

COMMON GROUND Co-working Spaces

by Loo Wan Ye



The concept of co-working was inspired by hackerspaces which promoted non-profit spaces to be used for the collaboration and sharing of skills, knowledge, and equipment.

In 2005, Brad Neuberg founded the first ever co-working space in San Francisco which led to a successful co-working movement around the world that eventually arrived in sunny Malaysia, where co-working spaces are rapidly increasing. One of the fastest-growing co-working spaces in Malaysia is Common Ground, which has twelve offices across Malaysia, three in the Philippines, and upcoming offices in Thailand.

Baker Tilly Malaysia is proud to have journeyed with Common Ground as their auditor since their inception in 2016. Our COO, Joe Heng, caught up with Common Ground's co-founder, Juhn Teo, one morning to have a chit-chat on the current co-working scene in Malaysia and beyond.

Q: So what is the story behind the name 'Common Ground'?

Juhn: Good question. The name actually goes back a long way. We wanted to encapsulate what we were trying to create, and that was basically a common ground for all types of people and companies to come onto – whether it be freelancers, entrepreneurs, SME's, or large corporations.

As a business owner, it's a very lonely journey. So creating an environment where people can work while sharing stories and learning from each other was what we wanted to achieve. And as soon as we thought of the name Common Ground, we agreed that 'Yep, that's the one'.

Q: What makes Common Ground unique?

Juhn: At Common Ground, we understand that it's not just about building a space and then going 'Voila! Now everyone can interact!'

We actively create touch points for members who share business or social interests. We arrange for events and activities to allow these interactions to develop further and track the success rates of these interactions.

It is always exciting to witness synergy happening and we also see established companies taking up spaces at Common Ground as they recognize the value of being in a co-working community.

Q: What are your predictions for the co-working industry?

Juhn: I think there will continue to be tremendous growth in this industry. There will also be a point where the brand and platform of the strongest co-working operators will become so valuable that real estate owners will start licensing from them to obtain their expertise, much like the hotel industry.

Around 1% of the global inventory of office space today is some form of flexible co-working arrangement. By 2030, this is expected to grow to 30%. So in the future, majority of office buildings will have flexible spaces instead of traditional office spaces.

Q: What is the co-working community in Malaysia like?

Juhn: It's very broad and diverse. We don't specifically target young startups but they do form an important part of the co-working community. The average age of our members is actually late thirties.

Yeah, it's surprising for a lot of people because the common perception is that co-working spaces are for young people. In terms of gender, it's a 50-50 split and we are pretty evenly spread in our industry profile as well.

Q: What makes co-working so attractive?

Juhn: The thing is, there's been this paradigm shift in the way people work. We're increasingly becoming an experience-driven generation, especially for the millennial workforce. They're not into cubicles with fluorescent lighting, especially when Google provides cool offices and buffets.

And obviously, with technology nowadays, people are able to work from their phones and laptops – they don't need to sit nine to five in the same spot. There's a freedom to work flexibly anywhere, so co-working meets that demand and provides a great environment and lifestyle.

Q: How has Common Ground's growth and expansion been?

Juhn: I think in Malaysia, we definitely achieved what we wanted to do in the first two years and that is to be the leading co-working operator by a country mile in terms of the brand, the size, the footprint, and the offerings.

Hopefully, when people think of co-working in Malaysia, Common Ground comes to mind first just because of the sheer size and scale in which we've executed our expansion.

When we started the company, we had ambitions to really scale quick and increase the footprint as fast as possible. Regional expansion in South-east Asia was an integral part of our plan, and in this regard, we probably would have liked to have expanded even faster.

Having Baker Tilly, a firm with long-standing reputation for quality and integrity, as our auditor, has really helped instill confidence in our stakeholders during our expansion period.