Welcome to today’s presentation on:

**Introduction to**

**GSA Total Workplace**

Creating the 21st Century Workplace

the presentation will start at 2:00 Eastern Time

**Note:** Phones are automatically muted during the presentation. You have the ability to send questions to the host and presenters through your questions pane. They will answer as many of the questions as possible throughout and at the end of the presentation. All questions will be captured, and answers sent to all participants within 2 weeks.
Client Enrichment Series

Introduction to GSA Total Workplace
Creating the 21st Century Workplace

Hosted by: Dawn Warner, RAM, GSA Region 8

Presented by: Charles Hardy, Chief Workplace Officer, GSA Public Buildings Service
What is driving agencies’ interest in space consolidation?

What is GSA doing to consolidate its own space?

What can GSA do to help other agencies consolidate?
Public Buildings Service (PBS)

Mission

- To provide effective, mobile, sustainable workplace solutions for federal agencies at the best value for the American taxpayer

Key Functions:

- Design & Construction
- Leasing
- Facilities Management
- Disposal
- Historic Preservation

Rationale

- Aggregate demand to leverage buying power
- Prevent agencies from competing for the same space
- Eliminate duplicate real estate organizations
GSA Total Workplace
Creating the 21st Century Workplace

Asset Profile

- 376 Million Square Feet
- 9,100+ Facilities
- 1500+ Owned; 182 Million SF
- 7600+ Leased; 194 Million SF
- 455 Historic Buildings; 35 National Historic Landmarks
- $10 Billion Revenue
“In a profession focused on precedent, few want to be the first to embrace a new office strategy for fear of losing top talent or falling behind the competition. It is becoming increasingly clear, however, that age-old strategies no longer match new-world challenges, and firm leadership is asking for solutions. The firms willing to take a leap and try something new are finding that a break with tradition often pays off.”
What is driving agencies’ interest in space consolidation?
Rent is the second largest expense for most agencies (personnel is first)

Money not spent on rent is money that can go into mission
GSA Total Workplace
Creating the 21st Century Workplace

Go from a desk phone.....

Take a stationary desktop....

Moving information from hardware....

....to any device

And make it a laptop or
....and make it a laptop

To the cloud.
....to the cloud

Technology has changed the way we work
Most office space isn’t occupied at any given time
The desk is a small piece of real estate, like an apartment or a parking space, that can be shared by multiple users so that it is never vacant...

“The Workplace of the Future”
GSA & ULI September 2012
GSA Total Workplace
Creating the 21st Century Workplace
GSA Total Workplace
Creating the 21st Century Workplace
GSA Total Workplace
Creating the 21st Century Workplace

McDonald's HQ, Oak Brook, IL
Legal Department

McDonald's HQ, Oak Brook, IL
Office Area

General Office Area
Vice President's Office Area

Hoteling Space
ALLSTATE HEADQUARTERS
Legal

CHIEF PEOPLE OFFICER – NO ASSIGNED DESK – OUT IN THE OPEN

ALLSTATE HEADQUARTERS
HR Offices with Free-desking Areas
GSA Total Workplace
Creating the 21st Century Workplace

- **Intel**...Everyone is open plan including attorneys
- **McDonald’s**...Everyone is open plan including attorneys
- **Allstate**...Legal department in open cubes in segregated area
- **Anonymous Tech Client**....Legal group sits in open plan with each team of 10-12 sharing a dedicated card-key access 600sf room that they decide to set up with either traditional conference tables, soft seating, or both.
- **Google**...has a dedicated building on campus for their legal team. The workplace plan is open and like other Google environments, include plenty of huddle rooms and small conference spaces for private conversations. Approx 10% private offices. The legal group for architectural projects sits all open plan.
- **AT&T**...Open with separate card key access for legal group
- **Steelcase HQ** moved Legal Department into an area separated by a glass wall for general entry, but within, they were in open office configurations – including attorneys. In most cases they were in standard cubes. A few of the senior attorneys had higher moveable walls (not to the ceiling), but it was not a closed door situation.
- **Hulu**: Investigating locating their in-house attorneys in a segregated area in open plan, or in a large shared office environment, as part of their big headquarters renovation. (S
- **American Express**......... **Reuters**.......... **Barclays Capital**..........**Glaxo Smith Klein**
GSA Total Workplace
Creating the 21st Century Workplace

The Open-Office Backlash
Posted: 01/22/2014 1:17 pm
Follow: AAI, Architectural, Office, Open Office, Open Space, Green Space

Lance Hosey
Chief Sustainability Officer, GSA

GET UPDATES FROM LANCE
	
GET GREEN NEWSLETTERS:

The open-office plan has downsides, says the latest in Maria Konnikova’s series on the open office undermines the spontaneous and idea flow. Planting the open office a "tramp" that "t"... In any case, Konnikova overlooks the fact that glass walls are still the smartest solution.

"Physically Together": Here's the Internal Yahoo No-Work-From-Home Memo For Remote Workers and Maybe More

COURTESY OF A PHOTOGRAPH OF YAHOO EMPLOYEES, THERE IS A FEBRUARY 22, 2013 MEMO TO THE COMPANY FROM A NEWLY NAMED YAHOO CEO, MARC TURCOTTE, WHICH REQUEST...
What is GSA doing to consolidate its own space?
GSA Total Workplace
Creating the 21st Century Workplace

GSA Headquarters Challenge

WHAT WOULD IT TAKE TO MOVE ALL WASHINGTON AREA GSA INTO 1800 F STREET?

Willow Woods + Crystal City + NCR = 1800 F

GSA Public Buildings Service
GSA Total Workplace
Creating the 21st Century Workplace

GSA Headquarters Before
GSA Total Workplace
Creating the 21st Century Workplace

GSA Headquarters After
GSA Total Workplace
Creating the 21st Century Workplace

GSA Leadership Space
Before and After
GSA Total Workplace
Creating the 21st Century Workplace

GSA Headquarters Consolidation
By the Numbers

50% Projected Reduction in Energy Consumption
40% Reduction in Space
$24M Annual Rent Savings
2:1 Targeted Desk Sharing Ratio

GSA Headquarters
1800 F Street
Washington, DC
GSA Total Workplace
Creating the 21st Century Workplace

GSA Region’s also Leading

TO ERGONOMICS AND PROVISION TO WORKER COMFORT. WORKER INDIVIDUAL CONTROL MAKES HAPPIER WORKERS.
What can GSA do to help?

Total Workplace Cost Savings

Here's how we're helping other agencies save money and reduce space:

- USDA: $700,000
- U.S. Fish & Wildlife Service: $3 Million
- U.S. Department of Health & Human Services: $15 Million
Space Consolidation & Workplace Transformation

- Customer portfolio plans
- Local portfolio plans including regional offices
- Partnering with OMB on outreach to agencies for consolidating and reducing the footprint
- Budget request for $100M for consolidation opportunities in the FY13 and FY14 budget
Total Workplace

Increase
Energy Efficiency

Align
IT Spending with Value

Saving Taxpayer Dollars and Better Serving the American People

GSA is creating a 21st century workplace across government to drive down costs and increase productivity.
GSA Total Workplace
Creating the 21st Century Workplace
GSA Total Workplace
Creating the 21st Century Workplace

Total Workplace Website
gsa.gov/totalworkplace

Total Workplace Presentations to FEBs and Clients

Total Workplace Monthly Newsletters
Internal and Customer Editions

Total Workplace Bulletins

Total Workplace Client Tours
100+ and growing
GSA Total Workplace
Creating the 21st Century Workplace

<table>
<thead>
<tr>
<th>Tactical</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many people?</td>
<td>What kinds of spaces pay off in delivering results?</td>
</tr>
<tr>
<td>How many teams?</td>
<td>Who needs to be private from each other &amp; why?</td>
</tr>
<tr>
<td>Who/at what pay grade gets an office?</td>
<td>What is the value of a private office to the organization and how can it be delivered cost effectively?</td>
</tr>
<tr>
<td>What does growth look like?</td>
<td></td>
</tr>
</tbody>
</table>

### Change in Seasons

Adapting to the Changing Federal Workforce

In June, 2016, the President called upon Federal Agencies to identify efficiencies in the use of their real estate and to save the taxpayers $3 billion in real estate costs by disposing of unused or under-used assets. While much of the federal real estate portfolio was required to face this challenge, the organization quickly realized that such a fundamental change, paired with the new capabilities of mobile technology, could best be realized through a series of strategic design engagements in the regions. These efforts would better identify the business change required and encourage the positive participation of staff in the process. The change in location and use of mass transit offices is profound - akin to pruning in the world of agriculture. Just as pruning aids the vigor and productivity of the plant provided that it is both careful and informed, the same can be said of real estate reduction. And like expert pruning, it is considered reduction without considering the whole of nature can threaten the agency’s ability to thrive.

Beginning with the end in mind, HASS engaged with GSA/OPP, a workplace strategy and design firm, through the Public Buildings Service to re-engineer an organization in order to define a high performance HASS workplace that aligns with the Mission-Driven Mandate. The focus is to reengineer a new and vibrant workplace for the current season and to develop a better understanding of the future productive needs.

### Sample Report

**Many Regions - One HASS**

The still developing scorecard will be implemented at a national level, helping to promote the increased organizational emphasis on nationwide collaboration and success.

Will this be the proper mix to realize the desired yield?

- **In the Story** - Our workplace should be a vibrant, stimulating place and creative staff, inspiring trust and integrity. A place where we can celebrate our purpose setting themselves in the story.
- **Move Forward** - It may not be a new field office, but it is a new beginning. Everyone wants to make the change work best for HASS with a readiness to move forward. Our workplace should inspire us to work in with a shared mission and help us leave with a shared mission.
- **Transfer of Knowledge** - Communication will play an important role in promoting the transfer of the depth of expertise and knowledge to the next generation and maximizing organizational effectiveness.
- **Seamless Service** - Our business depends on meeting the needs of our customer who are also our partners, leveraging quality, sustainable, agricultural statistics. The key to success is being visible in a new world of organic and urban agriculture.
- **Budget** - Budget is important. Government agencies are expected to be efficient and cost-effective while still providing quality services in an ever-changing budget climate.

---

GSA Public Buildings Service
GSA Total Workplace
Creating the 21st Century Workplace

<table>
<thead>
<tr>
<th>Project</th>
<th>USF/pp</th>
<th>SF</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>400K USF project</td>
<td>180 USF</td>
<td>400K</td>
<td>$1,818,390</td>
</tr>
<tr>
<td>199k sf project</td>
<td>346 USF</td>
<td>199k</td>
<td>$3,436,500</td>
</tr>
<tr>
<td>Innovation Lab</td>
<td>85 USF</td>
<td>2,900</td>
<td>&lt;1,160,000</td>
</tr>
<tr>
<td>R3</td>
<td>221 USF</td>
<td>138k</td>
<td>&lt;1,160,000</td>
</tr>
<tr>
<td>HQ</td>
<td>192 usf</td>
<td>14,000</td>
<td>&lt;632K</td>
</tr>
</tbody>
</table>

Support: Surveys/Analytics/Change Mgmt
GSA Total Workplace
Creating the 21st Century Workplace

Total Workplace
Furniture and Information Technology (FIT) Initiative
**TOTAL WorkPlace FIT Intent**

Fuel vigorous and deliberate optimization of the Federal Footprint

Minimize upfront capital needs of our customers in right-sizing their operations
What is Total WorkPlace?

• GSA’s new offering to assist Agencies in managing footprint

• Addresses Agency’s Furniture and IT requirements

• Minimize Agency’s initial capital investment

• Multi-year term agreement with the customer agency

• All agreements intended to be installment-based

• Ownership transfers to customer at end of agreement
GSA Total Workplace
Creating the 21st Century Workplace

When should this offering be used?

Total WorkPlace assists agencies when:

...addressing lack of funds to purchase mobility products

...short-notice space actions with space reduction

...any time quick and efficient right-sizing is needed

Enables agencies to pursue multiple projects in a single year to effectively manage their portfolio and budget
This Appendix provides instructions on the budgetary treatment of lease-purchases and leases of capital assets consistent with the scorekeeping rule developed by the executive and legislative branches originally in connection with the Budget Enforcement Act of 1990 (BEA) (see Appendix A). The scorekeeping rule focuses on leases and lease-purchases specifically authorized by law. However, these requirements apply to all lease-purchase arrangements and capital leases, including those arrangements that agencies may enter into relying on legal authorities and arrangements that are financed through the Federal Financing Bank, except as noted below.

These requirements do not apply to leases between Federal agencies if the lessor recorded the full cost of the asset when it was acquired. In addition, the costs of Energy Savings Performance Contracts may be scored on an annual basis, consistent with the guidance provided in OMB Memorandum 98-13, Federal Use of Energy Savings Performance Contracting.

OMB Circular A-11 (2012)
Appendix B
What criteria does GSA use?

Preference will be given to projects meeting the following criteria:

- Reduction opportunity in a Customer Portfolio Plan
- Projects resulting in a reduction in annual rent paid
- Increased efficiency of existing space
- Consolidation of expiring leases into GSA owned buildings
- Co-location with other agencies where there is shared resources/special space will receive preference over single agency occupancies
- Links to other consolidation projects will receive preference over stand-alone projects
How is the offering delivered?

- Aligned with current processes / practices
  - Working with GSA - Agencies determine requirements

- GSA enters into Supplemental Occupancy Agreement

- Appears on GSA bill to Customer Agency

- Straight Line payments over the useful life of the item
  - up to 5 years for furniture purchase
  - up to 3 years for IT purchase
Fish & Wildlife Service - Leesburg Pike, VA

- $10M Furniture and $2.5 M Information Technology
- Saving more than $3.8 million in annual real estate costs
- Consolidating three buildings into one
- 26% Footprint Reduction...down ~ 72,200 square feet

Health and Human Services – Seattle, WA

- $2.5M Furniture and $1.8 M Information Technology
- Saving approximately $1.5 million in annual real estate costs
- 44% Footprint Reduction ~ 115,000 RSF to 69,000 RSF
- Increased shared spaces – improving efficiencies
GSA Total Workplace
Creating the 21st Century Workplace

Total WorkPlace FIT Offering

TSA…NIH…DOC/EDA…..DOC/ITA….HHS/CMS….HHS HQ…..EPA…..Others……
We need to send a clear message to our stakeholders on our commitment to innovation, operational excellence, and cost saving…are we?
Questions?

Contact:
Charles Hardy

GSA Public Buildings Service

312.886.0205
charles.hardy@gsa.gov
www.gsa.gov/totalworkplace
Thank you for joining us today for a discussion on **Introduction to GSA Total Workplace**

**Future sessions**
- March – Introduction to Requirements Development
- April – Introduction to Project Management Practices
- May – Introduction to eRETA and VCSS Updates

[www.gsa.gov/ces](http://www.gsa.gov/ces)

ClientEnrichmentSeries@gsa.gov