



# READY SET GROW

THE FINANCES BEHIND  
GROWING A WORKSPACE  
BUSINESS

# CONTENTS

<b>1. Growing Your Business...from any stance</b>	<b>6</b>
a. New to the Game	4
b. Profitable...and Ready to Launch	6
c. Distinguished National Brand	8
d. Bolster Scalability with Smart Technology	10
<b>2. Pillars of Financial Security</b>	<b>12</b>
a. Efficiency	12
b. Scalability	13
c. Control	13
<b>3. Driving Revenue from Products and Services</b>	<b>14</b>
<b>a. Memberships and Services for a Growing Workspace Brand</b>	<b>14</b>
1. Virtual Offices	14
2. Private Offices:	15
3. Long-term Flexible Memberships	16
4. Short-term Flexible Memberships	16
5. On-Demand Memberships	16
6. Hot-Desks	17
7. Credits	17
8. Getting Creative	17
9. Managing Products and Plans for Growth	18
<b>b. Driving Growth by Selling More Services</b>	<b>19</b>
1. Unified Voice Services	19
2. Reliable, secure Internet connection	19
3. Flexibility	20
4. Single Partner Services	20
<b>4. Managing Revenue and Reporting</b>	<b>22</b>
a. Day-to-day Money Management for Growth	22
b. Essential Finance Tasks for Growth	22
c. Workspace Reporting for Growth	23
d. Reports to Track and Project Growth	25
e. Ready, Set, Grow	26



# 1

## READY, SET, GROW

### THE FINANCES BEHIND GROWING A WORKSPACE BUSINESS

With demand for flexible workspace and coworking on the rise, stakeholders are strategizing their growth plans. There are now many routes to market and new venture partnerships materializing, making the supply for flex space meet demand. In this eBook, we're focusing on the money and finances involved in growing your workspace business during a pivotal moment in the history of the flexible workspace industry.

### GROWING YOUR BUSINESS... FROM ANY STANCE

#### New to the Game

If you're just starting out in the flexible workspace industry, chances are your financial priorities will be focused around generating enough revenue to maintain your overhead and eventually break even. At this stage of the game, you must consider the delicate balance between funding the operating costs of your workspace or business center and generating sufficient revenue. The first step, however, is being smart about securing your real estate.

In today's serviced and flexible office market new and especially experienced operators are taking advantage of reasonable landlord incentives. Very often, landlords looking to dabble in coworking are willing to pay for fit-outs or offer a certain number of years free of rent in exchange for a profit share or management agreement. These conversations are always worth having before committing yourself to the financial liability of a long-term lease or high CapEx expense of launching your workspace independently. Having the collaboration and financial security of the landlord better position new operators for growth.

Once you've got your space secured, fit out and a better idea of your overhead costs you've got to fill your space. According to flexible workspace financial guru Alan Pepper, former CFO of Avanta Serviced Offices, new-to-market operators must be very productive in terms of early sales activity. Generating demand and sales activity around your shared workspace before opening starts you off on the right foot with a high-level of occupancy. Furthermore, being pragmatic around discounts and pricing prior to your launch will help to bring members and tenants through the door early. Watch out for the all too common pitfall of failing to bump up the price after the promotion expires. Collecting a couple of months security deposit up-front from new tenants is a reliable way to raise cash early and allocate it to fund your opening costs.

#### WHAT SOFTWARE CAN DO FOR YOUR SALES PIPELINE

- CAPTURE LEADS
- SCHEDULE TOURS
- RESPOND TO LEADS QUICKLY
- AUTOMATE FOLLOW-UP
- DRIVE ONLINE BOOKINGS
- MAKE UP AND CROSS-SELLING EASY
- SIMPLIFY PAYMENTS
- EXPEDITE CASH COLLECTION



When it comes to differentiating your space from the get go, your service mix and level of service play an important part. You need to think in advance about things such as IT, membership plans or office space licensing, meeting room bookings and the overall experience you can offer, including member self-service. The level of price and margin control will be key to reaching profitability faster. Considering software enabled IT and workspace management platforms for powering your workspace can help de-risk your business by putting less pressure on CapEX investments and help ensure a sustainable business model.

Depending on your budget, launching your new business with proper workspace management software positions you to ramp up sales activity, from lead to customer, with license agreements and automatic renewal options that ease the responsibility of managing your members and workspace manually.

WE DELVED INTO THE NITTY GRITTY OF OPENING YOUR SPACE IN THIS EBOOK. DID YOU MISS IT?

**[DOWNLOAD HERE](#)**

### Profitable...and Ready to Launch

Now that your first site is up and running and you've got positive cash-flow with no signs of slowing down, you may be ready for site number two – or perhaps site number three. Growth-mode workspace operators, as we'll call them, have found the secret sauce to managing their community and overseeing the dynamic and complex operation of running a flexible office. It's likely, these same operators have found success with landlord partnerships to expand coworking or shared workspace within an existing portfolio, or perhaps have secured a management agreement with a commercial real estate developer or have modest funding investment and want to take their brand to the next level.

At this stage in your journey, one of the key things to get right is centralizing and standardizing processes, reporting and billing across multiple sites. Automating key business processes, taking more advantage of online self-service tools that make meeting room bookings and membership or virtual packages including ancillary services easy to buy and pay for can have a significant impact on both your lead conversion times and overall profitability. When it comes to reporting, having visibility on what activities work best, occupancy levels, customer trends in IT and space consumption rates and the ability to track KPIs means you'll be able to optimize your budget and ROI on both marketing and staffing. Unified billing across multiple sites will mean accurate results and less risk of payments or charges slipping through the cracks.



### Distinguished National Brand

So, you've recovered from your growing pains and want to compete with other multisite operators or rapidly expanding multinational workspace brands. From a financial perspective, to take your workspace to the next level, one can opt for organic growth or securing investment. If the latter, emphasizing the success of your brand and how you've differentiated your service offering from the competition is one way of demonstrating you're ready for funding. We wrote more about securing funding in [this article](#). If the former, you need to hone your billing process and work with advanced technologies that can drive new revenue streams, save money in payment processing and enrich your offering with a global network of workspace communities.

At this stage in your journey and considering fierce competition, you will need to ensure you have a sustainable business model and that you can take advantage of any trends or changes in the market when it comes to services or space. Choosing the right software enabled IT, workspace billing and reporting platform will be key to steady revenue streams and profit margins. Being able to sell any service whether it is Wi-Fi, voice, lockers, concierge, workshops or events without any hassle will ensure you can pivot easily around key trends. If you want to take advantage of the global corporate coworking trend, you'll also need to audit your existing IT offering and make sure it is flexible enough to cater for different levels of performance, security and SLA demands.

Reporting becomes crucial especially when looking at workspace location trends, benchmarking against competition or deciding when the right time is to open a new site based on existing and predicted financial results. Full control and visibility over your IT and service portfolio can ensure you can bundle services into value-add solutions and increase your revenues as well as profit margin.

Being able to bill seamlessly across your sites will not only mean less time wasted by staff on a process that can be easily automated, but it will also provide more confidence that billing is correct. Implementing online self-service and billing for your permanent and virtual customers as well as allowing your front-desk members to actively sell new services or sign members up for various promotions is a great way to build up more revenue.





### Bolster Scalability with Smart technology

#### eSign License Agreements

An integrated workspace management platform provides operators with a myriad of features and integrations to accelerate business and increase revenue streams. From generating demand with web-to-lead widgets and sales pipeline management to [electronic signature functionality](#), you can keep a revolving door of sales activity. For one, eSign integration to your workspace management software makes it painless and trouble-free for prospects to sign with your space. It also enables your sales team to secure license agreements faster. In fact, digital transactions and document administration have been proven to reduce license agreement turnaround times by up to 80%.

Whether starting or expanding a workspace business eSign capabilities increase the volume of sales deals you close across your space portfolio. Seamless integration with your license management and billing tools means a neat, streamlined process and centralized storage for your contracts. Save resources, improve workflow efficiency and ensure consistency with automatic license agreements, electronic delivery and signature all generated from your workspace management system. Focus on growth, not on administrative tasks.

#### Integration and APIs

Underpin your workspace with smart technology that facilitates the most fundamental pillars of your flexible workspace business such as bookings, billing and delivery of services. To really get the most of your workspace management software, however, opt for a platform that allows for integrations and even an open API. You don't need to be a tech guru to understand that the ability to plug custom services or apps on top of an already robust platform is a powerful combination. It's significantly cheaper and less complicated to source a platform fit for purpose rather than building one on your own.

While you can custom-build tools for current needs or a specific project, you may quickly find your operation limited down the line when you outgrow them. Workspace operators don't always start out in growth mode. Hence, they overlook the importance of factoring in to their technology specs the value of flexibility or the future need to pivot on services, or perhaps adjust your business model and add new membership plans.

The nature of the flexible office industry in and of itself demands tools and platforms that are malleable to the needs of dynamic customers. In this way, you prevent the likely possibility of outgrowing a system that can no longer be customized for long-term goals such as growth. You also prevent being stifled by technology and tools that don't easily scale with your business as it expands. A platform with an open API for integrations allows operators to reap the benefits of both complex operational functionality and layers of tools for additional tasks and performance.

READ WHY DEVELOPING CUSTOM  
WORKSPACE SOFTWARE IS BEST LEFT  
FOR WORKSPACE TECHNOLOGY EXPERTS >>





# 2 PILLARS OF FINANCIAL SECURITY

Whether you're a new or growing operator or enterprise level flexible office provider, there are a few primary objectives when it comes to securing financial stability as you explore commercial real estate expansion: efficiency, scalability, and control. Each of these pillars can invariably be supported by comprehensive workspace management technology that underpins your operation and alleviates growing pains.

### AUTOMATION

- LEAD GENERATION
- BOOKINGS
- LICENSES
- ONBOARDING
- INVOICING
- BILLING
- REPORTING

### Efficiency

For an efficient operation, your workspace relies on consistent and streamlined processes. Operators can leverage smart software technology to reduce time, effort and resources spent on mundane tasks, ultimately reducing the financial burden of operating costs. From billing – which we'll get into later – to reporting, the financial health of your organization can be greatly impacted by how tight of a ship you run. Business efficiency in your growing flexible workspace business will rely, however, on the extent to which your operation can scale, which takes us to our next objective.



## 2. PILLARS OF FINANCIAL SECURITY

### SOFTWARE ENABLED PLATFORM

- MULTI-SITE
- MULTI-CURRENCY
- INTER-CENTER BILLING
- UNIFIED REPORTING
- OPEN API
- 3RD PARTY INTEGRATIONS

### SYSTEM OF RECORD

- UNIFIED VIEW
- 360 DEGREE REPORTING
- MULTI-TIER PERMISSIONS
- CUSTOM WORKFLOWS
- CUSTOMISATION
- SELF-SERVICE

### Scalability

Replicating the processes and procedures that keep your workspace business ticking to new locations facilitates growth within your flexible office portfolio. Implementing a workspace management platform that handles everything from sales and prospect management, billing and invoicing and member management, allows your growth strategist to focus on the growth of the business itself, rather than the nuts and bolts of launching new centers. It's easy to lose control when there are numerous moving parts to oversee. Whether it's your existing sites or build out issues at a new site, having complete control over your workspace is vital.

### Control

Holding the reigns of the workspace isn't always easy with so many moving pieces. Consolidating tools and systems into a single workspace management platform empowers operators with greater command over critical aspects of financial data – which ultimately pave your way to profitability on one hand and growth on the other. Data is key to understanding how your portfolio is running, what flexible or consistent services and products your members are consuming and projecting your data into actionable insight to make better more informed business decisions. A single repository for capturing information, reporting and interacting with your members provides growing workspace operators the insight and direction they need to open subsequent centers.

We published an in-depth guide to growing a flexible workspace. Read how operators are enabling workspace management technology to grow their workspace from prospect to payment >>

# 3 DRIVING REVENUE

## A. Memberships and Services for a Growing Workspace Brand

As the coworking market continues to grow members are valuing the multitude of workspaces available to them based on how well they can fit their needs. To make sure your workspace is appealing to the right audiences there are some key strategies for optimizing your membership options and products to cater for a wide variety of members which will assist in ensuring the financial growth of your workspace.

These membership types and products comprise a core offering of flexible services that traditional or corporate coworking and shared office space seekers will expect. As an operator, the key to driving the highest revenue is making these options available to your target audience easily and on-demand from anywhere. People are increasingly mobile, and the days of paper license agreements are coming to an end.

Making your services available for purchase and consumption from your website or from within a member interface reduces friction and helps you grow your customer base effortlessly. For growing operators, managing your space inventory and license agreements from within a single management platform facilitates scaling to additional locations.

## Virtual Offices

Let's start with a shared workspace product that's an easy revenue generator and pain-free to implement: Virtual Offices. Virtual Offices are one of the most resource-friendly sources of revenue for the shared workspace market.

The basics of a virtual office entail giving a member a professional business address that they can call their 'basecamp', but one where they don't often utilize the space. Basic virtual office packages typically include a mailbox, receptionist services and use of a few locations within the workspace dependent on each package. Virtual offices are highly desirable when they're based in high-profile cities such as London or New York. Your costs should be adjusted accordingly as members will be more than happy to pay a premium for the address.

With 88% of coworking operators already offering coworking packages and products (link to financial study), it's important to make sure that you're also utilizing this pain-free and straightforward source of steady revenue.

Within your virtual office products, it's always important to allow your members to upscale their memberships. This can easily be accomplished by allowing them to book desk space or meeting rooms and then charging them accordingly or up-selling their membership package.

## Private Offices:

Even in a coworking environment, some still like to keep things quiet and confidential. Even a smaller creative team will have times during a year when they'll require some peace and privacy to work on larger more demanding projects. A strong private office offering for your members can be a key revenue generator throughout the year.

To make the most of your private office space, it's essential to offer a good variation of office sizes. Even smaller one or two people offices will see use throughout the year, while, on the other side of the coin, larger companies will require more space and often for extended periods of time leading to longer, more desirable contracts.

As private offices will be leaning towards the more expensive products on offer at your workspace, it's vital to ensure these spaces are being used as much as possible. Vacant space means money left on the table and an obstacle to financial growth.

Implementing longer term contracts for your private offices can be a key method to ensure the longevity of revenue from that space. It's also worthwhile to allow your existing members to rent out private offices when they're available regardless of their current membership package.

### 3. DRIVING REVENUE FROM PRODUCTS AND SERVICES

#### Short-term Flexible Memberships

As the coworking market grows so does the variety of memberships available and the importance of offering variety to your customers.

The importance of these memberships is twofold. For one, it's important to make sure that your customers can choose packages that work for them. Second, it's vital to ensure that these memberships and products are high value and long lasting to provide a strong return on investment and financial growth from each customer that enters your workspace.

One key way to ensure strong financial growth from members is to sign them up for longer running contracts, ideally in private offices or dedicated desks where you'll see stronger profit margins. Long-term contracts will be more desirable for your long-standing members and larger corporate clients. Naturally, they work for all of your member base, and in a flexible workspace market, it's beneficial to be flexible, which is why shorter-term license agreements are vital as well.

#### Short-term Flexible Memberships

A way some industry leaders create flexibility in membership packages is to offer rolling contracts. For smaller companies and startups, a long-term contract won't be a dynamic enough solution while they're business growth and forecasts remain unpredictable.

Once these companies have been within your workspace for a longer period and are more in control of their forecasts, you'll be able to move them over to longer-term contracts ensuring additional financial growth for your workspace.

It's optimal to move members on these contracts to your hot-desk or dedicated desk areas, saving your best spaces for members on longer contracts. However, it would be practical to allow rolling contract members to scale up at a premium for short periods of time while you have vacant offices.

#### On-Demand Memberships

There are ways to capture potential customers who shy away from rolling contracts. If you have pay-as-you-go products and packages, you open your workspace to even more potential customers. This allows even small startups to tailor a more modest membership in which they can purchase a desk for a day or meeting space for a few hours. Though pay-as-you-go memberships might not be a large revenue generator, they should still be offered to deliver maximum flexibility and the opportunity to fill empty desks and workspaces. In this way, you minimize lost revenue and in time bring pay-as-you-go members in under longer contracts.

To go along with your on-demand membership options, including day passes as a product will allow you to capture a large number of potential customers who would normally not be able to access your workspace. Day passes are exceptionally popular in workspaces based in bustling cities as they provide people traveling for work with a space to utilize while away from their regular office. Additionally, day passes serve as a great way to allow potential customers to sample your workspaces before committing to longer contracts.



## Hot-Desks

Hot-desks are a vital part of the coworking experience and should be included as a product. Don't count on them raking in large amounts of revenue, but they will bring people in the door giving you the opportunity to up and cross-sell other services and spaces where possible.

While some members require private, quiet working spaces, there are still many coworkers who place great value on the community and openness of a workspace. Hot-desks provide the optimal way for members to experience this.

Hot-desks as a product fit perfectly into your less robust membership options and should be available to members on pay-as-you-go schemes or those using day and community passes.

## Credits

Unless you're dealing with very high-value memberships and contracts, the majority of memberships and packages will come with 'tokens' or 'credits' which can be spent on facilities or amenities within your workspace. You can utilize these credits in various ways depending on what your workspace offers. For example, if you offer private phone booths or quiet working areas, time to use these spaces can be rented out with the use of a member's credits. Enabling members to purchase more credits via your member portal or at a point of sale system to suit their needs provides you with a steady source of income that bolsters financial growth.

## Getting Creative

In an increasingly competitive market, it is important to look beyond different memberships and products to achieve strong financial growth. Some of the most successful players in the coworking market are looking creatively at their spaces to identify desirable products for their members.

## Monetize Large Common Spaces

If you have large areas, make sure they're available to rent out for professional, training or social events. You can also open up your space to community events and invite tenants from other buildings creating a sense of community and potentially boosting your pipeline. This also ties in nicely with offering community passes to your members which can allow them access to events happening in your different locations.

## Customized Space for Corporates

Maximize the benefit of large spaces by appealing to corporate customers. With huge players such as Microsoft, IBM and Verizon making the move to coworking, having fully customizable floors and areas can allow for long lasting and high-value contracts and membership packages. Enable these tenants with a workspace platform in which they can personally tailor their digital community and easily consume space and services such as meeting rooms or events.

### 3. DRIVING REVENUE FROM PRODUCTS AND SERVICES

#### Managing Products and Plans for Growth

Industry-leading developers are making the most of their space assets to deliver product plans and membership options that suit the needs of a dynamic workforce. Consider the space you have on offer and weigh up what you can accomplish with it to create exciting and engaging products for your customers. The key takeaway is to ensure that you maintain a good balance between your long-term memberships and products and memberships products that are more flexible or on demand in nature. This ensures that your workspace is appealing to as wide a membership base as possible and thus able to capture as much potential revenue to help maintain the strong financial growth of your workspace.

#### Driving Growth by Selling More Services

Your space is the go-to asset and main revenue driver for your shared workspace business. However, when you're ambitious and focused on growing your workspace brand in a competitive market, you are smart to bolster services and generate new revenue streams. What's vital is not selling any old service, but rather the quality of services. In particular, technology services are your most valuable opportunity to drive revenue and therefore growth because they convey the most value.

Tenants and members aren't looking for an affordable telephony solution, but for a unified voice solution that keeps them connected to key stakeholders from anywhere. They're not looking for cheap internet, but a stable, fast and secure connection to the internet that ensures their systems are always up and running and no data is lost. They're not looking for price justification but help in planning for capacity based on their individual business needs. Bottom-line, they're after wrap-around value that creates a solution.

Technology services are  
your most valuable opportunity to  
drive more revenue

Building wrap-around value can lead to a significant increase in sales and below are a few examples:

### Unified Voice Services.

Physical phones have become commodities and bear very little value. VoIP solutions and softphones, on the other hand, provide the convenience of use anytime from any place that has an internet connection. A mobile app that allows users to manage key telephony features including PIN resets, call forwarding, call history helps seal the deal for individual members. The ability to sign in to a desk phone and initiate calls using the mobile App may just bring desk phones back in style. Adding IVR, call conferencing and call recording services to the mix starts to build up the solution to a more business-grade service.

Wrapping security, maintenance, availability and support services around the initial solution helps convey value easier. Customers may easily disregard desk phones, but the same customers would be eager to guarantee voice service quality and availability. When it comes to corporate clientele, offering handsets and VoIP is a quick and easy way for operators to generate additional revenue. Allowing a new tenant to bring their own phone system leaves revenue on the table. Infrastructure that supports VoIP solutions drives value to your members, money to your bottom line and ultimately better positions your workspace for growth.

### Reliable, secure internet connection

Internet today is also a commodity, just like electricity. Services that can be added to the mix for an increase in margin and sales are dedicated IP addresses that help increase browser compatibility and to some extent security, as well as different shared and dedicated bandwidth tiers. Wrapping backup, security, SLAs and reporting services around Wi-Fi and bandwidth packages will convey more value. Customers may say no to top speeds but not to service availability and data protection.

A scalable workspace business poised for growth understands the value of a tech-driven environment. While internet may be a commodity, a secure and resilient backup provide peace of mind for your operation and your tenants. Robust infrastructure comes at a premium. However, it can be leveraged as a revenue driver for growing operators, especially those targeting tech and media focused tenants.

### 3. DRIVING REVENUE FROM PRODUCTS AND SERVICES

#### Flexibility

You can increase your margin per month and sell more services by building the right solutions for your customers. Take virtual members – bundling traditional business address and mail forwarding services with unified voice services such as softphone, call conferencing, auto-attendant and IVR will mean helping customers better position their business.

Micro-enterprises and SMEs may want to start with a shared bandwidth package that stills provides them with a high level of security and availability guarantee, while corporate-coworking customers will enjoy the flexibility of working in your space while getting dedicated bandwidth, private IPs, and network services.

By nature of a flexible office environment, tenants and members value space, services, and amenities that are malleable to their varying business needs. Integrating flexibility into your tech services offering drives greater margins and results in happier customers, which long-term equates to greater retention and greater revenue.

#### Single Partner Services

The secret lies in execution. What will really help you sell more services at better margins is your ability to deliver the right level of service. From making sure voice and Internet services are always up and running to providing a comprehensive marketplace of features and add-ons that help create a better experience for customers.

Working with one supplier instead of many can help you gain more control of your margins as well as provide a better experience. Ensuring technology and roadmap fit is equally important to make sure you can up-sell and cross-sell services.

If your technology partner can ensure full IT and voice service availability by being provider-agnostic, guarantee data integrity and security as well as a stable performance, you will be in a good position to differentiate your offering and sell more services. A single supplier and platform for your tech solutions enable you to scale quicker and easier, replicating a model that works in one location to as many locations in your expansion plan.

When it comes to IT and Voice services, your technology partners' solution set can ensure you don't miss revenue opportunities when it comes to members. For example – allowing members to bring in their own preferred desk phones may mean more flexibility to them but less revenue to you. Moreover, longer-term it may mean a poorer experience as you will not be able to offer support for the phones and compatibility issues with other systems within your space that you have invested in.





# 4 MANAGING REVENUE & REPORTING

Flexible and dynamic products, memberships and services intrinsic to a shared workspace business can lead to complexity at the time of billing, invoicing, capturing payments and projecting growth.

When it comes to the financial health and growth of your workspace business it's vital to have the right people and tools in place. This is where smart technology for workspace management comes into place.

Comprehensive reporting capabilities are essential across all facets of your business – from sales and marketing to operations and down to finance. High-level and granular reporting on how your workspace is performing is essential to grow and scale a workspace business from one to multiple sites.

### Day-to-day Money Management for Growth

Understanding your daily finances and how they position you for growth depends on the initial math around the square footage, budget, and occupancy. Breaking down how you'll distribute and [price your products and space assets](#) will give you clarity on what your budget, total revenue potential, break-even, and subsequent profitability numbers are.

When it comes to your budget, occupancy and future occupancy are critical numbers. Being able to forecast your occupancy rate, revenue per square foot or workstation is key as it relates to revenue and forecasting the value of your monthly transactions. As a solid baseline, workspace operators must prioritize bolstering recurring revenue. Monthly rent from private offices and recurring license agreements generally account for 80% of revenue, while the remaining 20% is attributed to services such as meeting and conference rooms, IT, telecoms services and other ad-hoc amenity charges. Tracking this income is essential to predicting growth.

### Essential Finance Tasks for Growth

Diligence with routine financial tasks will put you on a straight road to positive cash flow and future growth. For starters, it's critical your customers pay on time. Leverage smart workspace management technology to establish automatic and recurring direct debit/ ACH or credit card payments for your tenants and members. E-payments facilitate cash collection, especially when managing a high volume of customers. It's easy to get bogged down chasing any amount of cash.



Clearly communicate at on-boarding and stipulate in your workspace handbook what payment terms are, how much latitude is given for late payments and escalation in the event rent is not received. Establish a notice period for missed payments and be prepared to follow through with cutting off service or deactivating door access control for those in default of payment. For those operating a shared workspace from leased space, making rent is a top priority and therefore so is your cash flow. Attempt to coordinate tenant payments with your lease payments for easier cash flow management.

Daily financial tasks aside from cash collection are paying your overhead costs, bills, and suppliers on time to avoid any issues. Communicate to your staff and clients that your third-party provider relationships are the top priority. This entails the providers of your IT and telephony infrastructure, landlord or building owner, office, coffee and snack suppliers. If you can't pay your bills, your service gets shut off, and therefore, their service and business are impacted. Maintaining positive rapport and healthy payment history with your suppliers is important for your reputation and continuing relationships with them as you grow.

## Workspace Reporting for Growth

Once you've achieved your break-even point your team can start focusing on revenue tracking and executing your growth strategy. Shared workspace reporting is essential to get both a granular and high-level view of how your workspace is performing. Key reports will help you gauge when to start making your expansion moves.

Workspace management software that integrates license agreements with billing and payments enables operators with more comprehensive reporting capabilities and a tighter grip on their finances. What matters fundamentally is your revenue number, tracking and delivering committed revenue to accurately project what your income stream will be 3, 6, 9 and 12 months from any point in time. Comparing future committed income and occupancy against your budget and plan gives you visibility into future profitability. Identify the gaps you need to fill and act in the short-term to meet your expansion goals.

### Reports to Track and Project Growth

#### • Forecasted contract revenue

Project your business performance over the upcoming periods by running reports on forecasted revenue based on contract start and end dates. You should always know where your business will stand in three, six or nine months' time. This report will help you project rent allocation for future sites, fit out costs you can afford, and sales and marketing initiatives to drive demand at new locations.

#### • Occupancy Forecast Report

The ideal occupancy forecast report will present you with the square footage of your rentable units and spaces and an associated price.

With integration to your inventory and license agreement managers, this report will project the amount of revenue you're bringing in based on your occupancy over a selected period based on license start and end dates.

#### • Actual Income

Actual income reports give you clarity about the money you're making from your existing contracts, memberships, and products so long as they're classified by groups or codes within your reporting platform.

#### • Rent Renewals

Keeping a close eye on license agreement and renewal dates is vital when you are planning for expansion. This level of reporting gives your center manager a chance to speak to customers whose renewal dates are coming up and increase the rates where possible.

#### • Current and historical rate

Measure the current month's total rate per square foot and historical rate over time so you can consistently compare business performance over time. More granular reporting provides insight into recent deals done to determine if they are equal to or greater than deals made in previous time periods to adjust business projections where needed. Current pricing versus average market pricing is a good indicator of business growth and whether you're making marginal positive gains or taking steps backwards.

#### • Conversion Rate:

Incoming Leads to Deals Closed

On a regular basis, successful operators are tracking the number of leads that enter the pipeline and are closed compared to previous time periods. Tracking and analyzing these numbers help operators make substantial sales decisions that ultimately contribute to generating more revenue for growth.

#### • Aged Debtor Reports

Don't let delinquent customers and debt fall through the cracks. Stay on top of what's owed to you with aged debtor reports. Get a detailed view of outstanding balances owed to you by customers and just how far back their debt extends. Set a limit on your grace periods and follow through with sanctions when customers don't pay.

#### • Deferred Income Reports

Deferred income sits on your books as a liability until the service is delivered, at which point it becomes revenue. Tracking and running frequent deferred income reports shows you the money you've received for services not yet delivered. Save time for your accountant and achieve accuracy at the time of billing so that income for products and services posts in the correct billing period.

#### • Product Group Analysis Reports

Understand the total spend on your various product groups. From private offices and meeting rooms to virtual and residential member spend, you must understand how your offerings are performing and which generate the most cash. This report will provide a good indication of how to repurpose your space in existing sites or make you reconsider the balance of space you offer at future sites when expanding.

#### • Point of Sale Transactions

Get the full view of what ad-hoc charges are coming in through your point of sales transactions. Are they meeting room bookings?  
Snacks or coffee?

Perhaps day-passes. When revenue from Point of Sales pique for a particular product or service category its an indication to expand that offering and optimize revenue potential at your existing and future sites.



While this is not an exhaustive list of reports to keep track of, they are a starting point for what you need to grow your workspace. Data captured from your workspace management platform can guide your business through smart expansion planning and execution.

## Workspace Software to Boost your Operation

Whether you're just starting your workspace journey or at the crux of expanding, equipping your space and staff with the right tools to run your space is priceless. Workspace management software is often overlooked as expensive and unnecessary when rived with cheap or free disparate apps and tools.

While this approach may get you by for the short-term, they won't position you for growth. An investment in comprehensive workspace management software and technology can save you precious time, energy and resources in mundane tasks. Management software alone can shave days off your bill-run and invoicing process while requiring little to no previous technology experience.

For workspace operators of all sizes and assets, the most commonly used features that make their lives easier and workdays shorter are:

- End-to-end billing and invoicing with less errors, greater accuracy and happier members
- Point of Sales to capture and funnel ad-hoc charges member accounts
- Back-end calendar to manage move-ins and move-outs
- Messaging and communication for member- to-member and operator- to-member

## Operator Insight

Innovation Depot's Financial Controller used to spend 3 to 4 days preparing billing for over 900 members – when she didn't run into any kinks. After implementing Operate from essensys, she's able to complete the entire billing process in a single day, with greater accuracy and clearly presented charges for members to understand.

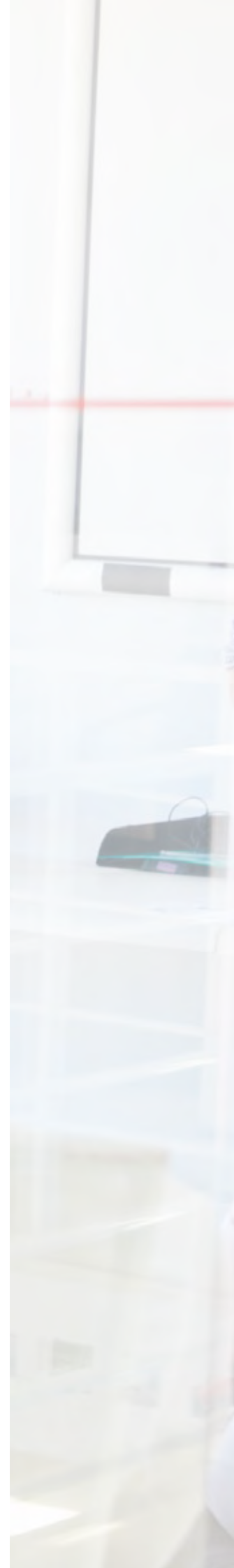
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### Ready, Set, Grow

Having the right systems, processes and procedures in place will better position your workspace for growth. From a financial perspective, the stronger your reporting capabilities, the better support you can provide to teams across your business. Workspace management technology empowers operators to be more efficient in terms of resources spent on managing their business – across the board. For example, smart software equipped with an open API and workflow automation is a powerhouse combination that bolsters your performance.

Automation removes repetitive administrative tasks that take away from the time you spend with your customers and focusing on your next business move. It also enables your team to maintain better communication with leads and customers and to meet KPIs keeping your company on track for growth.

Outsourcing your workspace technology to a single experienced partner means you spend less money on multiple management contracts and reduce your resource spend on hiring and training staff members to manage technology. A lower staff and contract count in each of your centers will positively impact your bottom line. When workspace technology is consolidated from within a single platform, you can focus on building your sales and growth strategy teams who are dedicated to scaling your business efficiently.



# Future-proof your business with scalable, purpose-built software

## Mission-critical software for the flexible workspace industry

essensys is the world's leading provider of coworking software and technology.

We power the world's largest community of tech-driven flexible workspaces with award-winning software-enabled infrastructure and workspace management software