Workplace strategies and solutions for today’s federal space needs
What they are and why they matter

Prepared by:
Jim Reidy, Senior Managing Director, Savills Studley Inc
jreidy@savills-studley.com, +1 202 624 8510

Mary Goldsmith, Director, RSM US LLP
mary.goldsmith@rsmus.com, +1 202 370 8247

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The federal government is facing significant challenges as it looks for ways to address and comply with the Office of Management and Budget’s (OMB) March 25, 2015 mandate to “Reduce the Footprint.” All the while doing this in an environment where mission requirements are changing as rapidly as workforce behaviors and the technologies that drive them. This has federal agencies looking for the best way to balance a cultural tradition that views space as a badge of rank and/or a perquisite of one’s position with a logical and measured response to a tangible shift in the way their staff uses space.

One of the most effective approaches being employed in both the public and private sectors is the development of a portfolio-wide Workplace Strategy and, through it, the implementation of project-specific Workplace Solutions. So what are they and why do they matter? The answers may surprise you.

Background

At its core, a Workplace Strategy is a business case-driven acknowledgement of, and functional and financial response to, 21st century workforce needs and behaviors. And a Workplace Solution is the application of that strategy against the specific needs of the implementing unit or site within the organization.

OMB’s March 2015 mandate to “Reduce the Footprint” is an acknowledgement of the fact that the way we work, and employ facilities to support that work, is evolving rapidly. Across both the public and private sectors, there is a noticeable and measurable change in the way traditional office space is being used by an increasingly connected, collaborative, and mobile 21st century workforce. Technology-savvy, naturally collaborative millennials comprise a rapidly increasing percentage of this workforce. In fact, the U.S. Bureau of Labor Statistics predicts that millennials will overtake the majority representation in the workforce this year (2015)2 and the University of North Carolina predicts they will represent nearly half (46 percent) of U.S. workers by 20203. And interestingly, it’s the millennials, in particular, that are looking for flexible and mobility–enabling work environments. More notably, they have had and are continuing to have a profound influence on the way all age–based cohorts work, from driving a rapid adoption of mobility–enabling technology to championing a rise in mobile and collaborative work behaviors.

As a result of this millennial–centric workplace, across both public and private sector organizations, the way we work and the spaces that support us are becoming increasingly misaligned and our use of the workplace has evolved accordingly. Changes in work behaviors and advancements in technology have combined to free staff from phone lines and network cables. This newfound mobility has resulted in a significant segment of the workforce working wherever it needs to: in the field, remotely, with colleagues in collaborative spaces, or, in the conventional sense, at a desk. The result is a sea of workstations in a traditional office environment that lay vacant during the business day, translating to an ineffective application of operating funds that pay for underutilized space. This is noted in the General Services Administration’s (GSA) July 2012 report, “Workspace Utilization and Allocation Benchmark,”4 which states that “…the average utilization for workspace in the U.S. and Europe between the hours of 8:00 a.m. and 5:00 p.m. is 35 to 50 percent; at any given time over half of all workspaces are not being used.” Recognition of this reality is what led OMB to revise its directive earlier this year. And its primary goals are not only to right-size the federal real property portfolio to support the way staff work today, but, perhaps more importantly in this budget–constrained environment, to reduce operating costs.

2 http://www.forbes.com/sites/jeannemeister/2013/04/01/flexible-workspaces–another-workplace-perk–or–a-must–have–to–attract-top-talent/

Just as critical, though, is the need to recognize the impact the physical workplace is having on an agency’s ability to recruit top talent and then retain it going forward. The intensifying competition for this talent is also influencing what organizations, both federal and commercial, will need to offer in their facilities as they compete for resources from the same talent pool. Many Human Resource Managers,5 in their efforts to recruit and retain the best to both fill new positions created by growth and replace retiring baby boomers, tout their bright, open, and flexible facility environments that promote a sense of energy, provide the freedom to choose where and how to work, and permit seamless transitions between collaborative and concentrative work spaces. Those features are very important and represent a “design vocabulary” or theme, which will eventually need to be employed by interior designers when addressing the needs of their project’s resident population.

However, it is the determination of a project population’s spatial needs, by defining the number of workstations and collaborative seats needed to appropriately leverage existing work styles and behaviors, which must be addressed at the beginning. This starts with the development of an agency–specific Workplace Strategy that provides the framework for producing budget–justifying, design–directing, mobility–enabling, and flexibility–promoting Workplace Solutions.

Workplace Strategies and Solutions: What They Are

Experience shows that some organizations believe that the first step to addressing this change is to go directly to a design solution with an arbitrary space reduction target. It also shows that these “forced” solutions often fail because they do not take into consideration the distribution of work styles. Leading practices taken from the private sector and from at least one federal agency, however, show that the first step should really be the development of an organization–wide Workplace Strategy that defines an agency’s approach to developing and implementing project–specific Workplace Solutions across the organization.

5 http://www.kenan-flagler.unc.edu/executive-development/custom-programs/~/media/DF1C11C056874DDA8097271A1ED48662.ashx
This strategy will take into consideration the types of work occurring in its facilities, and will subsequently allow for the development of differentiated, project–specific Workplace Solutions that consider project-specific factors including location, supported functions, and the size and distribution of assigned staff work styles. An example of the impact of employing this approach is seen above where the Workplace Solution would result in a 33.38 percent reduction in workstations to support the end-user’s work style distribution (i.e., Traveler/Teamer/Independent/Resident).

The staff’s work style distribution presents the opportunity to achieve an improvement from the traditional 1:1 Staff : Workstation leverage model to one closer to a ratio of 1.5-to-1 as described in the potential leverage models shown below.

These examples support the position that the development of Workplace Strategies and, subsequently, their associated Workplace Solutions, start with the recognition that this:

- Is not a design exercise but it will ultimately inform and shape one
- Is not a telework program but it may very well incorporate telework competencies and benefits that enable workforce mobility and support an agency’s Continuity of Operations requirements
- Is not a blanket hoteling program but it could include elements of hoteling, as appropriate, to best leverage and support the different work patterns employed by an agency’s staff in the execution of its duties

Once the Workplace Strategy is defined, the development of project–specific Workplace Solutions will produce a Program of Requirements (POR) that maps directly to an assigned staff’s spatial needs by acknowledging corporate culture, recognizing the differentiated work styles of its employees, and introducing and/or adequately providing for mobility-enabling technologies. These steps will be key to the scope, acquiring (design/construction/build-out), outfitting, and, ultimately, occupying facilities that best serves the agency staff’s needs by supporting those needs over the term of its occupancy agreement.

**Workplace Strategies and Solutions: Why They Matter**

The economic justification for developing and implementing Workplace Strategies and Solutions is fairly evident. The private
sector employed this approach aggressively following the 2009 financial crisis as it sought ways to reduce operating costs in order to maintain staff and capabilities as corporations rode out the economic storm. Today the private sector is just as, if not more concerned about developing and/or updating their Workplace Strategies and Solutions as they arm themselves to win the battle for talent.

There is also a very recent example of a successful development and implementation within a federal agency in which an agency-wide Workplace Strategy was employed to develop a project-specific Workplace Solution. The project called for the consolidation of then current space from seven floors in three buildings into three floors in one building. The resulting design and build-out achieved a 46 percent space reduction and will result in an annual cost reduction of $4.1 million. And the Workplace Solution–produced POR provided to the architect of record for design development resulted in a work space that promotes a sense of energy, provides staff the freedom to choose where and how they work, and permits the seamless transitions between collaborative and concentrative work spaces.

Summary

As mentioned earlier, organizations from both public and private sectors must also address the need to recruit, hire, and retain staff to support today’s needs as well as ensure continuity for the future. And that includes providing bright, open, and flexible workspaces that provide the right types of environments to support the connected, mobile, and collaborative ways we work, while also providing the right quantities of those space types to prevent wasting financial resources on un- or underutilized space and the associated energy costs. This very succinctly makes the case for why Workplace Strategies and their associated Workplace Solutions matter and should be effectively incorporated into agency strategy and planning at the highest level.