



Utilization Rate

Measuring the Efficient Use of Space

Background and Benefits

One of GSA's highest priorities is being a good steward of taxpayer funds by effectively procuring and managing the federal real estate portfolio. GSA's project lifecycle emphasizes upfront planning to ensure that every location maximizes the efficient use of space. One method GSA uses to accomplish this is calculating and evaluating a space project's utilization rate (UR).

GSA has adopted three methods for evaluating workplace projects. A particular method is chosen based on the information known about the project. From these calculations, GSA is able to effectively evaluate and compare utilization of space across multiple projects.

PBS goal is to procure space that supports customer mission needs and is cost effective for the government and taxpayer. Maximizing the efficient use of space, as measured by reducing UR, can result in significant in up front costs, including tenant improvements (TI), move costs, or RWA funding. PBS considers these variables and conducts a full financial analysis with customers to determine a cost effective, space efficient solution prior to a commitment on the Client Project Agreement.

Considerations When Calculating a Utilization Rate

Space efficiency is most accurately assessed when consideration is given to both the supply of space (the size of the workplace) and the demand of that space (the occupants). A comparison of these factors results in a utilization rate calculation that allows the organization to both determine the efficiency of the space, but also compare it to other similarly natured organization and spaces.

Utilization rate calculations can be misleading however, if not based on the intersection between supply and demand. For example, if the utilization rate includes space that is outside of the organization's control, such as a building's common elevator lobby, this can overstate the utilization rate. Similarly, if a calculation does not consider the population occupying the space, it becomes impossible to determine the actual efficiency of the workplace.

With these considerations in mind, GSA calculates space utilization in three ways, each providing a different picture of how occupants use the space. While calculation details vary, each looks at the usable area in square feet (usf) assigned to the organization, as well as the quantity of personnel that benefit from the space. All calculations yield a USF per person result. These metrics allow GSA to further hone workplace recommendations regardless of the customer agency, space type, uses, or geographic location..

Method #1 : All-In Utilization Rate

The most straight-forward calculation GSA uses is the All-In Utilization Rate. This is determined by taking the total usable area (usf) and dividing it by the total personnel, as shown in the example below:

All-In UR Example with 50 people:
 $10,000 \text{ usf} \div 50 = 200 \text{ USF/Person All In UR}$

The simplicity of the All-In calculation makes it desirable for homogeneous workplace projects that are primarily commercial office space. Both total usable area and personnel headcount are relatively easy to obtain from an existing space requirement document or Occupancy Agreement. A benchmark of 180 usf / person is used by GSA in the evaluation process and is intended to start a space reduction conversation with our customers.



Method #2 : Total Office Utilization Rate

Unlike the All-In calculation which considers all assigned usable area, the Total Office calculation takes the total usable area of the organization and excludes spaces such as laboratories, specialized storage, and warehouse space. A further reduction of 22% is applied to reflect the estimated amount of standard support space (e.g., meeting rooms) and associated circulation. The subtotal becomes an estimated area of the individual workspaces, such as workstations and private offices. When divided by the total occupants, the resulting figure becomes the Total Office Utilization rate as illustrated below:

Total Office Space UR Example with 50 people:

10,000 usf
-2,000 usf of special space (laboratories, warehouse)
= 8,000 usf of office space
x .78 factor (equivalent to 22% reduction)
= 6,240 usf

6,240 ÷ 50 = 125 usf / person Total Office UR

GSA uses the Total Office Utilization Rate calculation when a more refined analysis is needed than the All-In approach and detailed space data is not available. It is also used when the organization does not have an established utilization rate approach, such as in a space standard policy.

Method #3 : Administrative Office Utilization Rate

The final approach used by GSA is the Administrative Office calculation. This approach includes the total area of individual workspaces, standard support spaces, and internal circulation of the space. Special space is excluded, however, as their size is often not driven by the agency's office population but rather mission requirements. Special space efficiency is also often more accurately assessed by agency design guidelines or other evaluation criteria. One method for calculating the covered area is by taking the total usable area and subtracting the portion of special spaces. Another approach is to use the Total Office (TTO) subtotal that exists on an Occupancy Agreement.

Administrative Office UR Example with 50 people:

10,000 usf
-2,000 usf of special space (laboratories, warehouse)
= 8,000 usf of office space

8,000 ÷ 50 = 160 usf / person Total Office UR

In most modern workplaces, individual workspaces and support spaces work together as a system to benefit the occupant. This approach can also be universally applied across organizations, regardless of mission or size.

For More Information

To learn more about utilization rates and space utilization, contact GSA's Total Workplace team at workplace@ga.gov.