



**Federal Real Property:
Actions Needed to Better Assess Office Sharing
Pilot's Broader Applicability(GAO-24-106919)**

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**National Academies of Sciences, Federal Facilities Council
Oversight Committee**

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About the U.S. GAO

- Called the "congressional watchdog."
- Examine how federal taxpayer dollars are spent and provide Congress and federal agencies with objective, non-partisan, fact-based information.
- Help the government save money and work more efficiently.



How GAO Conducts its Work

- Investigate programs that receive federal funding or oversight.
- Coordinate with federal, state, and local entities.
- Design studies using multi-faceted and innovative methodologies.
- Issue publicly available studies.



Federal Office Space

- The federal government owns more than 420 million square feet of office space, costing about \$2 billion annually to operate and maintain, according to GSA data.
- Federal agencies spend about \$6 billion annually to lease office space from the private sector and federal government.
- We recently reported that 17 agencies used an average of 25 percent or less of their headquarters buildings' capacity in early 2023.

GSA's Federal Coworking Pilot



Sources: GAO presentation of General Services Administration (GSA) information and Map Resources. | GAO-24-106919

Research Objectives

GAO reviewed:

1. How GSA designed its pilot program to identify and address agencies' coworking needs.
2. The extent to which GSA's federal coworking pilot aligns with leading practices for pilot design.
3. The opportunities and challenges GSA identified related to federal coworking spaces and actions GSA has taken in response.

Methodologies

- Reviewed GSA federal coworking:
 - Planning and implementation documents.
 - Pilot usage data.
- Interviewed:
 - GSA HQ officials and regional staff.
 - Federal employees from four of at least 59 federal entities that used the pilot's coworking spaces.
 - Space-planning decision-makers for five randomly selected civilian agencies.

GSA Designed Its Pilot Program to Identify and Address Agencies' Coworking Needs

- GSA used a variety of methods to identify agencies' needs for coworking:
 - Conducted focus groups in December 2022 with officials from the 24 agencies to discuss preferences and needs for coworking spaces.
 - Surveyed federal agencies and users of the coworking space.
 - Contracted with a global real estate services company for market research, trends in office space, pricing models, and space types.

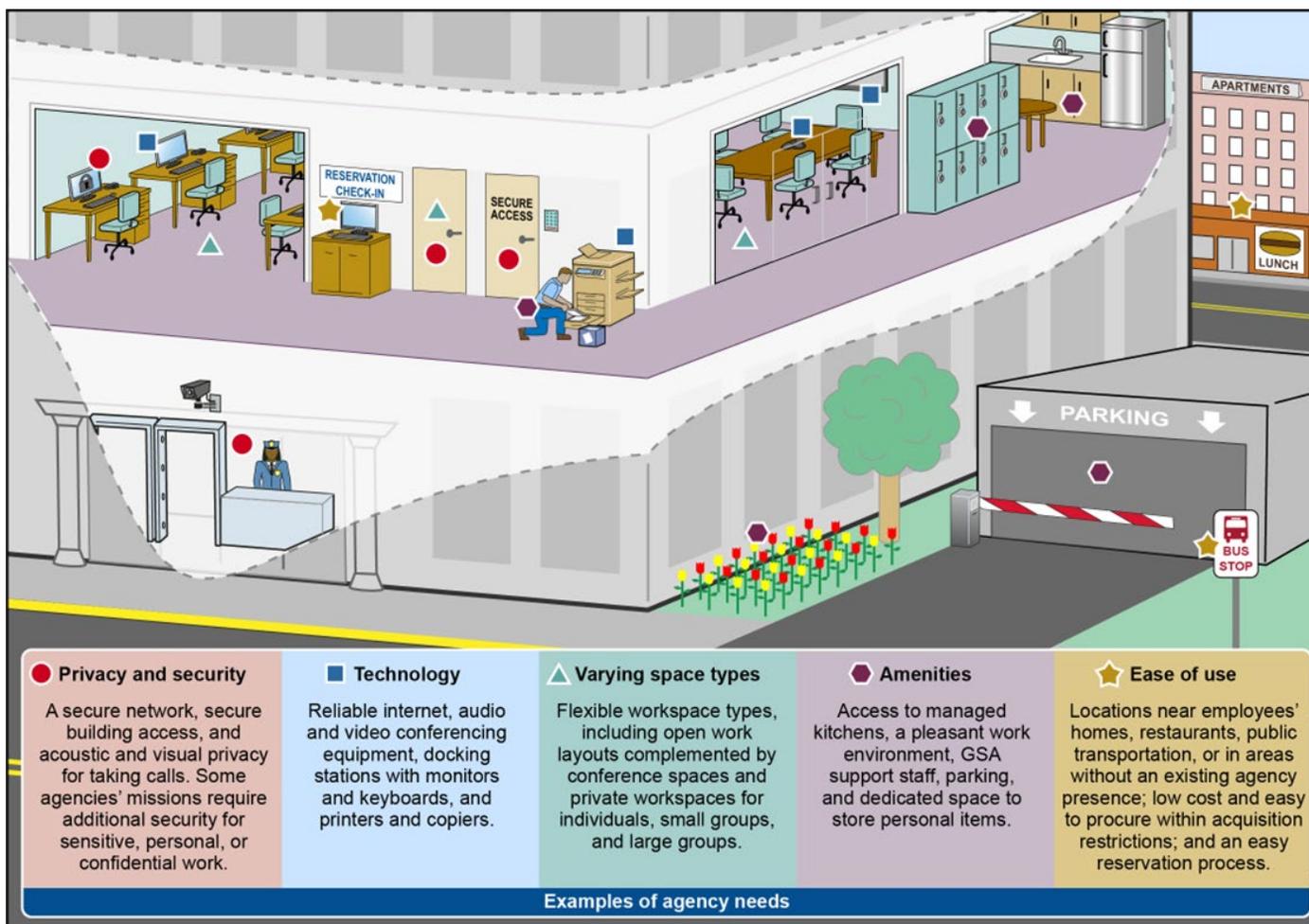
GSA Designed Its Pilot Program to Identify and Address Agencies' Coworking Needs

- GSA considered various criteria to identify sites for the federal coworking pilot:
 - Locations with underutilized space and expiring leases
 - Locations that had low to no startup costs because GSA had not requested funds specifically for the coworking pilot, and was instead drawing on funding and resources from existing sources

GSA Designed Its Pilot Program to Identify and Address Agencies' Coworking Needs

- After opening the federal coworking spaces, GSA continued efforts to understand agency needs through:
 - Monthly calls with GSA offices responsible for aspects of the pilot to discuss lessons learned.
 - A survey to users who check-in to a coworking location about coworking needs and experiences at the coworking location. GSA analyzes these data to further refine the pilot.

Coworking Features Identified by Federal Agencies



Source: GAO analysis of General Services Administration (GSA) documents and interviews with GSA and other federal agencies; GAO (illustration). | GAO-24-106919

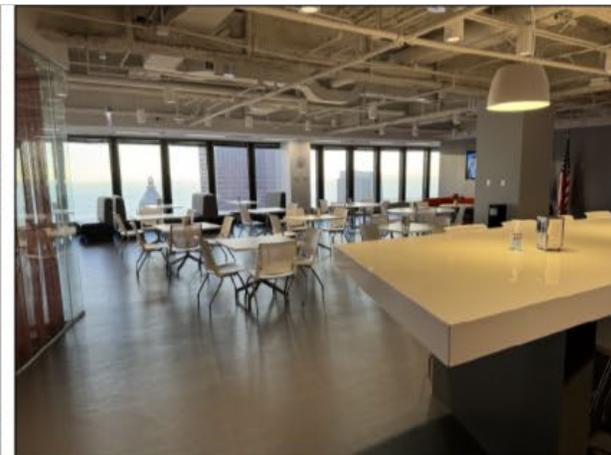
Coworking Space Features



Coworking workstations and meeting room, GSA San Francisco, California, coworking location



Training room, GSA Tacoma, Washington, coworking location



Break room, GSA Chicago, Illinois, coworking location

Sources: General Services Administration (GSA) (left and center photos); GAO (right photo). | GAO-24-106919

GSA's Coworking Pilot Aligns with Most Leading Practices for Pilot Design

Leading practice	Description of GSA actions	Alignment
Measurable objectives	GSA established measurable objectives for the pilot, including identifying potential users and uses for federal coworking.	Aligns
Stakeholder communication	GSA established regular communication with key stakeholders, including agency decision-makers and potential users.	Aligns
Assessment methodology	GSA developed an assessment methodology that includes collecting and analyzing data on user satisfaction with coworking spaces, but it may not be capturing all coworking users.	Partially aligns
Evaluation plan	GSA has outlined how it collects and analyzes data to evaluate the coworking pilot's implementation and performance.	Aligns
Scalability criteria	GSA officials said they may expand the pilot to new locations based on interest from federal agencies, but have not defined what would constitute sufficient interest. In addition, GSA has not developed criteria that would inform decisions on scalability and whether to integrate the pilot activities more broadly into GSA's overall efforts.	Does not align

Source: GAO analysis of General Services Administration (GSA) information. | GAO-24-106919

Partially aligns: Articulate an assessment methodology and data gathering strategy

- While GSA collects data on users, GSA may be missing data on some because GSA relies on users to scan a quick response (QR) code to check in to the space when they arrive, and not all do so.
- Since GSA sends satisfaction surveys only to users who check in to the space, GSA may not be fully capturing user satisfaction with the coworking space.
- GSA officials said they continue to identify means of accurately capturing usage data.

Partially aligns: Articulate an assessment methodology and data gathering strategy

- GSA concurred with our recommendation that GSA implement efforts to improve the quality of its federal coworking usage data. Improving its usage data would enable GSA to better develop defensible conclusions regarding the pilot program and justify investing additional resources.
- GSA has also recognized the need to collect information from:
 - Agency decision-makers and plans to conduct discussions with decision-makers from selected agencies to do so.
 - Federal employees who are less inclined to use federal coworking to ensure that GSA considers all potential user input when designing the coworking sites. GSA is investigating new ways to collect input from those less inclined to use federal coworking spaces, including agencies surveying their own staff.

Does not align: Scalability criteria

- GSA could expand the pilot to a new location, including based on interest from federal agencies and the ability to open the location without a significant investment.
 - However, GSA has not defined what would constitute sufficient levels of customer interest to open a new location, or when it might consider closing a coworking location in response to lower use.
- GSA also has not developed criteria to assess whether coworking would succeed in a broader, non-pilot setting.
 - GSA plans to charge agencies, but at this early stage is using the pilot to collect input on coworking and to understand the costs of running such spaces.

Does not align: Scalability criteria

- The purpose of a pilot program is to inform a decision on whether and how to implement an approach in a broader context.
- GSA concurred with our recommendation that GSA develop criteria to inform decisions on whether or how to scale the federal coworking pilot, even as it develops its pricing scheme.

Federal Coworking Opportunities

- GSA has identified cost/space savings, flexibility, and collaboration as opportunities of federal coworking.
- Cost and space savings:
 - Swing space
 - Surge space
 - Long-term space sharing
- Flexibility
 - Helping agencies with employee retention and recruitment.
 - Could also allow federal agencies to expand their presence around the country in support of their missions.
- Improved collaboration

Federal Coworking Challenges and GSA Actions to Address those Challenges

- GSA has identified and begun to address challenges to federal coworking:
 - Coworking cost and space savings taking time to achieve
 - Some agencies' missions may not be compatible with coworking
 - Agency culture and employee preferences may not align with coworking
 - Uncertainty about coworking

Federal Coworking Challenges

- GSA has not developed a system to track federal coworking's progress against its long-term goal of cost and space savings.
 - GSA did not expect federal agencies to make long-term commitments to federal coworking while coworking is a pilot.
- GSA officials told us that GSA will use its lease cost avoidance methodology and lessons learned from the pilot, to develop a system to identify, track, and document cost savings.
- GSA concurred with our recommendation that it develop a system to track cost and space savings achieved through federal agencies using federal coworking spaces.
 - Will help verify that GSA is achieving federal coworking's long-term goal.
 - Demonstrate the value of federal coworking to Congress or federal agencies that may be considering using federal coworking.

Questions and Contact

- Federal Real Property:
GSA Should Include
Community Input
Requirements to Help
Fulfill Design
Excellence Program
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