country. <u>Proximity Connect</u> is their network of 2,000+ coworking owners and managers, and on the platform, Proximity shares free resources to support spaces starting up or transitioning. They provide free design services from professional space designers to meet new qualification standards, offer guidance on pricing models, bring expertise on scaling up offerings, and can even connect spaces to good furniture providers. Proximity Connect even offers weekly programming, almost like school, to support the challenges that coworking spaces in their network are facing. Best of all: joining Proximity Connect is free.

THE GENERATOR PINE BLUFF, AR

MILDRED FRANCO

COVID IMPACTS AND ADJUSTMENTS

COVID-19 hit just as The Generator was finishing up renovations, forcing them to postpone their April opening. Now, as the state sees a rise in cases, the July opening has been pushed back. One reason that's a blessing in disguise? More time to rethink the design. Mildred has focused on getting furniture with easy to clean surfaces, and has strayed away from multiperson seating arrangements, and more on solo desks that are easily rearranged. Her goal is to keep the value of "huddle up" interactions in a space that supports them at safe distance. Mildred's community has not always followed health-related guidelines, amplifying the need for clear guidelines and community buy-in when she does open.

WHAT'S WORKING

Because The Generator is new, Mildred isn't burdened by preconceived notions of the space. She's using that opportunity to be innovative in designing what a post-COVID coworking space can be. While COVID has hurt excitement around the launch, Mildred has heard community members express a desire to leave the house and build a work community. Because of her public and private funding, Mildred can capitalize by focusing less on immediate revenue through memberships, and more on getting people in the door to show them The Generator's value. When the space (and the state) do open, success will depend in part on whether major companies adopt remote work and whether people want to leave the safety of their homes to work at The Generator. Fortunately, The Generator is meeting entrepreneurs' needs as one of the only centers with gigabit-speed broadband in the area.

- Before you start building services, map out the assets in your community. You need to know what you already have before you know what innovation gap you need to fill.
- In rural communities, don't overestimate people's ability to pay. There's potential for profit, but think of your space as a startup that needs to generate real interest first.
- Tailor offerings to your community. Once you've seen one rural community...you've seen one rural community. A space will only succeed if community members see it as integrated into what's already working, and the offering adds additional value.

BLACK RIVER INNOVATION CAMPUS SPRINGFIELD, VT

CHRIS MAGGIOLO

COVID IMPACTS AND ADJUSTMENTS

BRIC closed the week of St. Patrick's Day—right in the middle of their first membership drive. To respond to current events, BRIC shifted focus from marketing for coworking memberships to positioning BRIC as a hub for remote resources and support. As they've recently started opening up, they retooled the space to be a safe, comfortable work environment. That involved creating PPE care packages with masks and (local!) soap and sanitizer. BRIC created a COVID preparedness plan and required all guests to sign a waiver, making sure everyone was aligned on the rules. BRIC also lowered its membership fee to accommodate people who are struggling financially during these times.

WHAT'S WORKING

BRIC is a model for pivoting and embracing digital programming. As COVID struck, Chris created a virtual community chat platform, led remote work office hours for people learning new skills, and designed a virtual spring break syllabus for students and families. BRIC also took to heart its role as a community tech leader, convening a group of stakeholders to think about the town's digital branding and assets, and partnering with the local Chamber to create a website that delivered donations to local businesses. BRIC succeeded by tailoring its programming to meet what people wanted—like sharing information about grants, fundraising opportunities, and career advice during this time when many people and organizations are cash strapped.

- Make flexibility a high priority. You need to have clear rules and guidelines about how
 people will stay safe, but you also need to communicate that things will change, and you
 need to be ready yourself to adapt to health-related circumstances and otherwise as
 they arise.
- Tailor your offerings to community comfort level and needs. Rules and guidelines only benefit your space if they make people feel like your area is a safe space to work. This often means thinking about not just the physical health of your space, but also whether the culture you're creating is a welcoming environment that people want to join.

20FATHOMS TRAVERSE CITY, MI

LAUREN BIGELOW

COVID IMPACTS AND ADJUSTMENTS

Lauren was preparing for COVID-19 long before many in the US took it seriously. She built a preparedness plan in February, and closed to the public when Michigan began its shutdown. Because of this proactive approach, 20Fathoms was able to shift to virtual programming, bringing their popular networking and women in tech events online. Opening a few weeks ago, Lauren modeled preparedness: There's hand sanitizer practically every 6 feet in the space, rolls of bleach wipes, and new equipment like touchless dispensers. Importantly, the rules of the space—including masks when interacting with others—are posted throughout the space, including on the elevator.

WHAT'S WORKING

As the space has re-opened, the community has shown significant interest, especially around dedicated desks. 20Fathoms did shift focus slightly to meet pandemic-related needs, as Michigan faces a severe economic shock. Part of that is collaborating directly with organizations to identify and execute on grant opportunities that mitigate economic pain. In addition, 20Fathoms is launching programs to aid the local workforce while building tech skills. They've built a micro credential certification in partnership with Northwest Michigan College around computer science skills. The certification uses project-based learning, so students work directly with local businesses—helping to run their websites better or improve e-commerce platforms.

- Be transparent about what you expect from members. You should have clear, enforceable, and consistent rules, and have all members agree to follow them respectfully.
- Communicate the importance of following COVID guidelines, without getting into politics. In some rural communities, COVID-19 is polarizing. But for your space to be safe, you have to find a way to convince guests of their responsibility to not put others at risk.
- Integrate yourself into the community to spread the word about your work. Your space will work best if it's integrated in the community. Especially in small towns built on close relationships, make sure you're talking to long-standing community partners like the Chamber of Commerce to find opportunities to promote your value proposition.

GIG EAST EXCHANGE WILSON, NC

DARREN SMITH

COVID IMPACTS AND ADJUSTMENTS

Darren and Gig East had an opening launch extravaganza planned for May, but COVID put the brakes on those plans. That gave him time to rethink the space's design: Darren worked with an architect to put a 6-foot grid over the floor plan and design a viable workspace compatible with social distancing. Darren also swapped out furniture for easier to clean surfaces and materials.

WHAT'S WORKING

Darren has found success by being clear and consistent about how the space will be made safe. Gig East is cleaned every night, and there are information packets available for people who want to know the cleaning protocols. Darren also successfully built a community online, launching Gig East Features, a series of interviews with local entrepreneurs and freelancers. The Features have given Gig East a continued presence in the community, and are getting people excited about the innovation that will soon be happening in the space. As people are cooped up in their homes, Darren is thinking about how Gig East can be respectful of people's mental health. Gig East now has a dedicated meditation space and huddle rooms that are easy to rearrange and give people a sense of control when it comes to distancing.

- Get the buy in of town leadership. When you have the support of the city council or city managers, you're more likely to have the credibility you need to succeed. Those political connections can open doors and secure more diverse and sustainable funding sources.
- Think of yourself as more than just office space. Your events and programs have to be aimed at building a real community, specific to the context of your town.
- Have patience if people aren't getting it. Rural places often need a little more education on the value of coworking spaces, but once people see that they are a place to create, they can really buy in.

INDY COMMONS INDEPENDENCE, OR

KATE SCHWARZLER

COVID IMPACTS AND ADJUSTMENTS

Kate did something unique: as COVID hit, she moved locations. It's a great example of taking an opportunity when it presents itself, and since members were already disrupted, the timing actually worked out well. Her new space is much larger and able to support more flexible coworking areas. It also has dedicated conference and event space (and a commercial kitchen, which was part of a planned expansion). However, the shutdown inspired Kate to reevaluate her financial model and begin to focus more on reducing overhead and building revenue streams that are less variable month-to-month.

WHAT'S WORKING

All of the Indy Commons members who made the transition to the new space are dedicated desk members, not flex or day pass participants. Kate has even added a member since reopening and has had several inquiries for space. For Kate, that's reinforced the value of having people really committed to your space, with dedicated revenue streams you know you can count on. To stay connected, Kate turned to virtual and hybrid events, including supporting a virtual e-ship pitch event in Independence that drew participants from all over the country.

Kate also embraced the role of being a business hub in the community. Indy Commons saw that many businesses were fatigued from an abundance of COVID-specific programming and events, so Indy Commons has done individual outreach to businesses, connecting them with resources and support, both responding to crisis and being proactive for whatever is next.

- Be creative about how you can serve your community. Think of ways you can support non-traditional users or integrate services for your existing members by finding out what their pain points are. It can also be helpful to connect businesses (not just your members) with each other so they can feed off each others' strengths.
- Recognize that rural network building is a long game. Creating a coworking space in a small town requires consistency. People in rural communities may not be as familiar with coworking, and may be skeptical of a new upstart in the community. Consistently educating and building partnerships over time helps integrate the coworking space with the local community, which leads to greater long-term success.

KRICKER INNOVATION HUB PORTSMOUTH, OH

DAVID KILROY

COVID IMPACTS AND ADJUSTMENTS

As COVID hit, Kricker suspended its membership model and has taken time to think through a renovation before jumping back in to reopen. In interviews with architects, they've adapted the vision for the space, moving it away from a free-for-all model, to one designed around more structured desk, office, and conference room space. This flexibility is designed not just for COVID, but also to adapt to future shifts.

WHAT'S WORKING

While they're still planning renovations and a reopening, Kricker is focused on how its programming can meet community needs, especially at Shawnee State University where Kricker is based. David plans to follow the lead of the faculty, and will tailor his programming to the community context. That's especially true for virtual programming, because unless events are directly relevant to community members, the events will be competing with thousands of place-agnostic virtual events nationwide. One strategy is to use blended events that involve both digital connections and staggered in-person convenings. Kricker also hopes to be a home to satellite offices as companies start shifting back to in-person work, giving travellng staff or clusters of employees a safe space to do work outside their houses.

- Be purpose driven and intentional in your work. Given how much people have going on, they will only engage if your work fills a specific need. By offering programs targeted at specific skills or people, you provide clear value people can assess more easily.
- Err on the side of too many guidelines. It can be tempting to not want to overburden members with too many rules and guidelines. But to keep everyone safe, and to make sure everyone knows their health is being respected, lay out clear guidelines that everyone must follow, and be overinclusive in what gets added.
- Know your partners—and cultivate them. In a rural context, community relationships are make or break. You'll never succeed just on your own, so take a long-term view of building collaborative, flexible relationships with key community stakeholders.

CODEFI CAPE GIRARDEAU, MO

BREYANA RAY

COVID IMPACTS AND ADJUSTMENTS

Throughout the pandemic, Codefi has adapted to allow safe access to their space. At first, they adopted a modified schedule, only open to the public half the day. When the coworking space temporarily closed to the public, members still had access to the building, and Codefi's 47 private offices were still accessible to their tenants. This helped during the public reopening, as the private office tenants showed that the space could be safe and successful. Codefi dropped membership payments during the crisis to relieve financial burden, and their commitment to the community seems to have paid off, with many members eagerly returning as the space has re-opened. Breyana has instituted clear cleaning policies, with a focus on high-touch spaces like buttons, coffee pots, doorknobs, and elevators. Members are encouraged to interact virtually with staff, and the furniture has been rearranged to support only about half the original occupancy capacity. Rooms are cleaned practically hourly, especially after meetings, and the entire space is regularly professionally cleaned.

WHAT'S WORKING

Codefi has weathered the pandemic well, in large part due to their private office spaces. Breyana noted how these tenants provide guaranteed, long-term revenue, which helped with financial planning as the pandemic hit. Codefi's design, especially the glass walls around some offices, allow these private offices to still integrate with the larger coworking community.

To stay involved with the community while not being open to the public, Codefi launched a number of virtual networking events, to greater success than they anticipated. These community-focused events gave people an outlet to just chat, and Codefi staff helped make specific person to person connections among people with shared interests or complementary skills. Codefi also launched a free coworking day each week for people to check out the space without financial risk.

- Location, location, location. For Codefi, relocating a few years ago into a bigger space with existing community assets downtown solidified their value. The more that spaces are prominent and integrated with existing resources, the more likely they will be to succeed.
- Focus on community partnerships. Be open to business wanting to "trade"—like a restaurant willing to offer catering in exchange for access to the space. Partnerships like these provide services to members while increasing your exposure in the community.
- Be cost sensitive, yet provide valuable perks. Translation: You don't need pizza at every event. But perks like vending walls or local products discounted through partnerships provide value to your space beyond just the real estate.

CONCLUSION

There's no denying that operating a coworking space in the middle of a global pandemic is challenging work. Yet from the hard-working leaders we've talked to among this Rural Innovation Network, we know it's possible to do so successfully, driving real benefit to the people and communities you serve. As long as you keep best practices in mind-clean the space, redesign for flexibility, understand community needs, diversify revenue, and adopt remote programming-you can create a safe, welcoming space for rural innovation.

COVID-19 is upending the future of work, and the future of rural work along with it. Coworking spaces and innovation hubs are on the frontlines. You have the power to make them succeed.

