

Community Focused Workspaces

Lori Spiess speaks about coworking and the fostering of community ties to create a sustainable business at OffiCenters and VirtualOffiCenters

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“Through creating a vibrant and supportive community, we draw people in and create an environment that they don’t want to leave. Space is one thing, but to be able to sell energy and connectivity places the operation on another level. We help businesses grow and improve their bottom lines by becoming a member of a community.”

Insightive.tv: How would you classify your business and the services you offer — would you call yourself a coworking center?

Lori: There are people who get hung up on words — business center, workspace, coworking. We have been doing something really different here in the US, and have been doing so for thirty-five years — we run a true hybrid location of coworking and a traditional office business centers. I embrace it all — call us whatever you like. To my mind, coworking just means people working together and that is what we do at all five of our centers. I think that coworking embraces the whole of the flexible workspace and it is an understandable term. We have everything from day coworking seats and work by the hour meeting rooms to full 24/7 offices rented on an annual basis. We have five locations in the Minneapolis area and are soon to open a sixth. We have close 110,000 sq ft at about 97% capacity.

Insightive.tv: Do you offer services within your workspace beyond just a desk — do you use technology to facilitate that support?

Lori: Services are a significant aspect of what we offer clients. We have full administrative support. We have a telephone answering services and provide internet connectivity. We also supply full telephone packages and computer backup systems. Ultimately, we are willing to provide most services that fall within research or administrative support tasks — allowing our clients to work on the areas of their business in which they are the most talented. In the 24/7 offices, there is an administrative support fee — but, otherwise, everything is à la carte. People can buy packages, but they are separate from the workspace. That way, each member can design a package to fit their business needs.

We use billing software to facilitate these client specific tasks. This is actually an area of technical upgrade we are currently undertaking. We are working to implement a system that is capable of integration across our five centers and handling all our systems within a unified platform. I use all the data that I can get my hands on — which spaces are the most popular, how we rate those in regards to cost per sq ft, what services are used most often? One of the reasons we are going to this new billing plan is that the data gathering and measuring tools are going to be more robust.



Insightive.tv: How do you see the business performing this year as compared to last and what are some of the key market forces affecting your business?

Lori: This is going to be my best year. Last year we saw a 22% increase in our capacity. We moved an existing center that was underperforming — doubling its space and filling it within months. We were able to add almost 4,000 sq ft to another center — expanding its coworking capability and adding another 14 offices. These moves have set us up to capitalize on that expansion this year, increase revenue and potentially expand again.

There are plenty of market forces that impact my business, but I look to mitigate factors I cannot control by building an internal community. I have been doing this job for thirty-six years, many of the new entrants into the market are approaching this space as if all you need are four walls and a few desks. Real effort and expertise go into staffing, workspace maintenance and looking at which business blend well together — choosing who you are going to put into each workspace so that the businesses themselves can make the most out of each other. How are you going to create community bonds? It is not as easy as it looks. The market is becoming more competitive, but not all of the new entrants will stay.

We promote client business on electronic signage within the suites. We circulate a newsletter in which we feature client businesses all of the time. Every month we pick clients who stand out as innovators, or have reached a milestone, and hold them up within the community. I look at my company as the glue of a community — our goal is not only to provide them with a place to work, but to promote their businesses.

Insightive.tv: Do you consider this the main differentiating factor of your business and the largest benefit you provide to clients?

Lori: The number one thing we offer clients is flexibility — we have more flexibility than any other workspace in the Twin Cities area. We offer anything ranging from a one-hour workspace to multiple offices on a multi-year contract — all within a single building. But the community that we create adds another level to that service. We have clients that contribute a 20% growth to having access to our community. We offer networking groups, educational opportunities and places to meet. We just hosted a group call Women in Networking, bringing together 120 women business owners.

Through creating a vibrant and supportive community, we draw people in and create an environment that they don't want to leave. Space is one thing, but to be able to sell energy and connectivity places the operation on another level. We help businesses grow and improve their bottom lines by becoming a member of a community. This level of support is why more than 50% of our referrals come from own clients. We cultivate that culture. When businesses are next door to each other there is something that happens just by virtue of people neighboring. Because we facilitate that community, they are able to grow each other, and, in turn, they grow our business through expansion and referrals.

There are so many people that work from home, and this industry offers such great opportunities for them to get out and work with other people on an as needed basis, that for those who approach it with due diligence and planning, there will always be a market. I see the impact on the small business that we are supporting — it is the most gratifying place to be that I have ever been in my life. In the thirty-six years I have been in this industry, this is the most exciting and fun time.



Lori Spiess is the founder, owner and CEO of OffiCenters and VirtualOffiCenters. With a background in office services, Lori struck out as an entrepreneur in the shared space market in 1981. With a community focus and innovative business proposition, she has been met with tremendous success. She is a past President and Board Member of the Global Workspace Association and has led her company through several years of significant growth. We spoke with Lori to gain her perspective on the changing nature of coworking and her insight into how OffiCenters will capitalize on that market and expand in 2017.

OffiCenters and VirtualOffiCenters provides flexible workspace and virtual office solutions across the Twin Cities area of Minneapolis and St. Paul, Minnesota. Founded in 1981, OffiCenters is a pioneer in the flexible workspace environment, providing a launch pad for thousands of successful business. The company prides itself on creating a supportive community environment and innovative solutions tailored to fit their members. With five current locations, OffiCenters provides one of the most flexible and customized service packages in the Midwest.

