

Unity is Strength: Co-Creating Value in Working Context

Orlando Troisi, Luca Carrubbo, Gennaro Maione, Carlo Torre
(University of Salerno, Italy)

Abstract: The paper attempts to foster a full awareness about the chance of co-creating value in working context, stressing the importance of the role played by the adoption of a collaborative style in sharing economy era. The article opens with a literature review on two different but very closely related phenomena, Value Co-Creation and Co-Working: the evolutionary stages of the former are described and, subsequently, the main features of the latter are analyzed in depth by using a qualitative approach and, more in detail, by administering interviews to co-workers in order to highlight their idea about advantages and limits of co-working. In the attempt to offer some insights for future researches on the topic of co-working, the paper also tries to pave the way to further discussions about new forms of employment potentially arising in coming years to better respond to increasingly rapid changes characterizing the labour market.

Key words: value co-creation; co-working; collaborative style; resource sharing

JEL code: O140

1. Introduction

The dynamism and uncertainty characterizing the current economic environment induce management scholars to focus their attention on the development of new governance models, oriented towards greater interaction and collaboration among all actors involved in value creation processes. This trend is the foundation of a phenomenon in vogue in recent years, known as co-working, which seems to play a decisive role in influencing new labour logics (Reed, 2007; Nakamura, 2013; Ross & Ressia, 2015).

Some scholars (Bizzarri, 2014; Capdevila, 2014; Colleoni & Arvidsson, 2014; Merkel, 2015) define co-working as a complex phenomenon thanks to which it is possible to share all kinds of material and, above all, intangible resources, generating a widespread and pervasive value, capable of bringing benefits to anyone involved, with regard not only to work quality, but also to working relationship management (Surman, 2013; Schopfel et al., 2015).

Given the increasing importance attached to this as new as innovative phenomenon, the paper attempts to foster a full awareness about the chances of co-creating value in working context, stressing the importance of the role played by the adoption of a collaborative style among several actors.

The article is divided into four sections. At first, an in-depth analysis of theoretical background is proposed, focusing attention on the concepts of Value Co-Creation and Co-Working: the evolutionary stages of the former

Carlo Torre, Ph.D. Student of Management & Information Technology, Economics and Public Companies Management, Department of Business Science, Management & Information Systems, University of Salerno (UNISA); research areas/interests: public management, public accounting, public governance. E-mail: ctorre@unisa.it.

are described and, subsequently, the main features of the latter are analyzed by using a qualitative approach and, more in detail, by administering interviews to co-workers. Later, the results emerged by the interviews are analyzed in order to understand whether they allow answering the following research question: “What do co-workers really think about advantages and limits of co-working?”. Finally, the conclusions are debated and both the limits of the work and the theoretical and practical insights for future researches are specified.

2. Theoretical Background

2.1 Value and Its Co-creation

In literature, the term “value” has always taken on an extremely subjective and changing meaning, the interpretation of which seems to vary depending on numerous factors, such as external contingencies, current trends, needs, expectations, etc. However, the prevailing conception until the end of the last century refers to value as to something to offer to all actors involved in the process of its creation (Wieland et al., 2012). In this regard, some studies (Polese et al., 2009; Polese et al., 2001; Gummesson et al., 2010) have shown that, whether for entrepreneur the concept of value is referable to utility, especially economic, for end consumer it is translatable in benefits arising from the availability and use of purchased good/service.

This consideration is consistent with the expression “*Value Chain*”, coined by Porter (1980) to emphasize the role played by every enterprise within supply chain as the only element capable of generating value, in turn understood as the maximum price that consumer is willing to pay for purchasing a product/service, preferring it rather than its alternatives. In his holistic view, Porter imagines a “system effect” to indicate that the value resulting at the end of production process is greater than the sum of the values of individual input employed (Barile & Polese, 2010).

Further developing this idea, a few years later, the author transforms the expression Value Chain in “*Value System*” (Porter, 1987), in order to highlight the impossibility of imagining a value creation process by ignoring the importance of activities performed by all actors involved in production process, upstream or downstream.

Despite the recognition of the relevance of all actors joining value creation process, however, Porter’s thought leads to consider the end user as a mere passive recipient of goods and services offered by enterprises, in turn understood as the only responsible for value creation (Carrubbo, 2013).

Under this consideration, subsequent studies on the theme of value investigated new fields and explored further border, arriving at different and, in some cases, even opposite conceptions to those accrued until then (Tommasetti et al., 2015). One of the clearest signals of this conceptual breakthrough is the acquisition of awareness about the numerous benefits arising from the idea of considering the end users as active participants to value creation process and no longer as mere passive recipients of goods and services offered by enterprises (Ciasullo & Troisi, 2013)

This conceptual change led to exceed Porter’s linear view: in order to overcome the static nature characterizing both Value Chain and Value System, Normann and Ramirez (1993) introduce the concept of “*Value Constellation*”, centred on a reticular, dynamic, and complex logic. This model determines a kind of break with the past conception, because, though it continues to place company at the centre of value creation process, it increases the importance attached to other involved players, especially to customers, for the first time considered as co-producers. This highlights that literature on value has progressively gained the belief that each actor willing to create value has to do his/her part, by making available all resources in view of the return of an overall and

general utility (Ciasullo et al., 2016).

This last consideration suggests that in value creation process, each actor, entrepreneur or user, should act to create value, by using material and intangible resources at his/her disposal in an effort to increase the chances to generate an advantage for all involved actors. This idea has stimulated Allee (2000) to envisage a new model, known as “*Service Value Network*” and aimed at highlighting the multi-directional nature of value creation process¹. This perspective fosters the transition to a many-to-many vision: in addition to actors directly involved in production process, all those who entertain relations with these latter become as important. In other words, everyone involved in relation network is fundamental, even those who, despite not having any direct interaction with enterprise, entertain any kind of relation with its clients, suppliers, etc. (Barile & Polese, 2010).

Direct evolution of this perspective is “*Service Provision Chain*”, introduced by Vargo and Lusch (2004) to highlight those customers, by playing a key role, cannot be seen only as passive recipients of value created by enterprise: they contribute to this co-creation and this makes meaningless the distinction between customer and producer. Note that, unlike what had happened since the affirmation of Constellation Value, customer is no longer considered as co-producer, rather as co-creator, in order to break away from that terminology that typically characterizes the Goods-Dominant Logic (Vargo & Lusch, 2008).

The importance given to all users joining value creation process has emphasized the decisive role played by collaborative style (Goebbels & Lalioti, 2001; Huwart et al., 2012), understood as people’s attitude able to promote resource integration, new ideas generation and long-term benefits production (Laal, 2014).

The combination of these two concepts, value creation and collaborative style, stimulated the emergence and subsequent spread of a new approach, known as “Value Co-Creation” and based on the cooperation of all actors involved in a process for generating a global value (Prahalad & Ramaswamy, 2004). The prefix “co-” qualifies the collaboration among different actors as necessary for creating a common value (Troisi et al., 2016). Specifically, this logic emphasizes the benefits arising from the collaborative attitude of those who take part in value creation and dissemination process, leading enterprises to consider all stakeholders as co-creators and not only as inert actors (Spinuzzi, 2012; Joiner, 2016).

All this allows, on the one hand, overcoming the classic distinction among performers and recipients of business activities, and, secondly, considering many actors’ interaction one of the strongest factors affecting the development possibilities of both private and public organizations (Troisi et al., 2016).

2.2 Working Together to Better Work

The strong dynamism characterizing current competitive logic has pushed and keeps on pushing scholars interested in dynamics underlying the world of work to study and deepen new instruments to develop and new techniques to implement in order to achieve best results in terms of efficacy and efficiency (Beck, 2000).

The importance given to the collaborative style in workplaces has stimulated the emergence of a new phenomenon, known as “*co-working*” and characterized by the idea that the pursuit of shared collaborative interests represents the first step to try to create, at the end of work process, a value greater than that one generable without any form of collaboration.

Botsman and Rogers (2011) define co-working as one of the most interesting phenomena in working context, characterized by high expectations about its ability to take shape as a “new working model” in sharing economy. It is a “hybrid” model, halfway among “standard” models, within a well-defined traditional workplace, and independent

¹ The term “service” is due to the understanding of the need to satisfy customers by offering them a full service (Allee, 2000).

models, typical of freelancers (Gandini, 2015). Co-working, in fact, is characterized by a set of practices thanks to which it seems possible to perform individual or collective work activities in a shared environment.

Johns and Gratton (2013) define co-working as the “third wave of virtual work”, which is gradually taking hold by promoting social innovation. Spinuzzi (2012) recognizes in co-working a business-oriented mission, identifying the maximization of profit as its ultimate goal, achievable by establishing social relationships with several co-workers: according to the author, the organizational logic of “good neighbour” at the basis of co-working, facilitates the achievement of good financial results, also thanks to temporary partnerships and collaborations among various co-workers.

Leforestier (2009), instead, states that co-working should be seen not so much as a business-oriented phenomenon, but rather as an open source working approach, a “movement” or “philosophy” characterized by four shared values: collaboration, openness, community and sustainability (Reed, 2007). Therefore, it emerges that co-working environment is designed as non-hierarchical collaboration spaces, where anyone can advantageously benefit of numerous opportunities, not only from a business point of view, but also under a relational profile.

In this regard, Spinuzzi (2012) suggests that collaboration among all actors involved in a work process play a decisive role in fostering co-creation of a higher value, favoured by mutual exchange and sharing of resources, experiences, ideas, etc.

Consistently, Bilandzic et al. (2013) show that many people consider more advantageous to work in co-working spaces, especially because of the numerous benefits that can result from the opportunity to share several kinds resources, often different, but complementary, and always able to help collaborative co-workers to achieve common or, at least, compatible goals.

Sahu and Pathardikar (2015) attach to collaborative work style the capability of creating a break with traditional economic logic, improving social cohesion and rationalizing the available resources allocation. In line with this consideration, Troisi et al. (2016) define collaborative style as the foundation of co-working phenomenon thanks to which each person can operate by getting in touch with other people and with their cognitive, relational and economic resources.

In light of the aforementioned considerations, co-working, understood as a process characterized by the exercise in common of work activities, seems to have many elements in common with the concept of value co-creation, mainly linkable to the possibility of generating a value able to generate a shared utility and satisfy all involved actors’ interests.

3. Methodology and Data Description

This work has been carried out by following a qualitative approach in order to thoroughly investigate the main features of co-working recognized by so-called co-workers. Specifically, the analysis has been conducted by administrating in-depth interviews to users of a co-working structure, named “HubLaboraPics” and located in Campania, precisely in Salerno, a city in southern Italy. All interviews have approximately lasted half an hour and have been first tape recorded and then verbatim transcribed. Later, the collected information have been carefully analyzed in order to properly interpret the interviewed subjects’ idea, always keeping in mind the research purposes. The interviews have been administered in five different days of July 2016. Overall, 38 people have been interviewed:

- 2 structure managers: they are the HubLaboraPics creators and perform management and coordination of all

activities carried out within the structure. They closely work with the financial advisor and the software developer and are all co-workers' referents;

- 1 financial advisor: he provides support to co-workers by helping them to disentangle economic and financial issues, especially with regard to investment opportunities and development of new business ideas;
- 1 software developer: she is responsible for the technological equipment in the structure and provides all necessary advice for a better experience in using IT tools;
- 34 co-workers: they are the users who attend the structure to perform in common their work activities by exchanging material (tablet, laptop, and any kind of equipment) and intangible (ideas, opinions, experiences, tips, etc.) resources. Specifically, the co-workers interviewed are:
 - 7 Architects
 - 7 Engineers
 - 5 Graphic designers
 - 5 Interior designers
 - 3 Fashion designers
 - 2 Hairdressers
 - 2 Branding Consultants
 - 1 Educator
 - 1 Lawyer
 - 1 Vet

4. Experiment and Results

The interviews have been conducted by focusing on both the advantages and limits of co-working as collaborative process capable of generating a higher value by means of tangible and intangible resource sharing and the exercise in common of work activities.

With regard to the advantages arising from the logic underlying the co-working phenomenon, with the exception of four people (about 10% of sample), who have stated to use co-working spaces benefiting of common services rather than sharing their own resources, almost all respondents have seemed agree with the consideration of co-working as a space open to a heterogeneous audience, where it is possible to confront each other, build relationships and take on a collaborative style, capable of going beyond the boundaries of people's professional scope and share passions, values, ideas, habits, etc. About 90% of sample (Figure 1), in fact, has provided statements in line with the following interview excerpts:

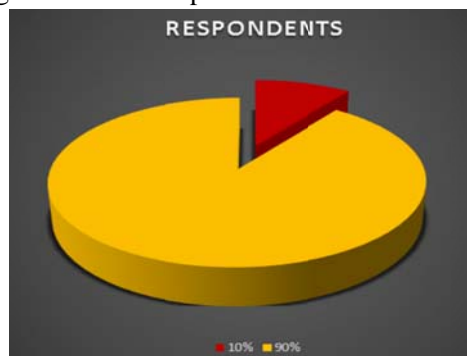


Figure 1 Respondents' Opinions about Co-working Advantages

“[...] Co-Working fosters a total and pervasive resources sharing, stimulating the birth and the development of new project initiatives, [...] ensuring a greater advantage and paving the way for success [...].Collaboration with others enables us to think more quickly and fully, [...] allowing seizing opportunities that otherwise would get lost.”

With regard to the limits of co-working, instead, the sample of respondents can be divided into two almost equidimensional sub-groups: an half has not recognized any flaw in co-working experience, highlighting, therefore, a full satisfaction in co-creating value in collaboration with other people; the other half of the respondents, conversely, has identified some weaknesses of co-working, as emerges from the following interview extracts:

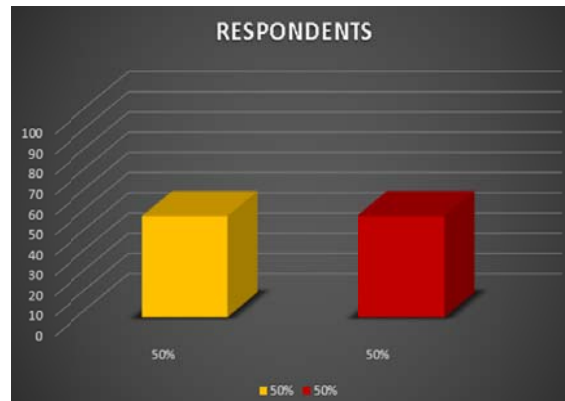


Figure 2 Respondents’ Opinions about Co-working Limits

“Co-working actors should be more available to share their own material and immaterial resources [...], because it is the real reason for which they come to this structure. Some people tend to use these spaces [...] just to benefit of services (such as electronic tool, the internet, etc.) without understanding that working together always allows reaching better results [...]”. The main limits of co-working [...] are the following: some co-workers’ limited availability to share their resources; [...] not assiduous frequentation; excessive noise [...] caused by different activities carried out in the structure, little privacy and frequent distractions [...].

5. Conclusion and Implications

The paper attempts to foster a full awareness about the chance of co-creating value in working context, stressing the importance of the role played by co-workers’ collaborative style. To this end, several interviews have been conducted to disclose co-workers’ opinions about all strengths and weaknesses of the investigated phenomenon. In this regard, in order to provide a synthetic vision of co-workers’ idea, Table 1 shows all advantages and limitations emerging from the administered interviews, besides the number of occurrences (i.e., number of users agree with the corresponding reported statement).

As shown in Table 1, the interviewees recognize a number of benefits significantly higher than that one of limits, leading to believe that co-working is probably a phenomenon destined to grow further. It seems clear, in fact, that the adoption of a collaborative style is able to convince co-workers about many profitable opportunities arising from both material and intangible resource sharing. Moreover, beyond what has been described until now about respondents’ opinions and statement, during the five days in which interviews have been administered, the authors have personally sensed and observed the fruitful atmosphere created thanks to co-workers’ collaboration and mutual exchange. Therefore, according to this last statement, it seems that co-working takes shape as a very valid solution to the dangerous risk of a cognitive lock-in, which often characterizes some working contexts.

Many professionals, in fact, use to work in a sort of relational isolation, which inhibits their inspiration and creativity. Co-working, instead, helps to stimulate an open-mindedness toward a lively interest in implementing innovative ideas capable of fostering a collaborative style (Troisi et al., 2016).

Table 1 Advantages and Limits of Co-working

Advantages	Occurrences	Limits	Occurrence
Total and pervasive resources sharing	30	Some co-workers' limited availability to share their resources	15
Emergence of new project initiatives	30	Not assiduous frequentation by co-workers	13
Objectives more effectively and quickly achievable	20	Excessive noise caused by different activities carried out in the structure	12
Competitive advantage as basis for success	18	Little privacy	11
Interaction between people with different ideas	18	Frequent distractions	7
Opportunity to meet co-workers with similar interests	16		
Co-creation of a greater value	14		
Consolidation of not only labour relations	13		
More chance to get success	13		

In the attempt to offer some insights for future researches on the topic of co-working, the paper also tries to pave the way to further discussions about new forms of employment potentially arising in the coming years to better respond to increasingly rapid changes characterizing the labour market.

To foster a research advancement and allow for the possibility to make comparisons, however, any subsequent studies could opportunely be carried out by trying to avoid the two limits of the present work: on one hand, the administration of interviews at a single co-working structure and, secondly, the reduced time span (about a month) in which the analysis has been performed.

References

Allee V. (2000). "Reconfiguring the value network", *Journal of Business Strategy*, Vol. 21, No. 4, pp. 36-39.

Barile S. and Polese F. (2010). "Smart service systems and viable service systems: Applying systems theory to service science", *Service Science*, Vol. 2, No. 1-2, pp. 21-40.

Beck U. (2000). *The Brave New World of Work*, Cambridge: Polity Press, pp. 143-145.

Bilandzic M. and Foth M. (2013). "Libraries as co-working spaces: Understanding user motivations and perceived barriers to social learning", *Library Hi Tech*, Vol. 31, No. 2, pp. 254-273.

Bizzarri C. (2014). "The emerging phenomenon of co-working: A redefinition of job market in networking society", *Social Dimension of Innovation*, Prag.

Botsman R. and Rogers R. (2011). *What's Mine Is Yours: How Collaborative Consumption Is Changing the Way We Live*, London: Collins.

Capdevila I. (2014). "Different inter-organizational collaboration approaches in co-working spaces in Barcelona", available at: SSRN 2502816.

Carrubbo L. (2013). *La Co-creazione di valore nelle destinazioni turistiche*, Rirea.

Ciasullo M. V. and Troisi O. (2013). "Sustainable value creation in SMEs: A case study", *The TQM Journal*, Vol. 25, No. 1, pp. 44-61.

Ciasullo M. V., Polese F., Troisi O. and Carrubbo L. (2016, May). "How service innovation contributes to co-create value in service networks", in: *International Conference on Exploring Services Science*, Springer International Publishing, pp. 170-183.

Colleoni and Arvidsson (2014). "Knowledge sharing and social capital building: The role of co-working spaces in the knowledge economy in Milan", unpublished Report, Office for Youth, Municipality of Milan.

Gandini A. (2015). "The rise of co-working spaces: A literature review", *ephemera*, Vol. 15, No. 1, pp. 193-205.

- Goebbels G. and Lalioti V. (2001). "Co-presence and co-working in distributed collaborative virtual environments", in: *1st International Conference on Computer Graphics, Virtual Reality and Visualization*, pp. 109-114.
- Gummesson E., Lusch R. F. and Vargo S. L. (2010). "Transitioning from service management to service-dominant logic: Observations and recommendations", *International Journal of Quality and Service Sciences*, Vol. 2, No. 1, pp. 8-22.
- Huwart J. Y., Dichter G. and Vanrie P. (2012). "Co-working: Collaborative space for microentrepreneurs", *EBN Technical Notes*, Vol. 1, pp. 1-24.
- Johns T. and Gratton L. (2013). "The third wave of virtual work", *Harvard Business Review*, Vol. 91, No. 1, pp. 66-73.
- Laal M., Khattami-Kermanshahi Z. and Laal M. (2014). "Teaching and education: Collaborative style", *Procedia-Social and Behavioral Sciences*, Vol. 116, pp. 4057-4061.
- Leforestier A. (2009). "The co-working space concept, CINE Term Project", Indian Institute of Management (IIMAH), Ahmedabad.
- Loia V., Maione G., Tommasetti A., Torre C., Troisi O. and Botti A. (2016). "Toward smart value co-education", *Smart Education and e-Learning 2016*, Springer International Publishing, pp. 61-71.
- Merkel J. (2015). "Co-working in the city", *ephemera*, Vol. 15, No. 1, pp. 121-139.
- Nakamura M. (2013). "Current status and strategies for the co-working space business", *Journal of the Faculty of Management*, Vol. 22, No. 1, pp. 59-74.
- Normann R. and Ramirez R. (1993). "From value chain to value constellation", *Harvard Business Review*, Vol. 71, No. 4, pp. 65-77.
- Polese F., Pels J. and Brodie R. (2011). "Theoretical Underpinning to Successful Value Co-creation", in: Gummesson E., Mele C. & Polese F. (Eds.), *Service-Dominant Logic, Network & Systems Theory and Service Science: Integrating Three Perspectives for a New Service Agenda*, Giannini Editore, Napoli.
- Polese F., Russo G. and Carrubbo L. (2009). "Service Logic, value co-creation and networks: Three dimensions fostering inter-organizational relationships — Competitiveness in the boating industry", in: *12th QMOD and Toulon-Verona Conference*, Verona, pp. 27-29.
- Porter M. E. (1987). "From competitive advantage to corporate strategy", *Harvard Business Review*, Mayo.
- Porter M. E. (1980). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, Free Press.
- Prahalad C. K. and Ramaswamy V. (2004). *The Future of Competition*, Harvard Business School Press, Boston, MA.
- Reed B. (2007). "Co-working: The ultimate in teleworking flexibility", *Network World*, Vol. 23.
- Ross P. and Ressa S. (2015). "Neither office nor home: Co-working as an emerging workplace choice", *Employment Relations Record*, Vol. 15, No. 1, pp. 42-57.
- Sahu S. and Pathardikar A. D. (2015). "Managing conflict through transformational leadership: Is collaborative style a solution?", *Delhi Business Review*, Vol. 16, No. 1, pp. 59-74.
- Schopf J., Roche J. and Hubert G. (2015). "Co-working and innovation: New concepts for academic libraries and learning centres", *New Library World*, Vol. 116, No. 1/2, pp. 67-78.
- Spinuzzi C. (2012). "Working alone together co-working as emergent collaborative activity", *Journal of Business and Technical Communication*, Vol. 26, No. 4, pp. 399-441.
- Surman T. (2013). "Building social entrepreneurship through the power of co-working", *Innovations, Technology, Governance, Globalization*, Vol. 8, No. 3-4, pp. 189-195.
- Tommasetti A., Troisi O. and Vesci M. (2015). "Customer value co-creation: A conceptual measurement model in a Service Dominant Logic perspective", *Naples Forum on Service*, Vol. 15, pp. 1-31.
- Troisi O., Carrubbo L., Maione G. and Torre C. (2016). "The more, the merrier: Co-working as practical expression of value co-creation in sharing economy", in: *XXVI RESER Conference*, Naples, pp. 1130-1144.
- Vargo S. L. and Lusch R. F. (2008). "Service-dominant logic: Continuing the evolution", *Journal of the Academy of Marketing Science*, Vol. 36, No. 1, pp. 1-10.
- Vargo S. L. and Lusch R. F. (2004). "Evolving to a new dominant logic for marketing", *Journal of marketing*, Vol. 68, No. 1, pp. 1-17.
- Wieland H., Polese F., Vargo S. L. and Lusch R. F. (2012). "Toward a service (eco)systems perspective on value creation", *International Journal of Service Science, Management, Engineering, and Technology*, Vol. 3, No. 3, pp. 12-24.