GSA

Real Property Policysite

News and Views on Real Property and Workplace Policy

Winter 2002/2003

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Welcome to the Government of the 21st Century!

Our mission drives us into the 21st century: "The Office of Real Property promotes collaborative and innovative Governmentwide policies, products, and services for real property, the 21st century workplace, and entrepreneurial Government activities." We reach out on a global level to share information on Federal real estate and the workplace with our industry partners and the public through this newsletter and other avenues.

This is the **twenty-third** issue of REAL PROPERTY POLICYSITE, a quarterly publication of the Office of Real Property (MP), Office of Governmentwide Policy, U.S. General Services Administration, Washington, DC, which is led by Deputy Associate Administrator, David L. Bibb. Our newsletter shares the latest information on public and private sector real estate and workplace initiatives, trends, and best practices. We encourage your input. Contact us to let us know what you think, to contribute articles, or to be placed on our mailing list, by contacting the editor, Richard Ornburn, at richard.ornburn@gsa.gov, or (202) 501-2873

Integrated Workplace

Integrated Workplace Pilot Leads the Way at GSA!

By Rob Obenreder, GSA Office of Real Property

Cafe area with touchdown stations and meeting areas.

Can better workspace reduce long-term operational costs and minimize waste?

Would you believe federal money can be better leveraged to not only improve workspace aesthetics, but also the performance of the space and the productivity of those using it? Did you know the federal government spends millions of dollars each year providing workspace for its employees, often using 19th century methods and solutions to support 21st century knowledge work?

To answer these questions and test these ideas, we, GSA's Office of

Office sets precedent for renovation of office space in historic 1917 building with Integrated Workplace process.

Real Property, renovated our offices using Integrated Workplace (IW) principles, which were published in the report, "The Integrated Workplace: A Comprehensive Approach to Developing Workspace."

Design Challenges: The old workspace for the Office of Real Property consisted of systems and freestanding furniture of various vintages and sources, awkwardly arranged in poorly lighted, confined

spaces. "Amenities" included a poorly located and confusing executive suite and staff administrative area at the mid-point of a noisy public corridor, and a large conference room with a library whose use was restricted by the conference room schedule. The office space was gloomy at best, with inflexible, inequitable workstations and limited opportunities for staff interaction.

As is typical in a small project like this, the limited scope and budget precluded using extensive consultant help. A workplace change professional was brought in at the beginning to conduct a workshop that helped define work processes, workplace strategies, and office space needs. We then held a design charrette with in-house staff. It could be said that, in large part, we the tenants designed our space, overcoming many of the typical obstacles and attitudes all offices would face.

In-house architects and designers provided design and project management expertise and the building support staff carried out furniture procurement and much of the construction.

The Workplace Design - From Vision to Reality through Dialogue: The staff and

Office of Real Property located in historic GSA Headquarters Building

The Integrated Workplace allows an organization to use the workplace as a strategic tool to accomplish its mission and improve employee performance. It provides a context for examining needs and resources to be translated into appropriate work strategies and space solutions. It supports a sustainable approach to federal facilities by focusing on solutions that provide more healthy, productive, and flexible workspace and work strategies that help attract and retain valued staff, simplify reorganization and space reconfiguration, and reduce downtime and waste.

Photo credit: Hoachlander Davis Photography

Integrated Workplace

Old workspace layout

management defined our workplace needs. They wanted a workplace that *"fosters innovation and communication, provides a healthy and satisfying environment, and supports high-quality work."*

Using a series of two-bay-wide suites (about 560 s.f.) that accommodate four-five people in open workstations surrounding a common area, the final space configuration is more in keeping with the original building layout of private offices along a public corridor. This arrangement moved the secondary internal circulation of the old open-plan office back into the original corridors, picking up needed usable space and creating opportunities for staff interaction. The result is a more intimate, collegial atmosphere than the previous open-plan "cubicle farm," so justly maligned in recent years.

Existing space was reconfigured to make better use of it. As a result, wasted space was recaptured to create three small meeting rooms and a community room in the same rentable area. In total, over 900 square feet (10% of the total space) has been recaptured.

Just the Facts: The Office of Real Property is housed in 852 rentable square meters (9,167 square feet) on the sixth and seventh floors of the historic, 85-year-old General Services Building in Washington,

DC. The newly renovated space, occupied in June 2002, provides office and support space for a total staff of 46 in 42 workstations. The utilization rate is 18.5 rentable square meters (199 square feet) per person, including joint use and conference spaces. Average workstation size is 7.2 square meters (78 square feet).

A More Collaborative Process: Through team meetings, staff workshops, focus groups, surveys, and interviews, we defined written goals for our new workplace. The three most important issues were: privacy and noise, more user

adaptability, and improved day-lighting and temperature control. The staff also identified ergonomics, team meeting space, and storage as priorities. Management also wanted increased opportunities for staff interaction, team collaboration and telework support.

Specific Design Solutions:

More privacy/less noise: Division of the larger, open spaces into smaller 5-person "suites" maximizes the distance between workers, helping to reduce noise and distractions.

User adaptability and mobility: All furniture and space screens are easily moveable.

More daylight: We took advantage of the narrow depth of the suites to provide more natural light in the spaces.

> **"Our new innovative workspace facilitates teamwork and interaction among GSA Real Property Policy Division associates."**
>
> **Stanley Langfeld,**
> **Real Property Policy Division Director.**

Temperature control: Existing window air conditioners were located more uniformly in the spaces. Ceiling fans in each office improved air circulation.

Storage: Workstation storage includes towers, file pedestals, and bookshelves, all on wheels for easy mobility; long-term file area located on the next floor.

Ergonomics: Ergonomic task chairs; new adjustable keyboard trays; task lighting provides increased illumination at the desktop.

More collaboration/teaming: All staff are now located in contiguous

space; small meeting area in each suite; community room; three small meeting rooms.

Sustainable features: "Green" materials and practices used in the project, from sorting and recycling of paper during pre-construction moves to recycled content in all furniture, fabrics, carpet, and other flooring.

Flexibility features: Occupants have the complete ability to personalize their workstation configuration.

Alternative workplace strategies:

comparable to that of a conventionally planned space, even with some increased planning costs. We believe that this approach resulted in fewer construction changes. Fit-up costs can be tailored to meet any reasonable budget. Total "move-in" cost for this space, including design fees, space renovations and furniture, was $49 per rentable square foot, or $10,833 per person.

Performance Measurement: A survey will be conducted to poll the

main conference facility with state-of-the-art equipment.

"The MP space redesign was delivered on time, within budget, and the result is an environment that is a dramatic improvement over the way we used to work."

Stanley Kaczmarczyk, Innovative Workplaces Division Director.

Includes telework, telework centers, and desk sharing.

Project Cost: The cost of providing flexible space using Integrated Workplace strategies was

users on workplace performance. This information will inform future workplace changes. The GSA-wide Gallup Q-12 survey will also be used to assess general workplace

Photo credit: Hoachlander Davis Photography

satisfaction.

Conclusion: The Office of Real Property Integrated Workplace demonstrates that a greatly improved work environment can be created on a limited budget. Our new workspace provides completely mobile workstations that have already proven their worth. Each occupant has made changes to the workstation to better suit how he or she works. Workstations are more equitable, with each person getting the same size space and access to daylight. The new community room, carved out of old circulation space, serves as the heart of the office. Meeting areas support more collaborative and intense individual work.

All in all, life today is better in the Office of Real Property (MP) thanks to a responsive workplace design that will continue to be adapted and improved, meeting today's needs and tomorrow's challenges. We are living the Integrated Workplace, and are better for it. For more information on IW and the pilot, contact Rob Obenreder at 202-208-1824. ∎

New "suite" with flexible, ergonomic workstations and collaboration area.

Integrated Workplace

GSA Furniture Services Schedule Breaks New Ground!

by Pamela J. Blumenstein, GSA Federal Supply Service

Do you need space planning services? A new asset inventory system? Interior design? You can now get these and other related services quickly and easily from the GSA schedule!

The Federal Supply Service's (FSS) National Furniture Center has been successful over the past decade in greatly expanding the commercial products and number of manufacturers offering furniture and furnishings under GSA's multiple award schedules. Sales have grown steadily.

Demand increased and the Furniture Center responded again to its customer needs by launching a schedule of furniture and "interiors" services.

This was the first time that these kinds of services were made available without the necessity of procuring product. The schedule was established with modest, initial expectations of $3.9 million in sales during the first year. Actual sales during that year exceeded $8.9 million and the trend continues to rise.

Comprehensive Furniture Management Services Schedule provides asset management and other related services to customers now.

In the mid-nineties, customers began to frequently request furniture-related services. The National Furniture Center responded immediately by offering in-house, value-added services such as procurement management, furniture warehousing, and dock management.

The schedule covers six categories of services or Special Items Numbers (SINS):

- **Project Management:** development of project plans and strategies, implementation of those plans, budget preparation and oversight, management of the interior design process, adherence to codes, oversight of furniture and equipment deliveries and installation, and logistics management of interior renovations

- **Asset Management:** development of systems to track and monitor furniture and equipment inventories, recommendations for process improvements, identification of appropriate technologies, budget requirements for system implementation, bar coding, customization of systems, the education of customers in the use of implemented systems and management of property disposition

- **Asset Maintenance:** furniture reupholstering, refinishing, and cleaning to include panels, wall coverings, carpet and rugs

- **Reconfiguration/Relocation Management:** development of reconfiguration/relocation plans, schedules, disassembly and reassembly of furniture

- **Furniture Design/Layout:** furniture consultation and product specification, furniture layout

- **Packaged Environments:** interior design, space planning and programming, installations, interior renovations, alterations and modernization

The schedule will continue to expand as customers identify additional needs. The National Furniture Center invites comments and questions. New vendors are always welcome to discuss opportunities under this and all its multiple award schedules. For more information, please contact Rose Hudgens on 703-305-5839. ■

IntegratedWorkplace

The Workplace Continues to be Redefined

by Joanne Shore, GSA Office of Real Property

How do you create a sustainable workplace? Can work only be done in an office environment? Coming soon: two new GSA publications on the workplace to help answer these questions!

Creating the Sustainable Workplace and *Managing the Virtual Workplace* – two new publications from the Office of Real Property - can provide answers to these and other questions that you may have concerning important workplace issues. The two publications are scheduled for release in March 2003.

Creating the Sustainable Workplace continues the Office's goal of educating individuals and their organizations on the environmental implications of their business functions. The publication addresses many of the issues covered in our other publication, *The Real Property Sustainable Development Guide*, but focuses more on how sustainability can be the key factor in creating a high-performance workplace. The publication will include articles on making a business case for sustainability and other important topics of interest to the professional involved in designing, implementing, and managing work environments based on sustainable principles. The Office of Real Property also has two videos to complement these publications: "Sustainability 2002 Workshop: Highlights of William McDonough Speech" and "The Journey to Sustainability: A Conversation with Ray Anderson."

The second publication, *Managing The Virtual Workplace*, demonstrates that safe, healthy and productive places to work can exist both inside and outside of the traditional office. A high-performing workplace is one in which people have the flexibility to choose the most effective places for them to work. As *Managing the Virtual Workplace* will show, a 21st century workplace is wherever you want to be. For more information about these publications, contact Joanne Shore at 202-273-4668. ■

SUSTAINABILITY IS ... a concept that recognizes human civilization is an integral part of the natural world and that nature must be preserved and perpetuated if the human community is to sustain itself indefinitely. Sustainable design is an integrated, multidisciplinary approach to design and construction that considers the environmental and social health impacts of the built environment, while creating energy efficient, lower and safer maintenance, and resource-conserving facilities that minimize our impact on the environment.

Integrated Workplace

Agencies Getting Serious About Alternative Officing Cost Savings

by Wendell Joice, GSA Office of Real Property

For several years, federal agencies have expressed interest in the cost savings potential of the combination of telework and alternative officing (AO). Various private sector organizations such at IBM and AT&T have reported significant savings of facility costs resulting from their telework/AO programs. Also, a few federal organizations such as the Federal Railroad Administration, Department of Education, and the Internal Revenue Service have reported significant savings and/or potential facility savings from such arrangements. Recently, the Equal Employment Opportunity Commission (EEOC) and the Patent and Trademark Office (PTO) tossed their hats into this ring.

EEOC's Office of the Inspector General (OIG) has issued a draft report containing an assessment of its current technology infrastructure and telework program to determine if telework has the potential to reduce costs without adversely affecting operations. Throughout the assessment, the OIG utilized consultants from GSA's Office of Real Property and used elements of the Cost-per-Person model developed by the Office. The assessment was conducted in four field offices: Dallas, Texas; Los Angeles, California; Miami, Florida; and Washington DC. Draft findings included the following:

- Having determined that existing space required reconfiguration in order to accommodate the program, EEOC's OIG found that savings could be maximized by timing implementation of telework/AO with the expiration of its lease agreements.

- EEOC's OIG found that field offices can see financial savings as a result of implementing a telework program where employees telework two or more days a week. Each of the four EEOC field offices would see savings by the third year of the telework/AO program.

The PTO has announced plans to expand its telecommuting program for trademark examining attorneys, estimating the move will result in annual savings of about $900,000. PTO wants to transition its teleworkforce into hoteling arrangements to reduce the amount of required office space. Trademark officials plan to carry out this expansion and transition during fiscal 2003. Participating PTO teleworkers will spend as little as two hours per week in the main office. Under the new hoteling arrangements, several attorneys will share an office and coordinate with each other for use of the space. During FY 2002, PTO successfully pilot-tested the hoteling arrangements with 50 of its trademark attorneys. ■

Real Property Policysite

E-RealEstate

How is the Private Sector Using E-RealEstate Solutions?

by Dennis Goldstein, GSA Office of Real Property

e-RealEstate – Phase II: The Private Sector

How are private sector organizations (with large real estate portfolios) using e-real estate solutions, what are their experiences, how do they measure productivity and effectiveness, and what other metrics and benchmarks are being employed to determine return on investment? The Office of Real Property conducted a survey to find out....as part of phase II of its ongoing e-RealEstate initiative.

Purpose - Phase II Project Overview.

In phase II, GSA's Office of Real Property developed an Excel-based tool, the e-Real Estate Analytical Tool for Productivity (EAT model), as a means of determining an estimated Return on Investment (ROI) required to payoff the cost of implementing various types of property management and real estate solutions. Further, the EAT model served as the impetus for a dialogue with the private sector to examine the level of the private sector's use of the Internet for real estate management functions.

In phase I of this initiative, the Office examined the use of the Internet and web-enabled software in the management of real estate assets in the Federal government. Software in the areas of data base management, leasing/lease administration, construction management, and property management ranked high on the list of web-enabled software applications that Federal government real estate managers used.

In phase III, we are planning to provide four or more agencies assistance with implementing Commercial-Off-The-Shelf (COTS) software for e-Real Estate solutions.

Objective of the Study

The phase II study's objective was two-fold:

1. Survey how private sector organizations (with large real estate portfolios) are using e-real

estate solutions, their experiences, how they measure productivity and effectiveness, and what other metrics and benchmarks are being employed to determine ROI.

2. Using feedback from study participants and industry research, evaluate the methodology and usability of the e-Real Estate Analytical Tool.

Summary of Findings

Use of e-Real Estate Solutions in Private Sector

Five major private sector

corporations with significant real estate holdings participated in this study phase. The participating private sector corporations' real estate portfolios range from 9 million to 18 million square feet of building space. As was determined to be the case with many agencies in the Federal Government, these companies use a wide variety of software (client-server, web-based, and a combination of the two) to support the business needs of their real estate organizations. Some of the commercial software systems in use include FacilityCenter (purchased recently by Tririga), FIS, FM Space, Maximo, Datastream, Meridian ProjectTalk, and several project collaboration portal/conferencing tools including NetMeeting, Domino, and Placewares.

The Federal Government likely has the world's largest real property portfolio, with 3 billion square feet of owned building space, and another 350 million square feet of leased building space.

Summary Satisfaction Ratings

For each category of e-Real Estate software, survey participants were asked to rate their satisfaction for the following criteria:

- Ease of learning and using the system;

- The vendor's level of service;

- Achievement of desired system performance;

- The achievement of the expected benefits; and

E-RealEstate

SOLUTIONS *from previous page*

• The system's openness or ability to be customized, integrated with other systems or to have data extracted for other use.

Figure 1 displays the average satisfaction rating for all criteria for each of the e-Real Estate Solution categories.

Figure 2 displays the total satisfaction rating for each satisfaction criterion for all e-Real Estate software categories combined - essentially a snapshot of the industry offerings for these areas of satisfaction.

Planning and Implementation

Several of the private sector companies interviewed have adopted e-business models within their Real Estate organizations, using a variety of COTS systems with customizations tailored to unique business needs. Some key factors mentioned for successful implementation of e-Real Estate solutions include the following:

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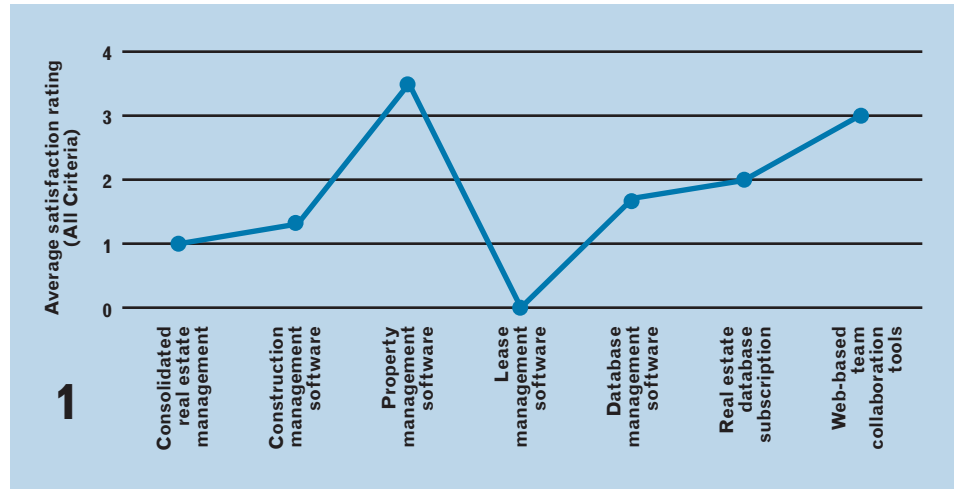
• Dedicated IT Strategy Development Team;

• Development of a Business Case for Management;

• Training; and

• Cost Understanding and Acceptance (initial and on-going costs).

In discussing the concept of a dedicated IT strategy development team, one of the participants mentioned that their e-business technology strategy has been slow to take hold due to factors such as lack of common business processes. Two of the participants mentioned that assigning a dedicated group with the responsibility of developing an IT strategy in the context of improving organization effectiveness is a vital requirement. This role requires an in-depth understanding of the business processes and applying the appropriate tools to improve productivity or create new value to the organization. With respect to the development of a business case for management, several of the participants' organizations with e-business strategies employ standard processes for justifying technology projects. Training was deemed to be essential to the success of the e-RealEstate management solution. Finally, one of the participants mentioned that management's lack of cost understanding and acceptance of the high costs for implementing and maintaining the new technology has been an obstacle in reaching the next level of their e-business technology strategy. The participant

2
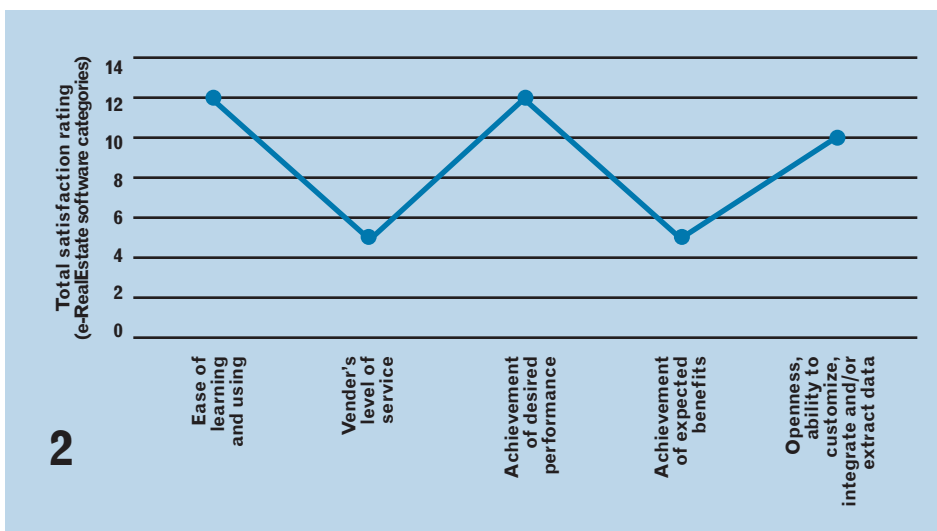
E-RealEstate

feels this problem will continue until a change in mindset takes place on software costs and cost savings. The focus instead, she believes, should be on the value the system brings to the organization; for example, the value of the decision-making information.

Evaluation of GSA's e-Real Estate Analytical Tool

The EAT model examines the impact that increased spending on e-Real Estate technology has on a) increasing productivity and b) reducing staff turnover. The model suggests that such technology investments can be paid back by expected increases in productivity or decreases in employee turnover. The model uses salary as a basis for these calculations.

All participants agreed that productivity increases are directly correlated to increased spending on technology. However, they felt that using salary as the basis for calculations was not a particularly accurate way to measure productivity. For example, one organization measures productivity with cycle time, revenue and headcount (i.e., as headcount stays the same or goes down and revenue increases, then productivity is improved). Most participants, however, felt measuring and quant-ifying productivity continues to be a difficult and somewhat elusive task.

In terms of the impact that increased spending on technology has on reduced staff turnover, participants felt technology spending had little effect on retaining staff. Participants felt that using Excel for the EAT model was a good idea as most business professionals are familiar with and feel proficient using this program. Lastly, estimating productivity benefits related to specific real estate business processes and use of the EAT model (or modified version) could be one piece of a Needs Assessment/Business Case scenario for identifying the value and justifying the cost of implementing e-Real Estate solutions.

Benefits of Study

The study provided the following outcomes for the Office of Real Property :

- Useful cost information and implementation methodologies were collected – Startup costs for major web-enabled software packages ranged from $2,875 per user to $10,000 per user; annual maintenance fees for these packages ranged from $100 to $2,000 per user; and the annual budget for system operation ranged from $30 to $2,000 per user. These costs are dependent on the type and complexity of the software packages used and the size of the real estate organization.

- Useful ROI tools and examples were collected – Methodologies for determining payback and examples of cost savings and benefits can be extracted and/or modified to suit Federal agency use. Quantifiable ROI measures aligned with potential risks of not implementing real estate technology solutions all deal with productivity in some sense, whether it is improved communication, better access to better data, or improved processes.

CoreNet Global

During the course of this study, a partnership with CoreNet Global was formally established. The eCRE (e Corporate Real Estate) working group of CoreNet Global is embarking on a business process and data standardization initiative for the Corporate Real Estate industry. The GSA study for the next Phase will utilize the standards that have been developed by CoreNet Global for real estate business functions and terminology. As appropriate, GSA will access papers and tools from the CoreNet Global web portal.

For more information on the Office of Real Property's e-RealEstate initiative and eCRE working group, contact Dennis Goldstein at 202-219-0608. ■

Federal Recycling Program   Printed on Recycled Paper

E-RealEstate

The Automated Prospectus System (TAPS) 5.0 Aids Asset Managers

by Dennis Eisen and Aboudi Roustom, 3H Technology

For the past two decades the Automated Prospectus System (TAPS) has been the standard present value model for the analysis of lease, build, buy, and redevelopment alternatives for government real estate. Numerous Federal agencies and several state governments, as well, have long used it to assist in real estate decision making. The General Services Administration has just finished development of version 5.0. This latest version is a web-based application that has incorporated numerous enhancements to minimize off-line calculations, simplify operation, and further ensure "apples-to-apples" comparison in evaluating the numerous approaches to acquiring space.

TAPS is an extremely versatile tool and throughout the Federal establishment has been routinely applied to situations all over the country involving commercial office space, industrial facilities, VA clinics, surface and structured parking, emission control stations, government laboratories, storage and warehouse facilities, courthouses, mixed-use development, public and Native American housing, and even airport traffic control towers.

TAPS gives a truer picture of the total government costs of leasing or owning real estate, including, for example, the cost of tax expenditures (that is, tax benefits to lessors arising from depreciation and tax credits) when leasing space from the private sector. The program rigorously adheres to the many rules and regulations specified in the Public Buildings Act of 1959 (as amended) and all relevant OMB directives as to how lease versus build or buy analyses must be performed by Federal agencies.

TAPS can be used as a financial planning tool for preparing budgets, as an evaluation tool for comparing responses to competitive solicitations, as an asset management tool in pinpointing underperforming properties, and as a work-out tool for formulating turnaround or disposition strategies.

For further information on system requirements, installation, training and consulting services, please contact Mr. Aboudi Roustom, Director of Information Technology, 3H Technology at aroustom@3ht.com. ∎

Strategic Planning

Strategic Planning: Aligning Workplace Services Creates Value

By Shirley Morris & Ray Wynter, GSA Office of Real Property

"Should we and can we incorporate our administrative services into our strategic plan? YES!"

J. Lebo, Assistant Inspector General for Administration, GSA Office of Inspector General

Traditionally, in preparing strategic plans, nearly all Federal agencies have neglected to leverage the major investments that they control, such as real and personal property and other administrative or workplace services. Strategic and performance plans must necessarily focus on agency core missions. But we believe that people are the most important resource for carrying out missions. The workplace and associated administrative services directly impact the quality of the employees' performance.

Why should you align workplace services to the strategic plan?

Because you create value in doing so. With the possibility for significant changes in the Federal workforce during the first decade of the 21st century due to an expected wave of retirements, the impact of administrative services on organizations is likely to become more significant. Workplace services are important to the daily operation of all organizations. Federal agencies need to pay more attention to functions such as real and personal property and other administrative programs to the extent that they are included in an agency's strategic planning process.

Organizations are encouraged to think strategically about the workplace and how administrative services impact the delivery of the mission. With roughly 1.8 million Federal career civil servants, people are the most important resource in the Federal workplace, and administrative services directly impact the quality of the associates' performance.

Linking management support functions to an agency's strategic plan is essential. Agencies benefit from the ability to mobilize the full range of support contributions needed to achieve their mission goals and objectives. They come to rely on support organizations as full members if they are connected to the agency's mission in a clear and demonstrable fashion. The benefits are seen in employee morale, organizational productivity, and business development.

Practices to integrate key administrative support activities into

Strategic Planning

There are about 1.8 million career civil servants in the Federal Government....

ALIGNING *from previous page*

the strategic planning process include:

- Involving administrative support leaders in establishing strategic program priorities.

- Integrating key support functions into the strategic planning process.

- Communicating the message throughout the organization to ensure thoroughness of input, clarity of expectations, and authenticity of associates' buy-in to agency strategies.

- Adopting a balanced scorecard for planning, managing, and evaluating support function contributions.

- Using benchmarking to set performance targets, standards, and measures for key administrative support objectives.

An effective 21st century organization must consider how assets and workplace services directly impact its ability to successfully fulfill its mission, and must make this connection directly in its strategic plan.

What's our role?

Since its inception, the Office of Real Property has been actively engaged in collaborative efforts to provide the Federal workforce with tools and policies to manage effectively. The concept of our emphasis on linking strategic planning and workplace services first surfaced in 1998 when the Performance Measurement Study working group established the scope for measuring real property

performance on a Governmentwide basis. The basic premise was that administrative services could be planned at the strategic level. While continuing to work on real property performance results, we began exploring the concept of linking administrative services to the strategic planning process.

We conducted the research needed to identify major trends, functions and challenges, and then convened a roundtable of the GSA strategic and facility planners to discuss current practices, key issues, and customers' needs. We expanded this effort by bringing together a Governmentwide group of strategic planners and the Government Performance and Re-sults Act coordinators to examine the current practices on a broader scale.

Our publication, "Strategic Planning: Aligning Workplace Services Creates Value" in 2002, includes not only our own observations, but also articles by professionals with considerable experience in the strategic planning arena. These contributors from the Federal, state, and private sectors share their own journey through the planning process and their viewpoints concerning what made them successful. Our goal is to share effective strategies for planning for administrative or workplace services.

Although not mission critical to most organizations, effective planning for

administrative services is essential if core missions are to be accomplished. Whatever your mission may be, your success depends on an effective organization of productive people working in high-performing workplace environments. You must plan for the organization as you plan for the mission.

We hope that this strategic planning publication is a valuable addition to the field and a catalyst for further research efforts on this important subject. This current effort provides some insights into the required level of commitment needed to facilitate effective planning. It also illustrates alternative techniques that can be used to address the non-mission components of planning.

Next Steps

Based on the research and findings of this report, the Government, like corporate America, must continually reinvent itself, using planning for all aspects of its business as a strategic tool. The Office of Real Property will form a coalition in spring 2003 with selected partners from the Federal and/or public sector to carry this message to the entire Federal community.

Find out more!

Go online! Find out more by getting a copy of Strategic Planning: Aligning Workplace Services Creates Value at www.gsa.gov, or contact Shirley Morris at shirley.morris@gsa.gov or Ray Wynter at ray.wynter@gsa.gov. ■

"People are assets whose value can be enhanced through investment."

M. H. Shiplett, Director, Center for Human Resources Management, National Academy of Public Administration

Sustainability

Business Case for Green Design

summarized with permission from Building Operating Management, November 2002 issue

If you want to know what the actual value of a sustainable building is, you must sum up the building's real costs, and the opportunity cost, so says Steven Morton, Senior Vice President with HOK Consulting. In the cover story found in the November 2002, edition of Building Operating Management Magazine, Mr. Morton points out that it is important that the facility executive build the case for constructing a sustainable building design around this model to provide an organization with a complete understanding of the costs and benefits of sustainability.

Real costs consist of more than the dollars spent to actually design and construct the building. You must also factor in the expenses for heating, cooling, lighting and repairs and maintenance. The National Research Council reports that 60-85 percent of a building's real costs are related to its operations; only 10 percent are attributed to the initial building construction costs.

Opportunity costs reflect what benefits sustainable design will bring to the organization. For example, a healthy indoor environment can increase employee productivity, reduce lawsuits and insurance claims, reduce energy costs, have a positive impact on the environment, improve worker health, and make it easier to acquire and retain a top notch workforce.

Ray Anderson Dialogues with GSA on Sustainability

by Jonathan Herz, GSA Office of Real Property

The new video, Journey to Sustainability, was recently "released" by GSA's Office of Real Property to the general public. The video features one of the keynote speakers from the Office's Sustainability 2000 Workshop, Ray C. Anderson, of Interface, Inc., whose revolutionary, company-wide sustainable strategy is changing the way business is done.

With GSA's Public Buildings Service's Commissioner Joe Moravec, Ray Anderson discusses in the video how to transform your organization and its business practices to become truly sustainable. Contact: Jonathan Herz, 202-501-3476. ■

GSA PBS Commissioner Joe Moravec (left) in discussion with Ray Anderson of Interface, Inc.

Although using this model is no guarantee that your next building project will include sustainable design features, it will facilitate and improve the decision making process since an organization will know the full value of a sustainable building when compared to the conventional "status quo" building. ■

Planning

GRPIS Addresses National Issues With New Forum

What are the most pressing real property related issues/topics that you and your organization are facing? GRPIS wants to know for its new national forum!

The GRPIS Program is sponsoring the First National GRPIS Forum on March 24 – 26, 2003 in Denver, Colorado. The Governmentwide Real Property Information Sharing (GRPIS) program evaluates methods of sharing real property information, leading to better asset management decisions on a community-wide basis. The program revolves around the formation of real property councils within major Federal communities nationwide. GRPIS councils have formed in eight areas: Puget Sound, WA; New England; South Florida; Arizona; New Mexico; Kansas City, KS/MO; Atlanta, GA and the Front Range of Colorado.

There are two studies underway which will lead to the formation of councils in San Francisco and Pittsburgh.

The National Forum will spotlight accomplishments, feature presentations, identify current issues and topics facing Federal real property professionals, and serve to develop a national agenda for the GRPIS Program for the coming year.

GSA's Office of Real Property, which oversees the GRPIS Program, will pay for the attendance of two council members from each of the GRPIS Councils/Forums, but welcomes participation by other members at the National Forum. Get on board! If you plan on attending please contact Sheldon Greenberg at 202-501-0629, so that arrangements can be made to reserve adequate hotel rooms and conference space.

We need your input ... to help identify agenda issues and topics that can be addressed at the National Forum. What are the most pressing real property related issues/topics that you and your organization are facing? Some of the suggested issues/topics that we have received are: encroachment upon Federal facilities, impacts of water shortages, Continuity of Operations Plans (COOP) and relocation sites, energy conservation options, and Federal employee housing in remote locations. Please submit agenda suggestions to Gary Jordon on 202-501-1219 or at gary.jordon@gsa.gov/

Please note: the Conference will be held just prior to the annual meeting of the Federal Planning Division (FPD) of the American Planning Association, enabling interested GRPIS Forum attendees to attend the FPD meeting on March 26-28, 2002, while in Denver. The FPD will discuss planning tools, environmental issues, security concerns, and encroachment as well as other timely topics. ■

Planning

The Worldwide Inventory Gets a Facelift

by Carol Anadale, Office of Real Property

The Worldwide Inventory is renamed Federal Real Property Profile as it is retooled for customer use to meet 21st century needs.

For the past 49 years, the General Services Administration (GSA) annually prepared the Worldwide Inventory (WWI) report on real property owned by or leased to the United States Government. During that time the interests and needs of the real property managers and the demands of the federal portfolio changed, but the report did not. In early FY 2002, GSA decided that situation should be remedied.
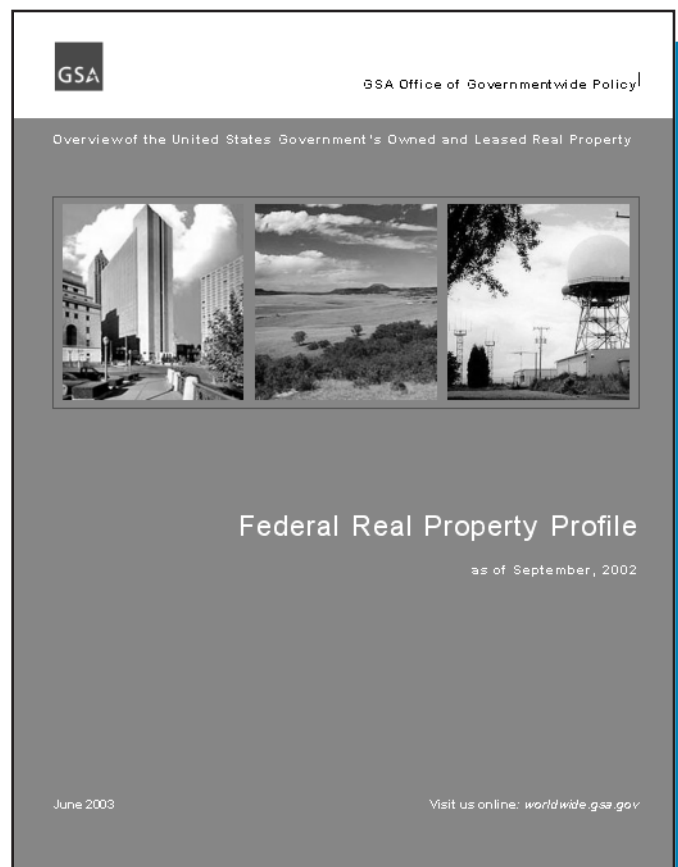
The objective of this new initiative was to determine the most appropriate structure and content for a consolidated owned and leased property summary report that was also customer friendly. Some issues addressed were that the redesign had to be easier to read, there must be consistent terminology and the reader must be provided with a useful product.

As part of the process, GSA reviewed existing reports, determined which tables to retain, and new tables to add to the report. Several designs were presented to management and a format selected. The report is reorganized into six sections: portfolio summary, buildings profile, land profile, structures profile, historical trends and appendix. The appendix contains exclusions, definitions, notes, use classifications, agencies' acronyms and websites.

A focus group meets monthly at GSA to assist with a comprehensive review of the Worldwide Inventory, including the processes and databases that support the WWI. This review determines upgrades to the application. The retooling of the application is nearly complete. Process changes are well underway for the FY 2002 report which will better serve customer needs for a comprehensive, useful federal real estate portfolio planning tool. ■

GSA

GSA Office of Governmentwide Policy

Overview of the United States Government's Owned and Leased Real Property

Federal Real Property Profile

as of September, 2002

June 2003

Visit us online: *worldwide.gsa.gov*

Regulations

GSA Makes Real Property Regulations "Make Sense"

by John D. Thomas, GSA Office of Real Property

GSA's Office of Government-wide Policy (OGP) improves government management and operations by strengthening the governmentwide policy-making process. One way we do this is by improving the clarity of OGP regulations, policies, and guidelines in key areas such as real property.

In order to promote the efficient management of Government assets, we improved the regulations governing real property assets by issuing FMR Parts 102-71 to 82, Real Property Policies, in January 2001.
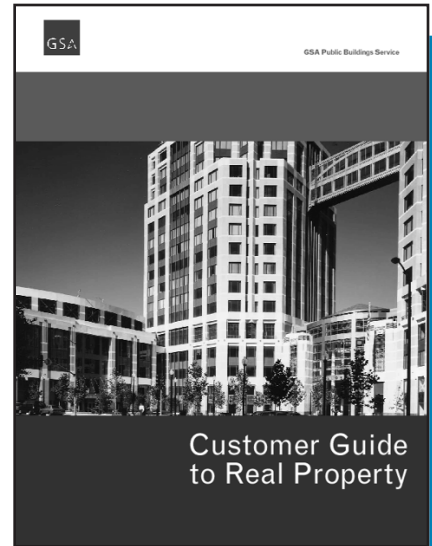
FMR Parts 102-71 to 102-82 describe the current real property authorities applicable to GSA and Federal agencies to whom GSA real property authority has been delegated. This regulation, written in plain language, will enable GSA, Federal customer agencies, and the public to easily understand the major real property policies governing the acquisition, utilization and disposal of real property.

On December 13, 2002, the GSA Office of Real Property in the Office of Governmentwide Policy published FMR and FPMR Amendments, impacting real property policies, as final rules in the Federal Register (67 FR 76820). The FMR Amendment will complete the transfer of coverage on real property policies from the FPMR to the FMR and create a separate part, FMR Part 102-83, to deal specifically with updated policy concerning the location of space. The FPMR Amendment removes all FPMR coverage on real property policies and provides cross-references that direct readers to the coverage in the FMR. The FMR is the successor regulation to the FPMR. The FMR contains a refined set of policies and regulatory requirements on managing property and administrative services. Non-regulatory guidance, procedures, information, and standards now in the FPMR is removed from the regulation, and is available in separate documents, such as customer service guides, handbooks, brochures, internet web sites, and FMR bulletins.

For example, the Customer Guide to New Pricing, produced by the Public Buildings Service (PBS), explains the system for pricing real estate services and the workspaces occupied by client agencies of GSA. The Customer Guide to Real Property, also a PBS publication, explains how to request, use and service space, and offers guidance on the broad range of GSA services. In addition, the GSA Customer Guide to Real Property Disposal, developed by PBS, offers guidance concerning real property utilization and disposal services.

For more information, the FMR and FPMR Amendments have been published in the Federal Register and are available online at http://www.access.gpo.gov/nara.

Also, the FMR Part 102-84, entitled "Annual Real Property Inventories," was published both as an Interim Rule in the Federal Register and later in FY 2002 published as a Final Rule without change. This regulation focuses on improvements to the old FPMR Part 101-3 making the real property inventory program more useful and enabling Federal agencies to manage their real property inventories more effectively. In addition, the Customer Guide to Reporting Real Property Inventory Information, prepared by OGP, provides easy-to-understand procedural guidance that enables Federal agencies to provide accurate and timely real property inventory information to GSA. For more information, contact John D. Thomas at (202) 501-0365 or via e-mail at johnd.thomas@gsa.gov ∎
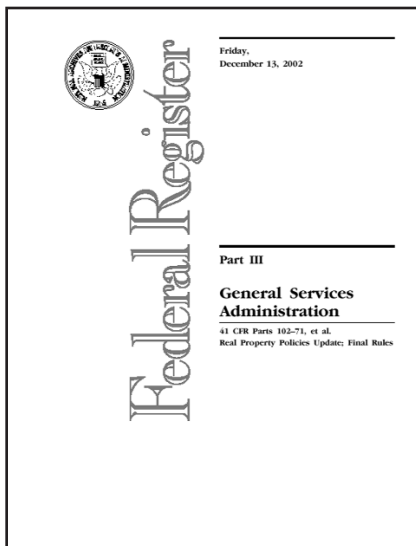
Regulations

Continuing the Quest for Property Act Reform

by Ron Whitley, GSA Office of Real Property

The General Services Administration (GSA) plans to continue its effort to get a Property Act Reform bill passed and enacted by the 108th Congress. Over the past three years, GSA has been at the forefront of reengineering the Federal Property and Administrative Services Act of 1949, as amended (Property Act). GSA's first legislative proposal at reengineering the Property Act was introduced into the Senate as S. 2805 on June 28, 2000. Unfortunately, the 106th Congress adjourned before passing the bill.

On October 15, 2001, GSA was successful in reintroducing Property Act Reform as a part of the President's 'Freedom to Management Act of 2001.' The Property Act Reform portion of this legislative proposal would have provided federal managers with the necessary tools and incentives to manage their real property inventories efficiently and effectively. On November 1, 2001, the bill was introduced into the Senate as S. 1612.

On March 12, 2002, the legislation was taken up in House of Representatives Government Reform Committee, and as a separate bill, H.R. 3947. The bill entitled "Federal Property Asset Management Reform Act of 2002," was amended as a bi-partisan proposal, and reported out unanimously by the Committee on March 14, 2002.

H.R. 3947 was also referred to the House of Representatives Transportation and Infrastructure Committee's Subcommittee on Economic Development, Public Buildings and Emergency Management. On April 18, 2002, a hearing was held on the legislative proposal where GSA and the General Accounting Office testified on the need for Property Act Reform. However, due to other Congressional priorities, such as the creation of a Department of Homeland Security, the bill was not voted out of Committee before the 107th Congress adjourned this year.

GSA will continue our work with the Administration and the new Congress to promote the broadest tools and best incentives for landholding agencies to ensure the efficient and effective stewardship of the Federal Government's real property inventory. We are confident that the legislative provisions under Property Act Reform will again be considered legislately by the Congress. Such legislation, if enacted, will ensure that landholding agencies achieve their missions and goals by reducing the amount of deteriorated, vacant, and underutilized space in the existing inventory of federal buildings and facilities. ■

Newsroom

WIN $10,000 BY ADOPTING A BEST PRACTICE!

Win up to $10,000 if your agency adopts a practice already in use by another agency. This is a new category in the 2003 GSA Achievement Award for Real Property Innovation. Find out more in the Call for Entries, available March 1, 2003, or check our website at www.gsa.gov/realpropertypolicy.

AVAILABILITY OF STATE GOVERNMENTS' BEST PRACTICES.

The Office of Real Property will soon release a study on "Best Practices in Real Property Management in State Governments." The study identifies leading states in real property management and summarizes key practices leading to successful management of real property. The following states were chosen as exemplars in the study areas below:

- Acquisition and Construction Practices/Policies - Maryland, Minnesota and Utah.

- Operations and Maintenance Practices/Policies - Michigan, Missouri and Utah.

- Use of Web-Enabled Software to Manage Real Estate Assets - Texas, Washington.

- Public-Private Partnerships (Real Estate Related) - Arizona, Washington.

Many of these innovative and best practices have resulted in streamlined operations, cost savings, and innovative solutions to complex problems. They offer new ideas for real property management and can be applied at any level of government. The study will be available on www.gsa.gov/realpropertypolicy and presented as a panel discussion at the National Association of State Facilities Administrators conference in June 2003.

FEDERAL REAL PROPERTY ASSOCIATION.

FRPA was "Building for the Future" with this year's October training conference. This theme was evident in the conference's topics, with public/private industry speakers addressing everything from homeland security to e-real estate to smart growth. For more information, contact Rebekah Pearson at Rebekah.pearson@gsa.gov. Mark your calendar for October 21-22 for next year's conference!

"JUST THE FAQ'S."

GSA has added real estate and workplace development "FAQ's" (or Frequently Asked Questions) to the www.gsa.gov/realpropertypolicy website to make it more customer friendly. "Click" on it for more info!

CORENET GLOBAL FORUMS FOCUS ON UNCERTAINTY/VALUE.

CoreNet Global is a leading private-sector association representing the real estate managers of Fortune 500 companies. CoreNet Global held several Discovery Forums this year with GSA representation. Stanley Langfeld, GSA Office of Real Property's Real Property Policy Director, attended the New York forum on October 2-3. The forum focused on "The Impact of Business Shocks and Uncertainty on CRE Management: Terrorism, Corporate Scandals and Economic Double Dip." Forum topics ranged from "Ethics and corporate real estate management" to "Cutting costs while planning for growth - the delicate balancing act." The October 22-23 Forum in Washington, DC, was attended by Marjorie Lomax, the Office's Outreach and Evaluation Director. This forum focused on "Creating Value Through Innovative Portfolio Management: Systematic, Integrated, End-to-End Solutions." Forum topics ranged from "Limits to the efficiency of the current corporate real estate model" to "The evolution of service delivery and the emergence of integrated corporate infrastructure management." The forum's discussions suggest that the trend to higher levels of integrated corporate infrastructure management will continue -- although it will be implemented differently in every organization due to different business needs, processes, personalities, cultures and other factors. Forum findings are documented and shared with the CoreNet Global membership. For more information, check out its website at www.corenetglobal.com.

FMLINK FEATURES GSA BEST PRACTICES.

FMLink, the comprehensive, Net-based publication that blends information from its own sources with most leading magazines and associations in the field of facilities management is now featuring real property best practices. Each month, several best practices provided by GSA's Office of Real Property from its GSA Achievement Award for Real Property Innovation program, will be featured under the "RESOURCES" section. Selections include practices in sustainable development and other asset management areas. Registration to access the website is free. Check out this valuable new resource tool for facility managers ... at www.fmlink.com.

GSA AND OPM COLLABORATE TO BOOST FEDERAL TELEWORK.

Two years ago, GSA's Office of Real Property (MP) and OPM's Office of

Outreach

Customers Rate Office of Real Property Services

by Reza Motamedamin, GSA Office of Real Property

The Office of Real Property wanted to know what its customers thought about its real property and workplace initiatives and publications. The Office mailed a postcard survey, "GSA's Office of Real Property Wants to Hear from You" to determine the publications and initiatives most beneficial to our customers. Over 400 responses have been received.

The top five favorites are:

1. Best Practices
2. Real Property Performance Measurement
3. Policysite Newsletter
4. The Integrated Workplace
5. Real Property Reference Guides.

The postcard also offered the opportunity to provide written feedback. Here's a sample of what's on our customers minds:

- "Very much appreciate hearing about your innovative initiatives and best practices," says Dan McCosh, of Alberta Public Works and Supply Services, Canada
- "Publications are first rate & very helpful. Thanks." Ray Parkhurst, Siemens Information and Communication Networks, Inc.
- "This is a quick and easy way to communicate/feedback with your "customers" - Good Job," ... quotes Tom Hodges, Office of Foreign Buildings Operations, Department of State
- "Thank you for your continued leadership. These are important issues for our government and we need it," ...states Sam Massie, Steelcase Inc.

Publications on our various initiatives, from telework to sustainable development, were rated "most beneficial" by federal agency representatives from a diverse range of agencies, from Jim Harris, of Navy's NAVFAC (Naval Facilities Engineering Command) to James Handley, GSA Regional Administrator, Chicago, IL.

The Office of Real Property appreciates your responses and comments. Contact Reza Motamedamin at 202-208-2786 or email reza.motamedamin@gsa.gov ∎

Workforce Relations (OWR) established a partnership to take on the challenge of developing, expanding, and supporting Federal telework. Currently, MP and OWR, the primary centers of expertise for telework in the federal government, are collaborating actively on a variety of initiatives such as:

- Following up on recommendations from recently completed studies on federal telework policies and technology barriers to home-based telework.
- Meeting with Chief Information Officer Council to gain its support and participation in improving technology for teleworkers.
- Refining the government's primary telework website, telework.gov, to make it more broad based and user friendly.
- Developing tools such as a new telework video for program promotion and a new web-based telework training module.
- Holding quarterly update and support sessions for the network of Federal telework program coordinators. ∎

Outreach

The Winds of Change

The winds of change are blowing at two government agencies that are the major providers of space for their respective national governments.

At *Public Works and Government Services Canada (PWGSC)*, the agency is being totally reorganized along customer service lines. In other words, instead of having separate "stovepipes" for buildings, IT, and supply, the operational portions of PWGSC are being structured into full-service, one-stop customer-service units, grouped to serve each of the agency's major clients. In addition, the PWGSC headquarters will contain distinct real estate, telecommunications, etc. units, whose functions will primarily consist of policy-making, research, standard-setting, and the development and maintenance of relationships with stakeholders, other national governments, academia, associations, and the research community.

At Statsbygg, the *Norwegian public buildings agency*, officials are considering a proposal that would convert the organization into a quasi-governmental corporation. Such a move would enhance the flexibility, responsiveness, and ability to obtain financing for Statsbygg.

Both of these countries' changes were among many items discussed at the meeting of the Guidance Committee of *The Workplace Network (TWN)*, held in The Hague, The Netherlands, December 9-10, 2002. David Bibb of GSA's Office of Governmentwide Policy, chairs TWN's Guidance Committee, which serves to provide general direction to the multi-national organization.

TWN, which is currently composed of about 20 member countries, states, and provinces, meets once each year to share information about what is going on in real estate/workplace-providing national agencies around the world, to exchange information about best practices, to dialogue about issues of mutual interest, to listen to world-class speakers and to

The winds of change are blowing at two government agencies that are the major providers of space for their respective national governments.

review cutting-edge projects on-site in the host country.

The General Services Administration, which is represented in TWN by both the Office of Governmentwide Policy and the Public Buildings Service, has been an active part of the organization since 1992. Other U. S. agencies that have participated in TWN at various times include the U. S. Postal Service and the Tennessee Valley Authority (TVA). The State of California is also a member. International members, in addition to the U. S., who have participated in the past or who now participate include Canada, Mexico, Ireland, the United Kingdom, Finland, Norway, Sweden, Iceland, Denmark, South Africa, Australia, France, The Netherlands, Germany, Japan, the Canadian provinces of British Columbia and Alberta, and the Australian state of Queensland.

U. S. membership is not restricted to GSA, the Postal Service, and TVA. Any Federal agency or state government that has a real-property

function may become a part of the organization. The next annual Workshop will be held May 11-16, 2003 in The Netherlands. In 2004, the group will meet in Japan. In 2005, GSA will host the organization in Washington, DC. Information about becoming a member can be found at TWN's website, *www.icf-cebe.com/twn/*.

Worldwide Workplace Web (W4). In addition to its annual Workshop, TWN serves as the sponsor organization for the Worldwide Workplace Web, a network of persons from the same countries, that was developed to bring together high-achieving representatives who have not yet reached the most senior executive levels of their agencies. W4 also meets annually, with a varied interactive program that results in research and information-sharing partnerships among the participants that goes on all year long. For example, out of one of these partnerships, Stan Kaczmarczyk of GSA's Office of Governmentwide Policy worked for a year on a project with Judi Murtough of Public Works and Government Services Canada. The project resulted in the publication of "Measuring the Performance of Innovative Workplaces" in The Journal of Facilities Management.

As with TWN, membership in W4 is open to any Federal or state organization that has real

Outreach

Federal Real Property Council Raises the Bar!

The Federal Real Property Council (FRPC) just conducted its "State of the Council" review and started to prepare its 2003 schedule. Co-Chair, David Bibb, GSA Deputy Associate Administrator for Real Property, plans to expand the scope and impact of the FRPC to realize an even greater return on its efforts.

Since 1998, the council has met the challenges set by it to create a viable forum for Federal real property actions. The council's success to date is due in no small part to its commitment and agency participation, which is increasing, too -- up to 39 from 33 representatives, from a total of 33 agencies.

The 2003 schedule is more ambitious and includes co-agency hosting; the February 5 meeting will be hosted by GSA, while the May and September meetings are planned to be hosted by other agencies.

The February meeting will focus on the topic of outsourcing and the FAIR Act (critical issues according to council members), and will develop the council agenda for the rest of 2003. The FRPC members are being asked for the top three issues the council should address in 2003.

To date, the council has been fortunate to feature outstanding authorities on high-profile issues, including:

- Carnegie Mellon's cutting-edge Intelligent Workplace "living laboratory" and Dr. Volker Hartkopf.

- Pennsylvania Department of Environmental Protection's first "green building" with James Toothaker.

- Pentagon Renovation Program tour, innovative construction management, with Brett Eaton, Communications Team Leader.

The council's insights and efforts have contributed to:

- Proposed property act reform legislation (GSA is optimistic about eventual passage).

- Timely succession planning working group, web site, and guide

- Public-private partnership forum

- Council white paper on inadequacy of capital funding

- Security issues panel and the formation of a security working group

- Forum on strategies that promote effective asset management

For more information on the Council and meeting dates, please contact Pat Rubino on 202-501-1457. ∎

CHANGE
from previous page

property/workplace responsibilities. Information on W4 is also available through a link on the TWN website at ***www.icf-cebe.com/twn/***. Last year, the W4 met in the UK. Next spring's meeting will be in Germany the same week as TWN, with the TWN and W4 groups getting together for a joint session on one of the days of the week. In 2004, W4 will be hosted by GSA in the United States.

If any readers would like information beyond what is available on the websites or if they are interested in more details about membership, they can contact Lea Uhre, Chief of Staff of the GSA's Public Buildings Service at 202-501-1100, or David Bibb/Stan Kaczmarczyk of GSA's Office of Governmentwide Policy at 202-501-0856. ∎