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Special Announcement: New Perspectives on a New Industry

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The two of us have individually and collectively been following the growth of “remote work places” for (ready for this?) almost twenty-five years!

That’s right: way back to 1985. We’ve seen the U.S. federal government try it; we’ve seen the telephone companies promote it; we’ve seen literally dozens of entrepreneurs take a run at it—and almost all of them have failed one way or another.

Yes, there are a few examples where the casual observer might see “success.” [Regus](#) is probably the most frequently mentioned instance. But when we send out “secret shoppers” to take an up-close, in-person look, we just find just another commercial real estate play that’s actually barely on the margin. And yes, we have seen some successes (meaning, long-term profitable, sustainable operations) in Europe. That’s another whole story in itself. But the North American culture seems to get in the way of importing those business models.

Back in 2002 we began a series of applied research projects demonstrating that knowledge workers—in the United States at least—were spending up to 35% of their “work time” in places other than *either* an assigned corporate facility or a home office. That percentage continues to grow, and we believe it’s poised for stratospheric take-off. In the past two years several embryonic firms trying to get new kinds of remote or shared workplaces up and running have approached us with requests for assistance.

Frankly, they all have a lot of passion and many even have some good ideas, but most of the business plans we’ve seen also contain potentially fatal flaws. This experience has given us some pause to sit back a bit and ask, “What’s going on here?” Our conclusion is that we’re looking at a nascent, emerging market that is not yet mature enough to attract significant investments—or to have a clear and replicable business model.

The market today is characterized by many un-organized, independent contractors (around 4200 of them at last count), all pursuing various business models. We happen to believe that ultimately the major revenues for this “third-place” industry will come from service businesses that recognize the “places” as a new distribution channel to the

mobile, semi-autonomous knowledge worker and the physical “homes” for a multiplicity of virtual communities.

Because of these perspectives, we at the Work Design Collaborative have decided to get out in front and become market leaders and makers, not market followers. We are going to be the “Go-To guys” who have the “back stories,” the data on market size, needs and trends, and knowledge about the “market architecture” and the viable business models.

As a first step in this direction we are starting this month with a six-part series of articles on the phenomenon of “third places,” “coworking,” and other new kinds of places to work.

The first two articles (beginning with this month’s feature article “[Social Forces Driving a Simpler Way of Working](#)”) will look at the forces that are driving the work environment in these new directions. What social and economic forces are in operation? The next two articles will look what makes these places different than—and more than—simply a place to rent and how to figure out where they should be located. We’ll round out the series with a look at how to design them and how to be sure they **make money!**

That’s where we’re going. We hope you’ll join us on the journey, and engage with us in this important conversation about the future of work.

About the Work Design Collaborative and *Future of Work Agenda*

Future of Work is a global network of resources – practitioners, thought leaders, researchers, and senior consultants – who are committed to building and implementing physical, social, and technology-based work environments that are cost-effective, socially and environmentally responsible, and personally satisfying.

We are focused on defining the future of work and helping our members and clients achieve new levels of workforce and workplace productivity. *Future of Work* produces and distributes management tools, surveys, benchmark databases, white papers and technical reports, conferences and workshops, newsletters, books and articles, and public presentations on the changing nature of work. The Work Design Collaborative, LLC, provides leadership and infrastructure services for the *Future of Work* community.

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