

Creativity and Innovation at Work:

Co-Working Spaces in Mexico

Track: Information Technology Management

Keywords: Co-Working Spaces, Sharing Economy, Creativity and Innovation

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Abstract

Co-working spaces are an increasing phenomenon in most cities, with different formats, in some cases individuals look for a place to work on their computer for a few hours, while others assemble specific talent such as freelancers, entrepreneurs, students to socialize, foster collaboration between various disciplines to build a knowledge sharing community, and to create an environment to foster an ecosystem for innovation.

This paper will contribute to the understanding of the motivations for joining new working landscapes, specific community-based enterprises as a co-working space, and the synergies of resources, talent and knowledge interacting to foster creativity and innovation.

Keywords: Co-Working Spaces, Sharing Economy, Creativity and Innovation

Introduction

Co-working spaces (CVW) are an increasingly global and visible phenomenon in most cities, with more than 7,800 spaces worldwide, located in 63 countries, with 781 CWS just in the US, 230 in Germany, 199 in Spain, 154 in UK, 121 in France, 129 in Japan, 22 in China, 95 in Brazil, 21 in Mexico and 19 in Argentina (Deskmag, 2016). According to the global survey on co-working spaces, the number of CWS worldwide has grown from 75 in 2007 to 3,400 in 2013 and to 7,800 in 2015, representing a 36% of growth in the last 12 months. The number of members worldwide also grew from 43,000 in 2011 to 510,000 in 2015 (Deskmag, 2016).

Some CWS are being procured by individuals simply looking for a place to work on their laptop for a few hours, while others try to carefully put together an ensemble of small companies and entrepreneurs that come in every day. Research into such spaces has, using survey methodologies, assessed their ability to make the resident companies grow (Vanderstraeten & Matthyssens, 2012), or contract other users of the same space for business. Critical research in resource, population and geography has focused on the relation of such spaces to their immediate urban environment, pointing out that they might be a vehicle to foster creativity (Peck, 2012), pushing cultural workers to continuously expand their social capital while socializing.

Another impact with the implementation of CWS is the increasing number of self-employed workers (Cappelli & Keller, 2013), considering that a new generation of professionals is attracted into choosing a life with a lot of flexibility in terms of time and place of work, but how this socialization takes place exactly needs empirical study.

Aiming to fill this gap, this paper presents qualitative findings from a research in two CWS in Mexico, one in Mexico City and one in Monterrey, since they are considered to be the most important cities in terms of population as well as economic and industrial activity.

Following a qualitative and inductive approach (Eisenhardt & Graebner, 2007), with detail observation to understand the practices in these spaces as constitutive of the co-working phenomenon. Why members choose to join and to assemble in a common working space, to what end, what is the value proposition, describing the bundle of products and services that create value for a specific customer segment and in this case the advantages to build a community (Osterwalder & Pigneur, 2010). While many of such spaces differ from one another to the extent that it is not always evident to place them in the same category, it is important to start from the intuition that there are some common denominators to be discovered. With the consideration that even though the CWS uses local practices and real-time, the working practices are also global, following the sun, virtually in space and time.

CWS present themselves as exciting places where creativity flourishes and corporate culture seems a distant phenomenon, but what are the dynamics that will allow the community to grow and to survive, individually and as a group?

The outline of this paper is as follows. It starts by discussing the existing literature on CSW; to provide an understanding on how exactly these spaces are evolved in time, globally and in emerging markets like Latin America, and Mexico in particular. Second, the research question is presented, followed by a proposed methodology based on two case studies in Mexico as a support to present the empirical findings and conclusions regarding CWS with focus on population, resources and culture to explain how and why do individuals and innovation communities enter and participate in co-working spaces.

Theoretical Framework

CWS are a recent phenomenon. Although the term “co-working” originated in San Francisco in August 2005 and was founded by programmer Brad Neuberg, the CWS was organized as a non-profit co-op, hosted by Spiral Muse. The space offered five to eight desks two days a week, along with shared lunches, meditation breaks, massages, bike tours, and a strict closing time of 5:45 P.M. From then forward, there was a rapid growth of co-working spaces in various cities in the US (Spinuzzi, 2012). When the co-working phenomenon spread across the globe in the years following its foundation, it mixed with local practices and policies such as, for example, *Zwischennutzung* in Berlin, as a multi-purpose space (McRobbie, 2016), or the local community-based social enterprises in London, and the breeding places policy in Amsterdam where city authorities tried to form alliances with the local sub-cultural scene in order to create an attractive climate for creative groups in former factories, warehouses and schools (Peck, 2012). The evolvement of such places is ever continuing, and as a result one could find more than 7,800 CWS in 2015 (Deskmag, 2016) and similar venues with various profiles, revenue models and target groups (Gandini, 2015).

The phenomenon we look at is thus on the one hand characterized by diversity, since many CWS combine their co-working area with cafes, galleries, or artist studios, thus creating places that are many things at once. Furthermore, the term co-working does not cover all of the spaces, nor do all co-working spaces look or work the same. At the same time there are certain common denominators to be found between such places. The people working there often work individually (freelancers, solo-entrepreneurs and students) or are part of a very small organizations looking to be embedded in a dynamic working environment. They often only really need their laptop in order to work, meaning they easily move between different places of work. If not located in a central downtown location, these places often have an urban and leisure-like feel to them in terms of interior design and proximity to cafes, bars, and other urban facilities.

In order to establish a common ground for CWS, so that it is possible to study specifics and differences as the findings are presented, the Ropo et al. (2015) definition was considered as the reference for the paper as a comprehensive definition for CWS (Ropo et al., 2015, p. 3): “A Co-working space is a workspace that has shared desks, a good Internet connection, usually at least one open-plan space, a common kitchen area and meeting facilities. One can join a space on a daily, weekly, monthly or yearly basis. Often there are no dedicated spaces, desks or chairs, and one can/must choose anew every morning: Where do I sit? With whom?”

But CWS are not simply defined by the fact that people work together in the same space. There is often another goal (explicit or implicit) attached to these places, such as the interest to foster collaboration between various disciplines, the aim to build an ecosystem for innovation, or the wish to create environments in which small businesses can grow rapidly (Peck, 2012).

CWS may be perceived as an alternative to “traditional” organizational settings, but their predecessors are in fact spaces for collaboration which were set up by large organizations. In a study of the Betahaus, a co-working space in Berlin, Gandini (2015, p. 9) saw in CWS “the natural organizational form for the communal factory”, claiming that CWS may foster solidarity between self-employed workers in precarious circumstances. CWS, he argued, are a successful reaction to the radical changes in the economic system, and should be seen as social laboratories for new ways of value creation. Gandini (2015, p. 4), by contrast, shows himself skeptical towards such hype, he argues that while these places might help to foster a community among solitary workers, the increase of social capital is only a tool in elevating one’s professional profile on the way to individual professional success, and argues that “the communitarian and value-oriented approach to work should therefore be seen as the necessity to share a state that pertains to a creative community”, or what Pierre Bourdieu called “habitus”, a system or community composed of durable, structured structures designed to find new solutions to new situations, based on members needs and intuitions, which Bourdieu believed were collectively and flexible shaped (Bourdieu, 2004).

Spinuzzi (2012) conducted a qualitative study in CWS in Austin, Texas, showing how people's expectations, interactions and situations they found in the co-working spaces and how these perceptions and experiences mattered greatly for how they understood co-working. It is therefore crucial to take into account the beliefs and actions of those social actors involved in the construction of this phenomenon and its evolution. The social actors involved in this situation built a critical analysis of the politics involved in these spaces through a focus on the practices of these spaces. Nicolini (2009) proposes a methodology of zooming in and zooming out through different community lenses, to consider details and general aspects of the co-working space. Zooming in entail, among other things, a focus on "sayings and doings" on a process of socialization. Zooming out can mean the effects of the global perspective and how it is being implemented on the local working space. Previous research also intended to understand the social actors involved - management and users of the space – as highly reflexive stakeholders (Nicolini, 2009) who engage in interaction practices, and the effect of these practices in terms of politics and power: what outcomes do these practices produce in terms of socializing, and how do these outcomes in turn afford or shape repeated or new practices. The findings provided some understanding on how the co-working practices were consequential for the production of social life in the community (Feldman & Orlikowski, 2011).

This research builds on three aspects to understand the different collaborative dynamics that are playing out in the localized spaces of the sharing economy. First, the sharing of physical assets (von Krogh & Geilinger, 2014) is linked with the particular profile of the population in a city or region; second, with the geographical situation including resources and conditions such as the number and quality of universities, governmental agencies or business demand; and third, the materiality of the practices and culture. In this sense, the study of the physical spaces where the collaborative practices take place appears as being highly relevant to the understanding of the phenomenon to have co-working spaces flourishing in certain cities. It is also important to distinguish two different types of co-working modes based on specific reasons or interpretations: co-working to reduce costs and co-working to access resources in terms of knowledge, but in both cases the collaboration in co-working spaces opened the door to find opportunities to innovate.

The theory behind the cost and economic interest is based on the transaction cost economics (TCE) explaining that transactions between agents lead to reduce uncertainty. To overcome uncertainty, transactions imply costs of negotiation and monitoring incidents to bring some order for mutual benefit (Williamson & Ghani, 2012). This collaborative structure depends on the specific agreements and investments required to cover the transactions with mutual benefits. Economic agents will increase their performance if the collaborative structure and the nature of transactions are aligned. Consequently, agents engaging in collaboration and sharing in order to optimize the use of assets will gain a competitive advantage (Williamson & Ghani, 2012).

The theories to support collaboration and resource access are based on 2 phases, one being the resource-based view of the firm (Lin & Wu, 2014), where collaboration and sharing practices are considered as a source of new resources (Eisenhardt & Schoonhoven, 1996) and sharing knowledge as the main goal of alliances and cooperation (Kale et al., 2000). Most of these studies have assumed that the goal is to acquire knowledge through learning. The second phase is the community-based view (Amin & Cohendet, 2004; Mintzberg 2009) proposing that organizations are managed and governed to pursue the economic and social goals of a community in a manner that is meant to yield sustainable individual and group benefits over the short and long term (Peredo & Chrisman, 2006). This perspective is aligned with the relational view on sharing that focuses on the effects of the whole network of actors involved in the collaboration, and suggesting that organizations might be motivated to collaborate through sharing knowledge and resources considering the resulting synergies at the network level (Gulati & Singh, 1998). Relationships in the network are based on trust and reciprocity (Mintzberg 2009).

The Knowledge Based Theory provides a lens for the creation, transfer, and application of knowledge that a CWS creates in its community's diversity and heterogeneous knowledge bases and capabilities, which are the main differences and the determinants of creativity and innovative performance. This approach to understand what occurs in the "black box" of the CWS suggests that organizations not only use different knowledge bases and capabilities in developing knowledge but also have different access to externally generated knowledge, projects and networks (Decarolis & Deeds, 1999).

In the Resource Dependency Perspective, CWS are viewed as coalitions. They alter their patterns of behavior to meet, acquire, and maintain external resource needs for the community. The coalitions emerge from social exchanges that are formed to influence and control behavior. Through the monitoring of social ties, alliances, quality of alliances and location of alliances, one can see how it affects the creativity and innovation of the CWS. The environment contains scarce and valued resources, and CWS synergies are going to exploit the benefits by utilizing all the resources they can to achieve their goal of maximization of power. The result is a progressive emergence of a model of co-production and cooperation between members in the community, members are able to identify projects, specific resources, and know how to gain access to them. The existence of this relational capital is a necessity to survive and an attempt to gain first mover advantage, as well as mobilizing resources on a continual basis (Ulrich & Barnay, 1984).

The theory behind the Population Perspective assumes that individuals can be classified into populations based on common organizational profiles. Once they have been grouped into population niches, quick wins and long-term organizational competitiveness can be explored. Therefore, one can study the CWS's growth through their first five years of entry as a niche particular projects. The next phase is an evolutionary one, whereby the focus is on the relationship between project niches and their environments. Once the project has been conceived as a niche, one can replicate or expand to different specializations (Ulrich & Barnay, 1984).

Considering these theoretical population, resource view and knowledge perspective, this paper tries to understand how do individuals are interested in being part of the CWS in Mexico and if this CWS fosters creativity and innovation.

Research Question:

How and why do individuals and creative/innovation communities enter and participate in co-working spaces in specific cities?

Empirically, the paper studies two different localized spaces that are representative of the CWS in the two most important cities in Mexico, Monterrey and Mexico City, in order to illustrate the different practices behind the concept of “co-working”. In the first case, space members share assets to reduce costs. In the second case, the driver for collaboration is not purely economic but rather to have access to specific needed resources on a needed basis, but in both cases in an inspirational and recreational environment.

Methodology

To understand the dynamics regarding CWS operation and evolution, this empirical research is based on a comparative and exploratory study (Yin, 2013) of two collaborative spaces.

The study is mainly based on two sources of data: semi-structured interviews, and direct observation. Secondary data like the content of the spaces’ web pages, online forums and discussion mailing lists have also been taken in consideration.

Semi-structured interviews. The main source of data was semi-structured interviews to managers and members of collaborative spaces. The interviews were done in two phases. In the first step, an exploratory research was conducted in the two different collaborative spaces that agreed to participate in the study. This phase took place between July and August 2016 in Mexico City and Monterrey. In total, 9 interviews were done, most of them face-to-face in the spaces’ facilities. The interviews focused on eight aspects: (1) the description of the spaces (members, resources); (2) the innovation modes; (3) the collaborative practices; (4) the role of community managers and organization; (5) the physical space; (6) the methodology and tools; (7) the users’ involvement and (8) the knowledge management (i.e. intellectual property management). This phase helped to identify the different collaborative dynamics in an explorative approach. To ensure data corroboration for this phase, additional interviews were included with two innovation specialists, one from Mexico City and one from Monterrey, that have followed the evolution of the collaborative spaces in the cities in the last five years (see Appendix 1). These experts were researchers and university professors that represented highly knowledgeable informants (see Appendix 1) who can view the focal phenomena from diverse perspectives (Eisenhardt & Graebner, 2007).

Direct observation. The second main source of data was non-participatory observation of the community activities in the selected two cases. The decision to not make participatory observation was made to avoid interfering with the existing members’ activities and knowledge sharing habits. In total, approximately 16 hours of formal observation and several more

of informal observation, 8 hours in each location. Following observations, notes were taken to build a more comprehensive understanding of the environment, the dynamics of collaboration and interactions between the actors within the space.

Why CWS in Mexico City and Monterrey

Mexico City

Mexico City is the capital and most populated city of Mexico, containing sixteen municipalities. As an "alpha" global city, Mexico City is one of the most important financial centers and economic hubs in Latin America.

In 2016, the estimated population for the city was approximately 21 million people, with a land area of 1,485 square kilometers, making it the largest metropolitan area of the world's western hemisphere and both the tenth-largest agglomeration and largest Spanish-speaking city in the world.

Mexico City has a gross domestic product (GDP) of US\$500 billion, making Mexico City's urban agglomeration one of the economically largest metropolitan areas in the world. The city was responsible for generating 16% of Mexico's Gross Domestic Product and the metropolitan area accounted for about 22% of total national GDP. As a stand-alone country, Mexico City would be the second-largest economy in Latin America, after Brazil.

Regarding education and cultural heritage, Mexico City has the largest universities on the continent. The National Autonomous University of Mexico (UNAM), located in Mexico City, is the largest university on the continent, with more than 300,000 students from all backgrounds. UNAM ranked 74th in the Top 200 World University Ranking published by Times Higher Education, making it the highest ranked Spanish-speaking university in the world. The UNESCO named the extensive main campus of the university, known as "Ciudad Universitaria", a World Heritage Site in 2007.

Monterrey

Monterrey is located in northeast Mexico the capital and largest city of the northeastern state of Nuevo León, in Mexico. It is the second wealthiest city in Mexico and the ninth in Latin America, with a GDP PPP of US\$130.7 billion dollars in 2012. Monterrey's GDP PPP per capita of US\$31,051 dollars is the highest in the country and second of Latin America. It's considered a Beta World City, cosmopolitan and competitive. Rich in history and culture, Monterrey is often regarded as the most "americanized" and developed city in the entire country, even above the cities along the U.S.-Mexico border.

The city has prominent positions in sectors such as steel, cement, glass, auto parts, and brewing. The city's economic wealth has been attributed in part to its proximity with the United States-Mexican border and economic links to the United States.

As an important industrial and business center, the city is also home to an array of Mexican companies, including international companies such as Siemens, Accenture, Ternium, Sony, Toshiba, Carrier, Whirlpool, Samsung, Toyota, Babcock & Wilcox, Daewoo, Ericsson, Nokia, Dell, Boeing, HTC, General Electric, Gamesa, LG, SAS Institute, Grundfos, Danfoss, and Teleperformance, among others.

According to the coworking organization, the most active and important CWS in Mexico are 23, from Tijuana, Baja California to Merida, Yucatán (see Table 1)

Table1. CWS in Mexico (source: <http://wiki.coworking.org/w/page/16583744/CoworkingVisa>).

Country México			
City	Offering	Membership	Services
Smart Space Hub, San Miguel de Allende, Guanajuato	Keep in Mind: 3 day free of charge at the open space, email us in advance. We are open Mon-Fri 10am to 6pm	Membership verification: please tell us your coworking space name and contact information. We'll need confirmation from your coworking space manager.	Meeting rooms up to 8 people, two coworking spaces, Hall Events for 60 people, Lockers, Coffee and Tea
Urban Station, Polanco, Mexico City	Urban Station is the first global network designed especially for mobile workers and for those who share the idea that it is possible to work or meet in a different way. Keep in Mind: 3 day free of charge @ open space, email us in advance. We are open Mon-Fri 8am to 8pm	Membership verification: please tell us your coworking space name and contact	
Sandbox Coworking, Santa FE	Keep in Mind: 3 day free of charge at the open space, email us in advance. We are open Mon-Fri 8am to 6.30pm	Membership verification: Please let us know your coworking space name and contact information, as we'll need confirmation from your coworking space manager.	Meeting room up to 8 people, Lockers, Coffee and Tea
Co-Work	Keep in Mind: up to 3 days free access. Please send e-mail or call in advance to check availability. Tell us your name and coworking space you're member of. Need confirmation from your coworking space manager.		
Spacioso, Mexico City	Keep in Mind: Up to 3 days free access. Please send e-mail or call us in advance. Tell us your personal information and the coworking space you're a member of. Need confirmation from your coworking space manager.		
Craftworks	Keep in Mind: Up to 3 days free access. Please click here to send us an email or call us in advance. Reminder: We will need a confirmation from your Coworking Space to book your space. We are Open: Monday, Tuesday, Wednesday, Thursday and Friday 8:00AM to 10:00PM and Saturday 9:00AM to 2:00PM		
Collective MX, Mexico City	Keep in Mind: Up to 3 days free access. We are Open: Monday - Saturday from 7 am - 11 pm	Membership Verification: Let us know in advance when you plan to visit us, and what co-working space you come from! Please, ask your co-working space to confirm your visit.	Enjoy Our: FREE coffee, snacks, water and beer!, high-speed Internet, beautifully modern spaces, conference room with projector and phone booth, lockers, our amazing location, where you will find yourself able take a 5 minute walk to the centre of downtown Mexico City, and more!
Garage Cowork	You have to start somewhere, so why not here?? We would be more than happy to have you here and know your projects!! What we offer you?: Comfortable and cozy coworking and private spaces, coffee break, restaurant, cool terraces, play room, meeting rooms, pet friendly spaces, trainings and conferences, support to entrepreneurs and of course you can be part of an amazing community.		
Coworking Monterey	Keep in mind: Up to 3 days free access. Please email/call in advance to check availability. Operating hours: Monday-Friday, 9am-9pm / Saturday 10am-6pm	Membership verification: Tell us your name and the coworking space you're a member of. Need confirmation from your coworking space manager.	Community: Depending on your skill we are open to organize a event (training, presentation, etc.) to introduce any subject that can be of interest for the community.
El Cowork, Monterrey	Keep in mind: Please contact us ahead of time; availability is not guaranteed. Admission will be limited based on availability and frequency.	Membership verification: Email us in advance of coming to the space and please provide the space you're a member of, your membership level, and contact information for someone at that space for verification.	
Taller.C, Monterrey	Keep in mind: Please contact us ahead of time; availability is not guaranteed. Admission will be limited based on availability and frequency.	Membership verification: Please email us in advance to provide your info: the space you're a member of, your membership level, and contact information.	Meeting rooms for up to 10 people, open space, coffee, high speed Internet
Nevermind, Guadalajara, Jalisco	Nevermind is a coworking space that is building a community who benefits from a professional office space and creates interactions and collaborative work among its members and multidisciplinary teams. Keep in Mind: 3 day free of charge you can email us in advance. We are open Monday to Friday 8:30am to 8:00pm and Saturdays 9:00am to 2:30pm	Membership verification: please tell us when are you visiting and which coworking space you belong to. We'll be glad to help you and enjoy your stay with us.	Two meeting rooms up to 12 people, one workshop room up to 30 people, open lounge space, Internet up to 200 MB (wifi and ethernet), Library, Lockers, Napping pods, Complimentary grounded coffee and tea (snacks), Scanner and photocopies included, Casual Friday (snacks and beer included) and social networking events, Phone booths, Kitchenette, WC ADA accessible, Parking, Creative mornings event each month
</epicnest>, Guadalajara, Jalisco	</epicnest> is not just a co working space... it's the whole experience! the community you get to join and people you meet. Come, teach, learn, mingle around and create businesses! Boost your productivity! Keep in Mind: 5 day free of charge at </epicnest>. Free use of meeting rooms (booking in advance). Business hours: Monday to Friday from 9:00 AM to 20:30 PM, Saturday from 9:00 AM to 14:00 PM	Membership verification: Come in, tell us your coworking space, chill, relax and enjoy!	Meeting rooms for up to 12 people, Library, Freshly grounded coffee, tea, popcorn, snacks, high speed Internet
Central Business Station, Guadalajara, Jalisco	Keep in Mind: 3 day free of charge at the open space, coffee, water and snacks included, email us in advance. We are open Mon-Fri 9:00am to 8:00 pm Sat 10:00am to 6:00pm. We will highly appreciate when your stay is complete give a feedback and star rating on our FB	Membership verification: please tell us your coworking space name and contact information. We'll need confirmation from your coworking space manager.	Meeting rooms from 4 to 16 people, Coworking spaces, Lockers, Coffee and Water, if you don't bring your laptop we have PC or Mac for rental per hour(check availability).

Urban Station: Case Study in Mexico City

Urban Station is a CWS located in Mexico City's Polanco area, surrounded by many boutique shops, fancy restaurants and trendy cafés (see Figure 1).

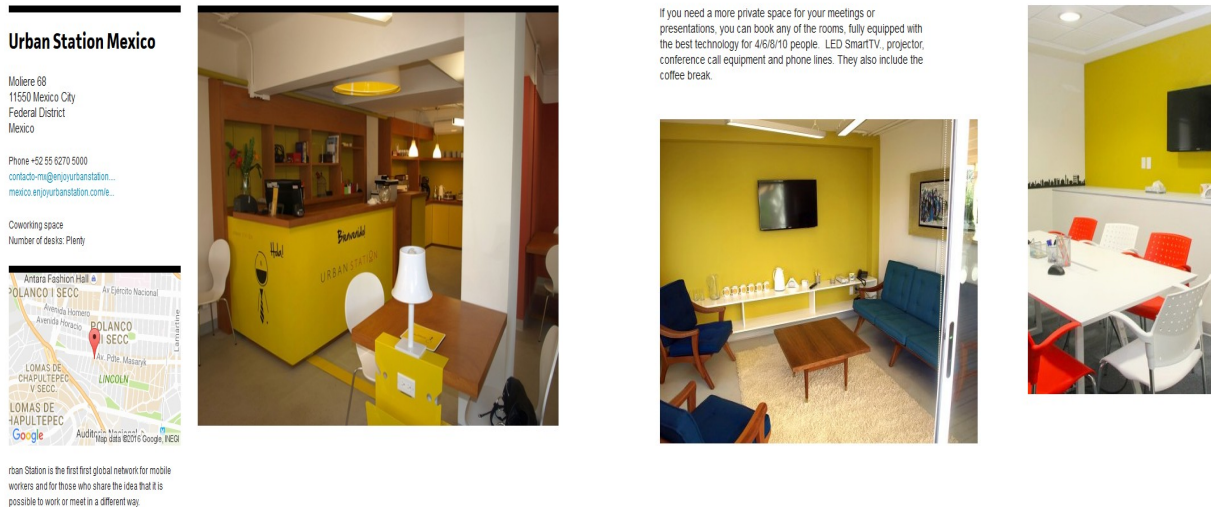


Figure 1. Urban Station (Source: <http://mexico.enjoyurbanstation.com/en/what-is-urban/>)

It has a colorful and large vibrant shared coworking area, with many workstations to choose from, each with individual power sockets and ergonomic, comfortable chairs. Meeting rooms fully equipped with TV's, projectors and conference call equipment, perfect for small teams of 4-10 people, as well as an auditorium room and private phone booths, for making personal calls.

If people are looking to work in an open and sunny space, there is an outdoor rooftop terrace, set up with many tables and chairs. It is also a place to socialize, enjoy lunch or get some work done while enjoying an interesting view over Polanco.

One of the most interesting spaces of Urban Station is the fully stocked kitchen area, which includes unlimited coffee break service. Here members can help themselves to coffee, tea, water, cookies, crackers, fresh fruit, candy, popcorn and pancakes.

Besides the free food, all members of Urban Station enjoy dedicated high-speed Wifi, wireless printing, photocopying, scanning and faxing services, and headphones for conference calling, laptop locks and personal lockers for security. As well as access to a library with many magazines, articles and newspapers.

Urban Station is a place designed especially for mobile workers, people sit wherever they prefer, log in, have a coffee break and pay for as long as they stay. The rates vary between use per day, hour or fraction, a week, month and prepaid card options and special packages for members and companies.

Members of Urban Station Polanco also enjoy benefits at other Urban Station locations located throughout Latin America, including Chile, Colombia, Mexico and Argentina.

In comparison to working at home, coworking represents a cost. However, in comparison to renting an office, coworking represents a cost reduction. In the case of Urban Space, the cost of membership is a decisive variable for many coworkers. Coworking spaces in Mexico City clearly compete in price, and price differences might represent having the space full or almost empty. As a manager of Urban Space explained: “our fees are very competitive and the space is ideal to work, offering a nice place at a fair price, because we want all the spaces used”.

In some cases, the reduction of costs is relative to the cost of specific assets (like renting an office). In some other cases, the cost reduction is relative to the required investment to fulfill the needs of coworkers.

Coworking spaces not only reduce the direct costs of coworkers, but also simplify the record of transactions and their costs and optimize their working time. A manager explained these advantages: “If in your business plan you consider a monthly expense of X, it makes your job much easier because you can keep an exact track of your expenses. We want coworkers to feel like professionals that can just focus on their work, with a service that supports them”.

Coworking also represents to get more for less. For instance, the manager explained that by sharing, coworkers can have access to a much better space: “Our members tell us that we have the best coworking space in Mexico City, there is a lot of light, there is a lot of space and a huge terrace. They love to work outside and prefer this space in particular to work or for informal conversations. Members mentioned also that they could not afford this space we have here if it were only them renting it out”.

El Cowork: Case Study in Monterrey

The El Cowork has been architecturally constructed in an open and accessible manner. As the space manager explained, “the physical architecture of the space is designed with collaboration and open sharing in mind.” While it has several distinct spaces, there is little separation between them. The entrance and the collaborative spaces are a large open space. The lounges can, if needed, be divided by semi-transparent curtains, and transparent glass walls rather than concrete or bricks separate the labs. The intention of this setup is to facilitate serendipitous discoveries and inspiration among people who collaborate. In addition to its open architecture, the idea of El Cowork being a place for collaboration is actively promoted on El Cowork web site, its brochures, and a welcome sign at the entrance (see Figure 2).



Figure 2. El Cowork (Source: <http://www.elcowork.com/>)

El Cowork's facilities promotes that the spaces be used in ways that are constructive towards the development of creative projects, digital learning and peer collaboration, offering an open agenda for a range of workshops, presentations, exhibitions, and other events on specific topics, but most of the time it functions as an unscheduled space for coworking with no imposed agenda.

El Cowork is based in Monterrey city, a CWS dedicated to the promotion of digital art for businesses, local authorities, agencies, and architecture studios. Since 2013, this service has been supplemented by the creation of the El Cowork Lab, a place of production, research, development and prototyping for guest digital artists. The creation of the El Cowork Lab represents an expansion of the company's value proposition, initially focused on digital communication and production in the digital arts.

The El Cowork Lab is a collaborative workspace that allows selected external artists to develop their digital projects. It offers artists diverse digital and prototyping tools to develop artistic projects, support in terms of access to corporate networks (potentially interested in renting or buying works) and development of the business model around the cowork produced. In return, El Cowork can also commercially exploit the artists' works on behalf of the artist.

The forms of cooperation are built around a convenient logic based on the needed resources for particular projects. As a manager explained "We'll hire people for very specific projects and with particular skills and profile. We are going to need a designer, maybe later a digital multimedia engineer, or at another moment an engineer specialized in robotics, or a developer. We work with 30 people in total, but there are people who work on projects on a needed basis".

Managing external relations and building the network is characterized by a "community" or "club model", in which the artist is selected to achieve a residence on the project. The space is reserved for selected artists and engineers. The network is quite closed and forms a highly selective cooperation unlike other collaborative spaces that are based on a more open internal and external sharing logic.

Results and Conclusions

Based on the interviews, direct observation and secondary sources like websites, brochures and online forums, two different dynamics and interests occurred (see Table 2). Members on both CWS expressed satisfaction in being part of the community from 8.38 in Urban Space and 8.87 in El Cowork. They also plan to stay in a long term basis, in Urban Space 53% do not plan to leave and 38% plan to stay minimum a year; in El Cowork 68% do not plan to leave and to remain minimum a year in 23% of the cases.

Each coworking motivation to collaborate represents a key and different approach to build a community for each type of space, Urban Space’s members look for a strategic location to work and meet with clients, and El Cowork’s members look to connect with other people to find together opportunities for new projects as a team, sharing ideas and knowledge.

Knowledge Base View promotes the centralization and resource pooling (skills, expertise, and networking) in a physical location. The initiative captures a portion of the value created by sharing access to these talents and expertise, and the value generated is distributed in the community.

Table 2. Dynamics and Motivations for Co-Working Spaces

Dynamic of the CWS	Urban Space (Mexico City)	El Cowork (Monterrey)																				
Interest for coworking	Cost sharing and cost reduction	Resource sharing: skilled people and resources																				
Motivations	Economic	Talent for Common Projects																				
Community model and dynamics	Open but selective based on contractual basis	Club model close with specific members in co-production																				
Driver	Price	Convenience and community																				
Organizational Theory	Transaction Cost of Economics	Population, Resource and Knowledge Based Views																				
CWS rated by their members in a scale from 1=not satisfied to 10=highly satisfied	8.38	8.87																				
Members remaining in CWS	<table border="1"> <caption>Urban Space Member Retention</caption> <thead> <tr> <th>Retention Period</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Not planning to leave</td> <td>53%</td> </tr> <tr> <td>A minimum of a year</td> <td>38%</td> </tr> <tr> <td>A minimum of a 3 months</td> <td>7%</td> </tr> <tr> <td>Only this month</td> <td>2%</td> </tr> </tbody> </table>	Retention Period	Percentage	Not planning to leave	53%	A minimum of a year	38%	A minimum of a 3 months	7%	Only this month	2%	<table border="1"> <caption>El Cowork Member Retention</caption> <thead> <tr> <th>Retention Period</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Not planning to leave</td> <td>68%</td> </tr> <tr> <td>A minimum of a year</td> <td>23%</td> </tr> <tr> <td>A minimum of a 3 months</td> <td>8%</td> </tr> <tr> <td>Only this month</td> <td>1%</td> </tr> </tbody> </table>	Retention Period	Percentage	Not planning to leave	68%	A minimum of a year	23%	A minimum of a 3 months	8%	Only this month	1%
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Choice of space to work	In an individual office (42%), in a meeting room (36%) or in a coffee area (12%)	In an open space (52%), in a team office (36%) or in a coffee area (12%)																				
Members' interactions	Casual small talk (40%), sharing contacts (50%) and sharing opportunities for projects (10%)	Sharing knowledge (28%), brainstorming or sharing new ideas (30%), sharing opportunities for new jobs or projects (42%)																				
Sense of belonging	From strongly (61%) to very strongly (28%)	From strongly (41%) to very strongly (52%)																				
Motivators to open a CWS from operators	Good business sharing office space and improve the work life of other people	Interest in connect people, find opportunity to find new projects and clients, interest in the coworking movement																				

Resource Base View promotes access to underused resources (tools, machines, and infrastructure) and the investment is shared among the participants.

The Population Base View promotes conditions and capabilities of a particular location to promote institutional coordination of critical entities such as universities, government agencies and business communities with availability and collaboration interest to build an innovation ecosystem of strategic alliances.

Coworking based on cost may be related on contractual transactions while coworking based on people and resources may be related with professional and mutual trust as a ground for building a relationship (see Table3) based on testimonies of managers and users of coworking spaces.

In the case of the operators and managers of the CWS, they also presented different reasons to open and run a sharing space, in the Urban Space the owners considered it a good opportunity to do business and find new customers looking to share an office space and share costs. In the El Cowork the owners expressed their motivation to connect other people, talents and skills as an opportunity to find strategic projects and share ideas and knowledge as a team.

Table 3. Testimonies of Managers and users

Manager/Operator	Users
<p>“In the Urban Space we have people with the expectation to build a long-term, more than 50% of our affiliates have been members for more than a year trying to be part of a professional community but with flexibility and autonomy and trying to share the cost of the working space. We offer a nice space for a good price in order for the space to be used, because we are convinced is better to have a community paying a reasonable price than a small group paying high prices”</p>	<ol style="list-style-type: none"> 1. “I decided to become a member of Urban Space because I got the advantages of working in a nice space but reducing my direct costs, simplifying bookkeeping and with flexible working time based on my needs” 2. “As a coworker in Urban Space, I feel the support of the staff there to cover all office matters being shared, making it easier for me to focus on my projects” 3. “I enjoy the location of the Urban Space and the facilities being shared by all the community for a fair price based on my demand” 4. “As a member I have access to technology infrastructure such as servers, Internet speed, secure connections and safe access to the place and to the information for a reasonable price” 5. “What I like most is to offer my customers a place for business meetings, with open spaces with light and nice terrace. I could not afford these spaces as an individual”

This paper is of special interest to academics to better understand the implications of organizational theories, particularly the transaction cost of economics in the Urban Space case, and the population, resource and knowledge views in the El Cowork case.

It may also interest practitioners who may consider the dynamics of CWS to better design the layout of the physical spaces, as well as the resources like technology, tools, skills, people and networks. Here, the role of the CWS managers is key to design and implement the right strategies and approaches to foster collaboration and to better organize the right activities or

events, like training, promotion, project monitoring, social events, to make sure that the CWS will be sustainable and of value for all the community members and to guarantee that the community is empowered to grow and evolve.

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Appendix1. Interview guide for CWS members.

Please share your thoughts on a new co-working space in Mexico, the answers will be included in an aggregated manner for academic purposes. The survey has just 10 questions and should take only about 5 minutes to complete.

1. What is your interest to be a member of a Coworking Space?
 - Cost sharing and cost reduction _____
 - Resource sharing: skilled people and resources _____
 - Community helping each other _____
2. What is the motivation for sharing a Coworking Space?
 - Economic _____
 - Talent for common projects _____
 - Altruism and social values _____
3. What is the driver for sharing a Coworking Space?
 - Price _____
 - Convenience _____

Community _____

4. How do you rate your satisfaction as a member of a Coworking Space?
1=not satisfied to 10=highly satisfied
Level of satisfaction _____
5. How long do you plan to remain in the current Coworking Space?
Not planning to leave _____
A minimum of a year _____
A minimum of three months _____
Only this month or earlier _____
6. What is your preferred choice to work in a Coworking Space?
In an open workspace _____
In a team office _____
In an individual office _____
In a coffee area _____
In a meeting room _____
Other _____
7. What is expected from you regarding other members?
Casual small talk _____
Sharing knowledge _____
Enjoying others' company _____
Brainstorming or sharing new ideas _____
Sharing opportunities for new jobs or projects _____
Sharing contacts _____
Quick help (to fix devices for instance) _____
8. How strongly you as a member feel part of your Coworking community?
Very strongly _____
Quite strongly _____
Somewhat _____
Not strongly _____
Not at all _____
9. What is your role in the Coworking Space?
Member _____
Operator _____
10. If you are an operator what is your main motivation to open and operate a Coworking space?
To be connected with other people _____
To be part of the Coworking movement _____
To improve the work life of other people _____
It is a good opportunity to find new clients _____
To afford a better office (infrastructure) by sharing the office space _____
To be able to reduce the office rent _____
It is a good business to earn money _____