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# Real Property Institute of Canada Breakfast Speaker Series

Working Together: How PWGSC, Industry Canada  
and Shared Services Canada are delivering on the  
Government's Accommodation Initiatives

February 19, 2014



Public Works and  
Government Services  
Canada

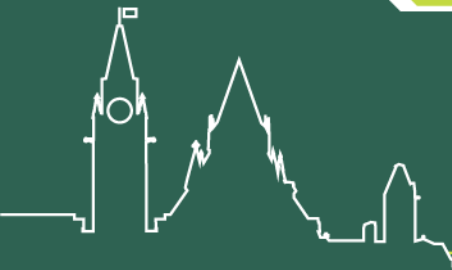
Travaux publics et  
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Canada

# Overview

- Introductions
- Space Recapture and Space Standards  
Modernization - Context
- Coordination and Collaboration
- Industry Canada National Accommodation Strategy
- Telecom Services
- Questions





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# Space Recapture and Space Standards Modernization Context



# Space Recapture - Context

## Budget 2012 - Economic Action Plan

- The Federal Budget 2012 confirmed departments' commitments to realize efficiencies and achieve savings and also announced new space standards based on industry best practices
- PWGSC introduced the new *Government of Canada Workplace 2.0 Fit-up Standards*
- These Standards contribute to the workplace renewal agenda and are a key measure applied across the government to modernize the workplace and achieve savings



# Budget 2012

▶ PWGSC deficit reduction initiatives included two real property initiatives

Space  
Recapture



- Savings through recapture of surplus space due to government downsizing and changing program delivery methods

Space  
Standards  
Modernization



- Savings through modernization of government workplaces with more efficient and effective office accommodation standards
- Reduction of space standards by approximately 10% (2 m<sup>2</sup> per FTE) is consistent with leading practices
- Applies to office space, special purpose space excluded



# Implementation

## Overview

- Implementation of both initiatives is expected to recapture 275,779 rentable m<sup>2</sup> office space over 7 years and achieve \$127.7M in savings for the Crown
- Savings based on models using client-specific data on public service downsizing and current accommodation utilization
- Savings do not include accommodation for departments that reimburse for accommodation
- 7-year timeframe to achieve full savings recognizes importance of implementation based on expiration of leases/Occupancy Instruments and lead time to plan and implement major accommodation projects
- Strategies based on best economic benefit for the Crown including client costs



# Incentives for departments to consume less

## ▶ Cashing in and cost recovery

- PWGSC is working with departments and agencies to identify opportunities to optimize space and implement the Fit-up Standards.
- Those achieving a space utilization rate below their space envelopes may use the resulting savings to their advantage (e.g. subsidizing their portion of the fit-up costs).

### Other benefits to implementing the standards and optimizing space include:

- Innovative, integrated workplaces save space and encourage better productivity
- Dynamic, attractive workplaces attract and retain new employees
- Healthier workplaces result in lower absenteeism rates
- Smaller workspaces and more natural light result in lower accommodations and operations costs and support sustainable practices
- Green and sustainable designs reduce landfill waste and conserve energy



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# Using Client Relationship Management to Advance Clients' Space Saving Commitments





# The Industry Canada (IC) example:

- It is about enhanced client engagement on a holistic national basis and, of course, the numbers!
- At the beginning of the Budget 2012 exercise, IC occupied approximately 156,000 square metres in 80 locations across Canada in PWGSC-provided space (~5,600 FTEs)

## What Industry Canada is targeting:

- IC is targeting a reduction of 32,000 square metres (~20.5%) over 7 years, nearly doubling their Budget 2012 target of 18,956.7 square metres (~12.2%)
- PWGSC's role is to partner with and support IC and provide tools / resources within a national framework

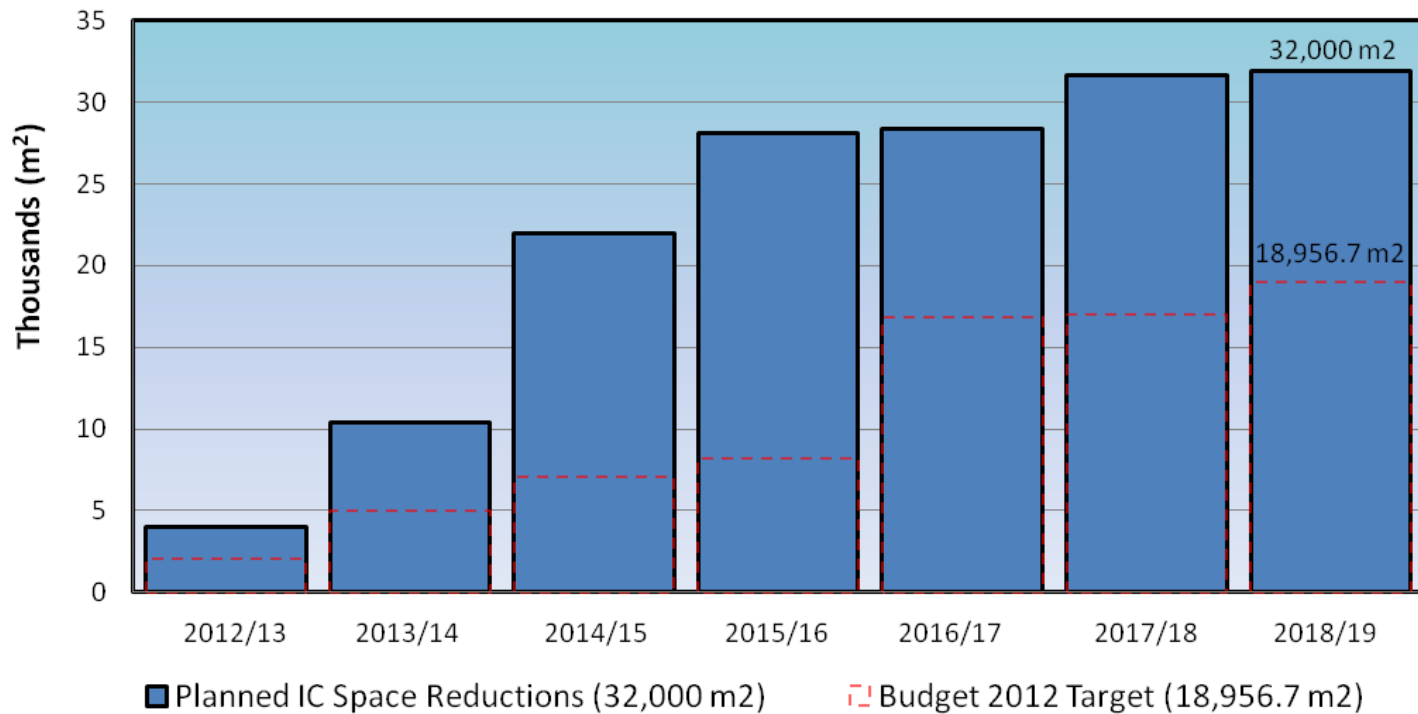
# Process for Industry Canada

- 1 PWGSC developed Budget 2012 briefing and engaged IC at ADM-level
- 2 IC confirmed FTE reductions
- 3 Established joint IC/PWGSC National Committee
- 4 Developed national program of work
- 5 PWGSC implemented an interim funding accountability procedure
- 6 IC senior management approved funding
- 7 Resolved issues; PWGSC project approvals
- 8 Joint national/regional tracking and reporting with regular barometer updates



# Results

Industry Canada (IC) Space Envelope Reductions (Cumulative)  
FY 2012/13 to 2018/19



# Value-Add

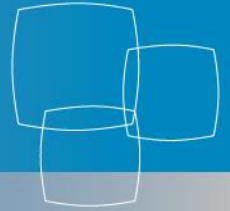
- Client relationship management (CRM), coupled with robust bilateral front-end planning, will advance the space savings initiative
- Enhanced client satisfaction through mutual understanding of client requirements
- Results-oriented partnership to achieve services and solutions that respond to client requirements and Government of Canada priorities
- Identified issues early in the planning process and ensured a consistent national approach
- Modernized workplace for clients and a smaller, leaner, higher-performing PWGSC portfolio that is well-positioned, fit-up for WP2.0, and enables federal programs
- Expand the approach used for IC to other client departments



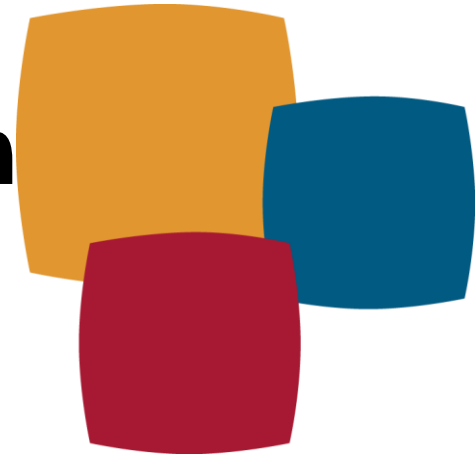


Industry  
Canada

Industrie  
Canada



# The Industry Canada National Accommodation Strategy



# Establishing the 7-Year Plan



- **Our Target:**
  - Reduction of ~32,000RM2 by March 31, 2019
    - Includes a mandatory minimum reduction of 20,000RM2, and an additional strategic reduction of 12,000RM2.
    - IC's contribution is an estimated 11% of the government's total 7 year reduction target.
  
- **Projects identified in 41 (~50%) IC locations**
  - Developed a national space inventory to determine what we have, what we need, what it costs, and potential savings
  - Project identified and prioritized based on what makes sense
    - Identifies projects likely to result in space reduction, and result in overall long-term savings to the Crown while allowing retention of headroom.
  - Impacting 50-60% of IC employees over 7 years.
  
- **Developed according to five key principles**
  - Cost-effective and equitable: Standardized approach
  - Minimal impact on operations: Limit unique construction requirements
  - Practical and aligned with corporate priorities: Consolidation of teams where feasible
  - Gradual implementation: Absorb costs over time
  - Partnership

**Developed and executed in conjunction with  
all internal and external partners**



# Implementing the Plan – Targets



- Minimum reduction required (no headroom): 20,000 Rm2
- Minimum recommended reduction (including headroom): 24,000 Rm2
- 7 Year reduction target (including headroom): 32,000 Rm2
- To date, we've released 5,000 Rm2, with 6,000 Rm2 scheduled for this fiscal year.
- Our minimum reduction is targetted to be met in 2015-16, and our full reduction target in 2018-19.



# Implementing the Plan – Logistics



- **Proactive implementation**
  - Partnered early with PWGSC
  - Established a national approach to ensure consistency of messaging //application
  - Willingness to share, learn & lead by example
  - Strong support from senior management
- **Comprehensive project management and governance framework**
- **Tools and communication**
  - Wiki site
  - Compendium of Qs&As and FAQs
  - Satisfaction survey
- **Actively Manage Strategic Risks**
  - Sufficiency of resources
  - Change in strategic direction and incremental projects
  - Obtaining internal and external stakeholder buy-in

**Ongoing  
consultation with  
clients &  
stakeholders**





# Lessons Learned



## ■ Mobilizing Stakeholders

- Understanding and acknowledgment of mandate and client requirements
- National approach for consistency and equity across all projects and regions
- Flexibility of project timing and approach
- Establishing a clear understanding of project funding responsibilities
- Ensuring the right people are at the table

## ■ Application of Space Standards

- Flexibility, options and the “realm of the possible”
- Procurement vehicles

## ■ Impact on Clients

- Minimize disruption
- Culture change and Managing expectations
- Application of new tools (IM, IT, work styles)
- Communication (Qs&As, presentations)

## ■ Strong Governance

- Alignment with Regional Offices, CIO, IMB, SSC, PWGSC
- Sound ongoing reporting
- Adaptability of plan and resources to shifting priorities and incremental projects

**Communication  
throughout**



# SSC Telecom Services (in and out of scope)

- **In-Scope-Paid by SSC**

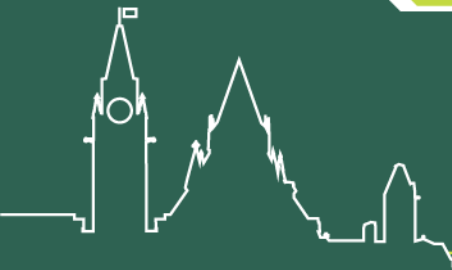
- Centrex landlines, moves/changes (all major retrofits, new buildings, & renovations costs **must be recovered** from partner)
- LAN (desktop) cabling (all major retrofits, new buildings & renovations **costs must be recovered** from partner)
- All IP telephony (VOIP)
  - ◆ Note: 235 Queen is in first phase of migration to VOIP
- Existing video-conferencing / telepresence equipment installed in boardrooms.
  - ◆ Note: New VC systems in boardrooms is user pay based on business case.
- Data/Network Services: WAN (wide area networks) and LAN (local area networks) connectivity
  - ◆ Note: Additional “net new” partner office locations – new network circuit installation one-time fees to be recovered from partner)

- **Out of Scope-Paid by Partner**

- Cable TV services, standalone closed circuit TV
- Fax Equipment
- Building Access control systems (except Data Centers)

# SSC Telecom Services – Economic Action Plan

- Cost-Effective Telephone Services
- Shared Services Canada (SSC) is leading the Cost-Effective Telephone Services initiative, which aligns with Workplace 2.0, contributing to a modern workplace that enables public servants to work in an even more effective way.
- It will significantly reduce the overall cost of telecommunications by implementing:
  - 1) Voice over Internet Protocol (VOIP) – where possible
  - 2) Migrating traditional desktop telephones to cellular services, where possible
  - 3) Removing unused desktop telephone lines.
- Cellular and VOIP devices are less expensive and are not subject to relocation and onsite maintenance costs.



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# Questions



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# Contact Us

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# PWGSC Key Contacts

- For more information about these initiatives, the following key contacts are available to assist:
- Client Account Executives for more information about the impact on department's or agency's space envelopes
- Workplace 2.0:                    [mt2.0-wp2.0@tpsgc-pwgsc.gc.ca](mailto:mt2.0-wp2.0@tpsgc-pwgsc.gc.ca)  
   [http://www.gcpedia.gc.ca/wiki/Workplace 2.0](http://www.gcpedia.gc.ca/wiki/Workplace_2.0)
- *Government of Canada Workplace 2.0: Fit-up Standards and Space Calculator* :  
   [Fit-up-Amenagement@tpsgc-pwgsc.gc.ca](mailto:Fit-up-Amenagement@tpsgc-pwgsc.gc.ca)  
   [www.gcpedia.gc.ca/wiki/Fit-up\\_Standards](http://www.gcpedia.gc.ca/wiki/Fit-up_Standards)