

The Federal Workplace in the Aftermath of the Pandemic

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Federal agencies are facing significant uncertainty about their space and facilities needs in the aftermath of the pandemic. Does the recent increase in telework reflect a temporary accommodation to get through the current public health crisis, or a more permanent way of doing business? After a decade of reducing agency space utilization, has the time come to reverse course to allow for more space and separation? As government real estate planners and decision-makers try to understand longer term impact of the pandemic, the time has come to re-consider the conventional thinking about how best to support the space and facilities needs of Federal agencies.

Without doubt, the remote work “proof of concept” that we have experienced over the past year will have lasting implications. Many working professionals have lived the benefits (and shortcomings) of remote work, and few may be willing to walk away from the increased flexibility and reduce commute time they have grown accustomed to during the pandemic. As a result, employers, including Federal agencies, must be willing to accommodate some increased level of remote work to remain competitive in the labor market. As both the private and public sectors recognize the economic benefits of further reductions in real estate utilization from increased telework, employers seem willing to accept this new way of doing of business.

Although we will likely never fully revert to the workplace centric model we once knew, neither will we adhere to the scale of remote work experienced during the height of the pandemic. According to a recent Gensler workplace survey, at least 80 percent of employees want to return to the office at least one day a week. After a year of working in isolation, many of us have grown weary of endless video calls and the distractions of the barking dog or the neighbor’s lawnmower. Moreover, some agency missions, including law enforcement, lab research, national security functions, and public facing functions, cannot be performed effectively through long-term telework. For many people, working from home will never be able to provide the workplace setting that fosters the type of communication, collaboration, and innovation to advance agency missions.



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As the pandemic began, there was some speculation that agencies might need to expand their real estate footprint to allow for more private offices and greater physical separation among employees. Instead, we have seen agencies take a practical approach to de-densify the workplace by creating shifts of employees throughout the workweek instead of undertaking the more expensive proposition of re-designing the existing layout. As the Federal Government re-examines the need to provide a dedicated personal workspace for the entire workforce, we can assume that agencies will still need space, but less than what they were using in the past. The question of exactly how much less remains an open question.

The Federal experience under the pandemic warrants a fresh look at the traditional approach to new Federal construction projects like the Department of Homeland Security at St. Elizabeths or other large agency consolidations. After a year where most of the workforce has worked remotely, is the original value proposition of co-locating thousands of employees across multiple bureaus and divisions still valid? In the future, these new Federal construction projects may still be warranted, but in a smaller, modified form. While Federal construction makes sense for the most essential and specialized functions, it is increasingly clear that general and administrative functions can be accommodated more effectively through traditional leasing arrangements, telework, or the rise of flexible co-working solutions.

Government real estate officials also should reconsider the long-term leasing mandate that has governed Federal leasing for almost a decade. In the coming few years, agencies will face the decision to renew, replace, or extend their existing leased space – all of which can be expensive, multi-year commitments. Today, longer lease terms may not be appropriate as we continue to deal with the global health crisis. Amid all this uncertainty, the ability to maintain maximum flexibility is paramount.

As government real estate planners and decision-makers try to determine the long-term impact of the pandemic, some may be feeling pressure to have this all figured out by now. It will take several years before we understand how the pandemic will impact agency space requirements over the longer-term. Simple human nature compels us to want answers now, but we should resist the temptation to decide too quickly, and we should continue to seek better information before



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making long-term facility decisions. That is not to suggest that we disregard current agency needs, but instead consider the growing number of flexible options to support agency office space requirements without making longer-term commitments we are not ready to make.

While the scale and scope of Federal telework over the past year will influence future thinking about Federal real estate, we should also consider whether this scale of working from home has enabled Federal agencies and employees to do their best work. Recent events underscore the important work of our Federal agencies – whether it is responding to the public health crisis, processing benefits payments, dealing with the impact of natural disasters, or protecting our national security. In the words of one government real estate official, our objective should be to create a working environment that is “as good, if not better” than what we knew prior to the pandemic. Amid all this uncertainty, one thing is clear – our Federal real estate strategy must never lose sight of how best to support agencies in performing this mission critical work.

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