Research

How states are future-fitting their real estate portfolios

Insights from 23 states

United States | 2021

Introduction from Chair

NASCA Members, stakeholders, and industry leaders,

Real estate optimization requires balancing workforce, real estate, technology, budget, and leadership. While there is not one-size-fits-all solution for all our states, this research provides a road map to give state governments and public organizations a range of effective and efficient options that balance unique factors in their respective states.

As states' workforce strategies, technology solutions, and real estate portfolios have become more interdependent than ever before, state chief administrative officers (CAOs) are uniquely positioned to play a significant role in transforming the way state governments provide services. Together with NASCA's corporate partner, JLL, the national association conducted in depth interviews with state CAOs to identify and disseminate best practices to aid the industry and CAOs in their efforts to modernize and optimize state government operations.

The study proposal, question development, and peer communications were led by NASCA's Research Committee, which comprises state CAOs and corporate partner volunteers. We appreciate the leadership and guidance of the Research Committee and Executive Committee. In addition, we thank our state members for the significant time they invested and insightful comments they provided in these interviews. Finally, we are grateful for the extraordinary support and resources JLL provided in helping us design the interviews, analyze the results, and prepare this publication.

Thank you,

Jason Jackson
Director of the Department of Administrative Services and Chief HR Officer
State of Nebraska
NASCA's Research Committee Chair

Contents

Introduction

In March 2020, the Covid-19 pandemic forced employees across the world to suddenly work remotely at an unprecedented scale, which resulted in a radical transformation in how work is performed. Whereas before the pandemic, approximately 15% of the nation's office workers regularly teleworked at least two days a week, the COVID-19 pandemic caused the majority of office workers to transition to full-time remote work. There is much to be learned from this remote work experience, but a central finding is the widespread realization that working outside of the office is quite effective for most employees. Moving forward, if a significantly higher level of remote work becomes the norm, it suggests the need for a transformational approach to how to design and use offices when employees do come together. Also, with large amounts of an organization's workforce working remotely at any given point in time, it will reduce the office's average occupancy levels. As a result, many public agencies and private sector companies anticipate reducing their real estate footprint by fifteen percent or more from pre-pandemic levels.

> **States' workforce strategies, technology solutions and real estate portfolios have become more interdependent than ever before**

What we studied

State governments were forced to quickly transition to remote work while simultaneously being front and center in the fight against the COVID-19 pandemic. To better understand how states are adapting their real estate portfolios as a result of lessons learned during the pandemic, the National Association of State Chief Administrators ("NASCA") partnered with JLL to research whether states are planning to adopt new workforce and real estate strategies, and if so, how states are implementing the changes. With states' workforce strategies, technology solutions and real estate portfolios more interdependent than ever before, the objective of the JLL/ NASCA initiative is to understand how state governments are reevaluating and leveraging these interdependencies to identify more efficient and connective ways to work that result in improved productivity, work/life balance and reduce costs.

Methodology

The JLL/NASCA team interviewed 23 states. While Chief Administrative Officers ("CAOs") were the primary participants, some deputies and other officers also participated. This report refers to all respondents as CAOs or states. Each interview was approximately 30 minutes and covered topics relating to remote work's impact on workforce strategy, real estate, and technology. Interview questions were distributed in advance and interviews were conducted via video conference. The questions focus on specific changes, if any, that states are considering for their real estate portfolios. If changes are contemplated or in process, we discussed why they are considering the changes, the nature of the changes and how they plan to implement them. All of the statistics listed throughout the report are based on state interviews unless otherwise noted.

Insights gained

insight **1.** *87% of states interviewed are rethinking their real estate portfolio strategies because of COVID-19*

The interviews clearly indicate that COVID-19 has served to accelerate an evolution in how state governments are utilizing their real estate, with 87% of states interviewed currently rethinking their real estate portfolio strategies. However, there is wide variance between states in how they are addressing change and their approaches span the spectrum from actively implementing new workplace and real estate strategies to simply going back to the pre-pandemic status quo once it is safe to fully return to work. The figure below summarizes where states fall along this spectrum. To facilitate these portfolio reductions, states must first develop new strategies for where and how their people work.

Currently, most states are in the initial stages of rethinking their real estate portfolio strategies

Stages of rethinking a real estate portfolio

13%
Not planning on making changes

30%
Beginning stage: Surveying agencies, determining needs of workforce

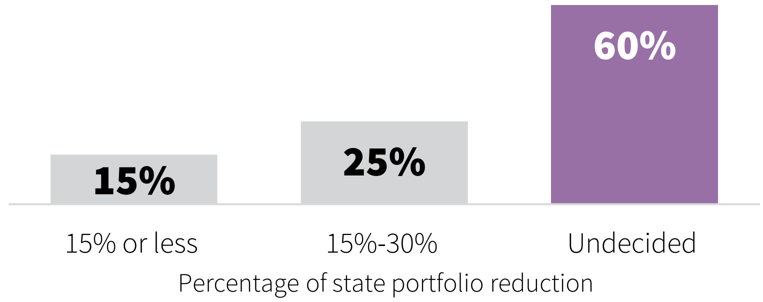
26%
Infancy stage: Taking inventory, gathering data, and analyzing portfolio

13%
Pre-implementation stage: Hired a consultant, formulated a strategy, assessing agency appetite

18%
Implementation stage: Piloting strategy, rolling out strategy to agencies

Of the states making portfolio changes, over 1/3 are considering reducing their office real estate footprint up to 30%.

Anticipated reduction in real estate footprint



insight

2. *States anticipate an expansion of hybrid work*

Most states reported the widespread shift to remote work has been relatively successful and found that productivity increased for some workers. As a result, many states are shifting to adopt some form of hybrid work that includes a mixture of in office and remote working as a permanent component of their workforce strategy. We identified a variety of drivers influencing states to rethink the role of the workplace in meeting broader government goals and objectives.

Key drivers in supporting a hybrid workplace:

- **Improving productivity**
- **Enhancing work/ life balance**
- **Attracting and retaining state employees**
- **Supporting diversity and inclusion**
- **Lowering strain on transportation infrastructure**
- **Reducing carbon emissions**
- **Lowering real estate costs**

insight

3. *States found employee support for working remotely 2 or 3 days a week*

More than half of states considering hybrid work arrangements have surveyed their employees about their remote work experience during the pandemic. These surveys found broad-based employee support for working remotely two or three days a week. There is also a significant positive shift in managerial perceptions about the effectiveness of remote work.

Although there is broad consensus among states that remote work is effective, **determining the right mix and balance between the different hybrid work options and how to implement them is a much more complicated challenge.**

Questions for states to address before moving to a hybrid/remote work model

- How is work done? Review position requirements and assess if work can be done in a hybrid model
- What are the preferences of the workforce? Survey employees to uncover preferences
- What is the right mix and balance for the hybrid model?
- What is the size and location of the workplace?
- How can states transform and still maintain culture?
- How can you measure employee productivity/ outcomes?
- How can states enable resiliency for the future?

insight 4. *One size doesn't fit all when developing new workplace strategies*

The pandemic has revealed the need to rethink space allocation to support the adoption of a hybrid work model. The consensus opinion of the states participating in the interviews is that work and supporting workplace strategies will undergo transformative change moving forward. However, the nature of these changes will vary amongst organizations and there is no ideal "one size fits all" solution; as every organization varies in culture, function, workforce expectations, size, location and technology. Addressing these characteristics requires developing a sound process for exploring a diverse range of topics about the employee experience and organizational culture that are unique to each state. By first understanding the nature of the work that is performed and the expectations of the workforce, a state can then develop a theoretical construct for workplace strategies that will optimally address these criteria and empower people to do their best work, while respecting diversity and work/life balance.

Strategies for states to consider when moving to a hybrid workplace:

Strategy #1: Shift to desk sharing/hoteling

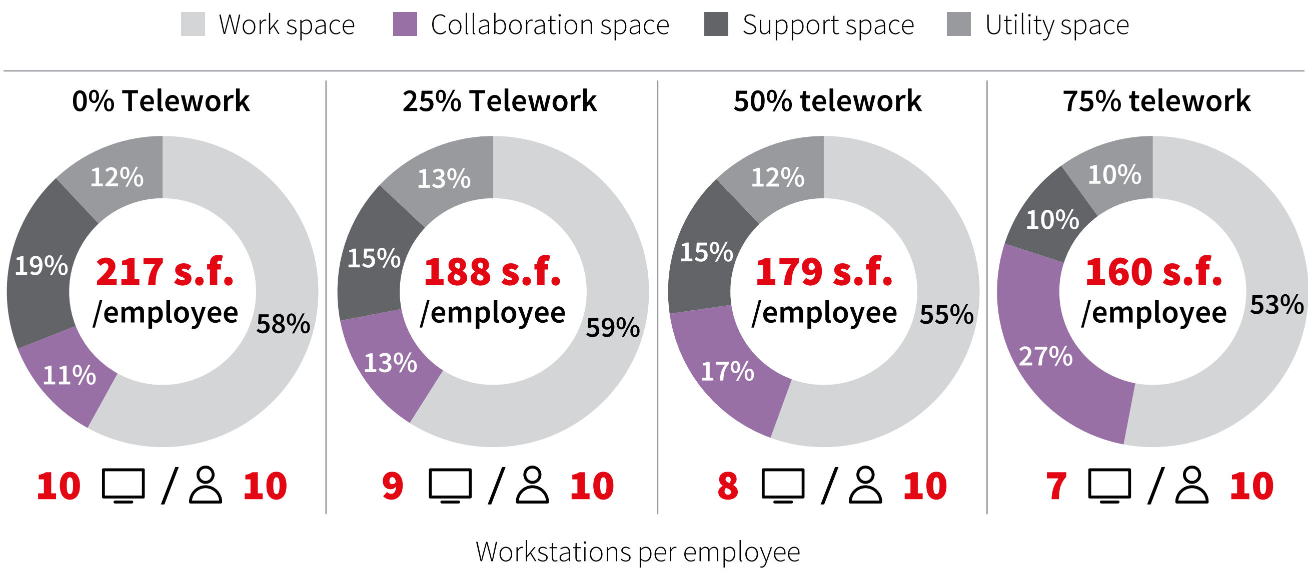
75% of states that said they are making changes to their real estate portfolio are considering desk sharing/ hoteling as a strategy to downsize their real estate

It is likely that the majority of these workplace models will include support for some amount of remote work and implement "desk sharing" for employees who work remotely more than two or three days a week. By employing desk sharing, **states can reduce the amount of overall space required to support their workforce.** Under this model, states would move from the traditional model where one desk is assigned for each employee to a new model where there are fewer desks than there are employees. Determining the "right" ratio of desk sharing requires first understanding the nature of the work performed by various jobs and the level of remote work anticipated. However, it is not hard to imagine creating a space where 130 employees are now utilizing a space that traditionally supported only 100, paving the way for reducing state's overall need for real estate.

As shown in the figure below, applying a blended desk sharing ratio to each telework scenario reduced the total number of seats required to accommodate employees. As the number of employees teleworking increases, the amount of workspace decreases while collaboration spaces increase.

Michigan, for example, has implemented a central hoteling space that any agency can utilize providing flexible workspaces for field workers across the State. Alternatively, Massachusetts is applying universal design principles to its office spaces to support equitable access and will move away from assigned seating to more shared seating through an online reservation system with designated agency neighborhoods to support collaborative and individual work.

Impact of teleworking adoption on square feet per employee



Note: Square feet/employee are shown based on 100 employees
Source: JLL Research

States may consider desk-sharing best practices

- **Understand the workplace dynamics of the agency**
  How and where do people work? Can certain job functions be grouped together? Consider security requirements and data sensitivity when assigning workstations.
- **Create a new workplace policy**
  Implement a clean desk policy, workspace reservation policy and communal space policy to ensure compliance.
- **Provide adaptable workstations**
  Ensure workstations can accommodate those with disabilities; supply each workstation with equipment compatible with all workplace technology.
- **Improve storage**
  Create cubbies or locker space for employees to store personal items or special equipment; digitize office files for additional security and space savings.
- **Create break-out zones**
  Allocate space for employees to collaborate or engage in private discussions.
- **Invest in flexible technology**
  Provide employees with the ability to reserve workstations; consider technology that can align reservations based on agency/ department; track and monitor the utilization of space to allow for workplace improvements.

Strategy #2: Formalize telework policies

Forty three percent of the states currently rethinking their real estate portfolios had existing telework policies and some were thinking about making changes to their real estate portfolios prior to the pandemic. Moving to a hybrid work model that blends telework with office work is easiest to implement by states with telework policies prior to the pandemic; whereas states that didn't have telework policies prior to the pandemic are still operating under an emergency telework policy, and are just beginning to contemplate long term policies that support a hybrid workplace strategy. States without existing telework policies cited lack of laptop computers, stable internet connection, and mobile phones as hurdles in executing emergency telework.

Strategy #3: Increase the amount of collaboration spaces

Half of the states considering hybrid work models anticipate incorporating more collaboration space to support their flexible work arrangements. With the reduction in the overall time staff will be spending at the workplace, there is a widespread belief that the function of the office will shift to focus on supporting collaboration, social interaction, meetings, and cultural cohesion. Even prior to the pandemic, one of the most common complaints in public and private sector organizations was the lack of adequate meeting spaces. The need for these spaces will be even greater in the hybrid work environments emerging post-pandemic. As a result, some of the real estate saving generated through desk sharing will need to be reinvested in designing and fitting-out a variety of collaboration spaces.

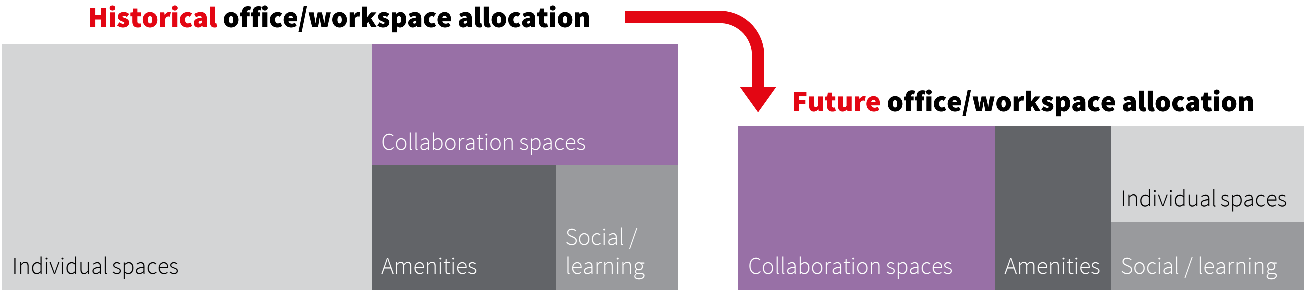
Massachusetts, for example, repurposed their private office spaces to allow for multiple employees to collaborate and work behind a closed door. Additionally, Massachusetts is establishing standards for AV equipment in collaborative spaces to support hybrid meetings and online access to public meetings.

insight 5. *With the pivot to a hybrid work strategy, states are grappling with how to intelligently downsize their real estate portfolio*

The pivot to a hybrid workplace model presents a unique opportunity for states to reevaluate their real estate portfolios. JLL research found that remote work can reduce square footage and occupancy costs by 15-30%, depending on the ratio of desk sharing and the amount of collaboration spaces required . It's anticipated that many states will shrink their overall real estate portfolios, and the space allocations in the remaining offices will feature less space dedicated to individuals and more space dedicated to supporting collaborative activities.

State governments with real estate in large metropolitan areas are more likely to take advantage of market conditions and downsize their portfolios, while states with real estate in smaller metros were more likely to consider the adverse impact of their strategy on the local real estate market, which makes them more likely to hold onto space. Over half of states that are anticipating reductions in their real estate have significant real estate holdings in metropolitan cities. Conversely, states with real estate in small metropolitan cities cited significant pressure to retain real estate in effort to sustain the local economy.

The future state office may consume a smaller real estate footprint yet more space for collaborative activities



Source: JLL Research

States may consider transforming their real estate portfolio

In addition to providing better support for a fluid workforce blending remote and office work, States see opportunities to realign their portfolios in the following ways:

- **Shed leased space and consolidate into owned space**
  The general rule of thumb for state government is that owning is more cost effective than leasing. It's crucial for state governments to take inventory of their owned and leased portfolio, making note of lease expirations in the near term, to identify areas of opportunity to consolidate their footprint.

- **Realign owned portfolio**
  Vacate out of old low performing buildings and consolidate into higher quality remodeled newer buildings.

- **Co-locate agencies with similar missions or business functions into multiagency building**
  74% of states interviewed mentioned co-locating or consolidating agencies into shared space as an effective strategy to shed excess square footage. Co-locating and consolidating agencies was the most discussed strategy for portfolio optimization as it also provided a way to have better customer facing services through a "one stop shop" for multiagency needs.

- **Monetize surplus properties**
  A legacy, underutilized real estate asset can drain state resources. Leasing state land to a private sector developer can stimulate economic development while returning value to constituents. Through a ground lease, state's underutilized land can generate long-term rental income and tax revenues.

Ex.

Utah anticipates saving nearly $13.6 million annually with a hybrid master plan incorporating the strategies above.

In the midst of the pandemic, **Louisiana** made available its under-utilized Capital Park Visitor Center to house the FastStart workforce development program to enhance economic development initiatives and ultimately recovery efforts.

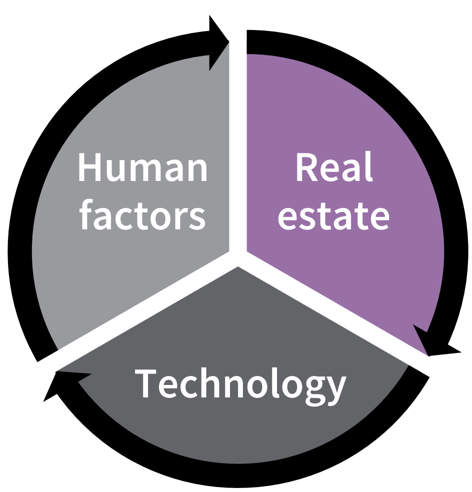
insight

6. *Portfolio optimization requires balancing human factors, real estate and technology*

Executing changes to a state's real estate portfolio to adopt a new hybrid workplace model is not easy. To develop effective solutions requires addressing human factors, real estate and technology. Effective strategies must begin by understanding the needs and characteristics of the state's organizational structure and its workforce. These needs then inform the development of supporting workplace strategies that impact the amount of real estate required and how it's configured. Finally, to support a more fluid workforce requires robust virtual collaboration and scheduling and management of space technologies due to increased remote work. Just a few of the issues that need to be addressed in developing a hybrid work solution are illustrated in the table below.

Factors that need to be considered in developing a hybrid work solution

Human factors	Real estate	Technology
• Management	• Office design	• Collaborative technologies
• Performance metrics	• Desk sharing ratios	• Home technologies
• Productivity	• Cost considerations	• Security
• Social equity & inclusion	• Occupancy planning and space management	• Technology to remotely schedule and manage workplace resources
• Employee engagement & expectations	• Consolidation strategies	• Tracking space utilization
• Organizational culture	• Funding changes to achieve long term savings	
• Mentoring		
• Career visibility		
• Employee attraction and retention		
• Work life balance		



insight

7.

A top-down and bottom-up approach is key when implementing portfolio changes

Unlike the private sector, many states have largely delegated decision-making authority to their agencies and CAOs often have little ability to mandate changes to an agency's real estate model. To better understand how states are approaching the implementation of change, during each interview we asked the CAO to list conditions that facilitated change as well as conditions that inhibited change, which are listed in the table below.

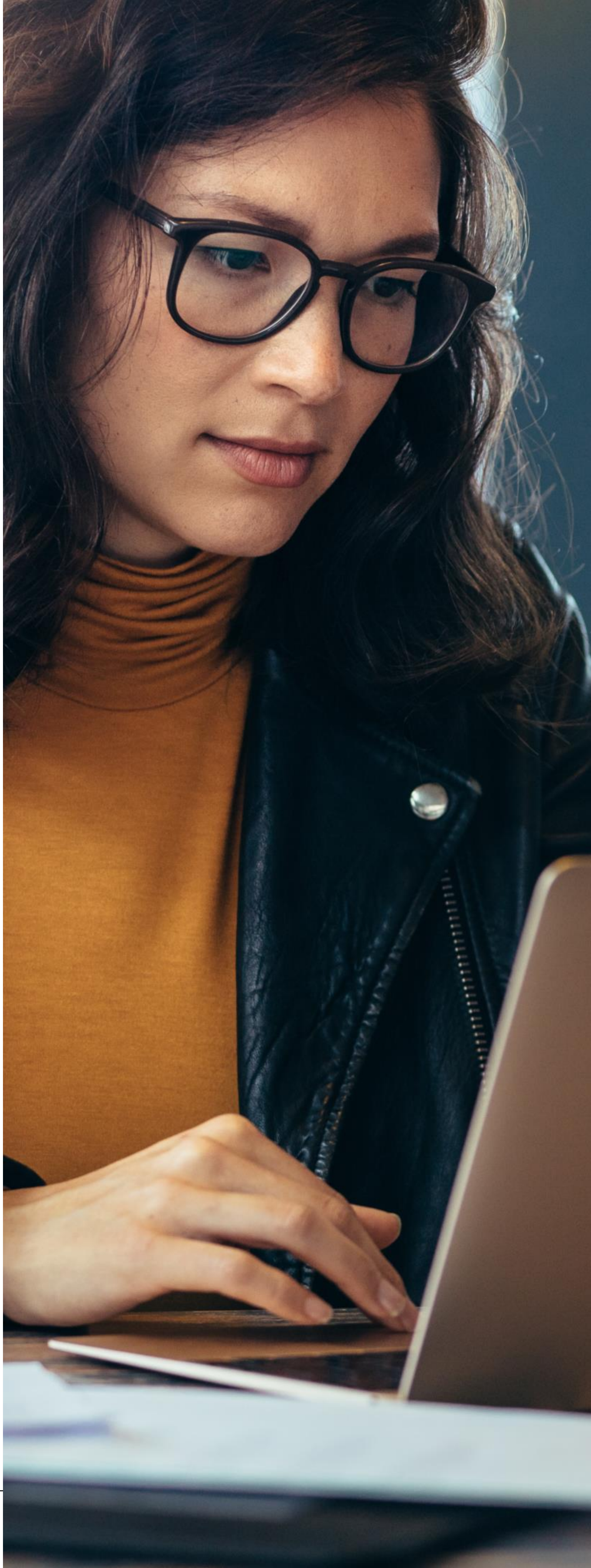
Facilitators and inhibitors to change in a state's real estate model

Inhibitors: Factors making it difficult to get widespread adoption

- Decentralized government structure
- Lack of support from executives and legislature
- Regulatory barriers
- Lease terms
- Managing a remote workforce
- Coordinating resources

Facilitators: Factors making it easier to get widespread adoption

- Centralized government structure
- Political will and executive support
- Geography
- Financial condition
- Remote work policy
- Attraction and retention of employees
- Sustainability
- Technology enabling tools



Success factors

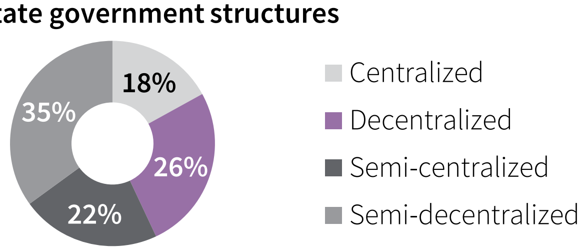
The following five factors were cited by the states as the most critical to address when making changes to workplace and portfolio strategy.

factor 1. *Governance structure*

One of the fundamental factors impacting the ability to make real estate portfolio change is whether the Administrative Services Division has centralized control over the state's real estate portfolio. **Centralized models are more likely to have coordinated real estate policies across state government,** whereas decentralized models enable agencies to make their own policies, which complicates widespread multiagency adoption of new workplace and real estate strategies. Administrative Services for semi-centralized models hold a majority of state real estate, but individual agencies have authority over their space and workplace needs. Alternatively, semi-decentralized models allow agencies to hold their own real estate but the Department of Administrative Services acts as the primary manager of the real estate space.

Of the states rethinking their real estate portfolios, 61% have a decentralized or semi-decentralized government structure.

State government structures



States may consider establishing a pilot program and cross agency task force to influence collective change

To implement change with decentralized or semi-decentralized models, CAOs have created pilots in their own agencies to demonstrate the effectiveness of hybrid work and flexible work environments. Nebraska described their hybrid pilot program as a means of selling rather than compelling: "We're going to demonstrate that the work gets done without any degradation in our business. Once we've established that this can be achieved, we will be in a position to really evangelize and replicate this model for any agency that wants it," said Jason Jackson, Director of Nebraska's Department of Administrative Services & Chief HR Officer to the Governor.

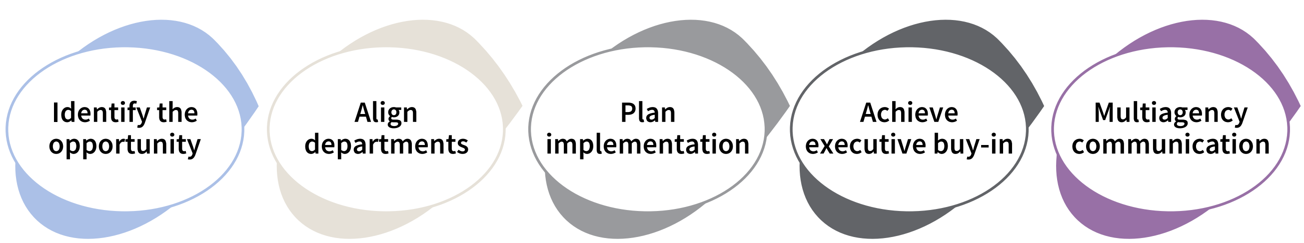
Additionally, states where the CAOs do not have authority over HR, IT, and Real Estate have created "future of work" or "transformation" committees/task forces to develop cross-agency policies that address human capital, technology, and workspace. The CAO can serve to convene, facilitate and coordinate enterprise-wide policies while also allowing an agency to develop unique solutions.

Ex.

Nebraska's Department of Human Resources reports to the Department of Administrative Services allowing for more optimized telework policies enterprise wide.

With a more divided authority, **Colorado**, **Massachusetts** and **Michigan** created task forces and focus groups to align agency goals and coordinate policies.

Possible cross-agency task force framework



factor 2.

Stakeholder engagement and executive support

All states interviewed felt executive support from the governor's office is instrumental to implement broad-based changes to workplace and portfolio strategy. The successful implementation of portfolio change relies upon the support and participation of many stakeholders and is most effective when implemented using both a top-down and grass roots approach. It is also the most effective way to break down agency silos and facilitate cross agency collaboration. This top-down approach should be further augmented by a bottom-up approach that involves stakeholders representing all major agencies, other key interest groups, and a strong two-way communication plan.

Every state in the implementation stage had executive support to help propel their real estate agenda forward.

States may consider developing a business case to demonstrate the value of optimizing real estate and workforce strategy.

Conducting a space utilization study, portfolio analysis and administering agency surveys can provide valuable data to promote your business case.

factor 3.

Technology to support a fluid workforce

Nearly all states considering implementing a hybrid work model are also considering investing in occupancy planning technologies that feature remote resource scheduling tools. Enabling a fluid workplace model requires collaborative real-time technologies to support remote work and reservation systems that allow employees to reserve resources when they go to the office (desk, conference rooms, etc.). These technologies can provide states the insights needed to manage their workplaces through uncertainty and accommodate sudden changes in demands to scale resources up or down.

States may consider technology tools that can:

- Collect data on movements of people throughout spaces
- Monitor where people are congregating
- Know when a space requires resetting or cleaning
- Analyze how amenities are being used
- Send notifications if space capacity is exceeded
- Provide data for the number of occupants in open rooms, collaboration areas, and conference rooms
- Detect ghost meetings (i.e. when a meeting is cancelled/rescheduled, but the space isn’t released) to maximize effective use of resources and spaces
- Integrate with other software for seamless desk booking and automatic check-in and room release

factor 4. *Commitment to sustainability*

One of the benefits of having a fluid workforce is reducing stress on regional infrastructure and lowering the overall carbon footprint. **States with explicit sustainability goals are more likely to implement hybrid work as a strategy to mitigate greenhouse gas emissions.**

Ex.

California, for example, showcases in a public teleworking dashboard the dramatic impact remote work has had on the environment including gas saved and carbon dioxide avoided.

factor 5. *Attraction and retention of employees*

Talent recruitment in government can be challenged by competition from the private sector, but **hybrid work arrangements can be used to attract and retain top talent from across the state.**

Tennessee has been using their Alternative Workplace Solutions ("AWS") program as a recruiting mechanism since its inception in 2015:

"We always used AWS as our calling card when recruiting and it's an extensive retention program too, for those people with great institutional knowledge that are contemplating retiring," said Christi Branscom, Commissioner of the Department of General Services. States such as Washington are even considering expanding their talent pool further and recruiting from across the nation.

The State of Utah to save up to $13.6 million annually with hybrid master plan

Prior to the pandemic, Utah's Department of Facilities and Construction Management ("DFCM") embarked on a space utilization study analyzing 2.5 million square feet of state office space to better understand how space was being used and the overall quality of their facilities. The findings from this study allowed the department to receive funding for a state-wide space masterplan to review their portfolio and determine how to accommodate alternative workplace strategies such as hybrid work. The results of master plan study ended with a consolidation and hybrid work strategy indicating that the state could exit up to 91 locations, over half of which were leased locations. The master plan also indicated the need to build regional centers in rural areas to create combined functionality for state employees and constituent services. DFCM decided to facilitate a voluntary pilot program to test the feasibility of the consolidation strategy resulting from the master plan study.

To achieve agency buy-in, DFCM presented the space utilization study findings to agency leaders stressing that their current facilities were outdated and fail to accommodate how employees work habits have evolved. DFCM emphasized that with interior renovations and the shift to hybrid work, agencies will get a space that is more functional in meeting the needs of their staff while ultimately supporting retention and recruitment efforts. At first agencies were hesitant to enlist in the pilot program but the onset of the pandemic caused a shift in perceptions on remote work as almost 10,000 employees transitioned to working remotely. As a result, DFCM completely reworked their master plan, modelling scenarios based on 30% to 60% of employees adopting hybrid work.

By basing the master plan on a data-driven projected return on investment, the state of Utah now has a roadmap toward saving upwards of $13.6 million annually as it progressively shifts to its new hybrid workplace model. To achieve savings, capital investment from the state is required. DCFM recently achieved legislative budget approval for near-term implementation steps. The state anticipates exiting 67 leases and reducing its state-wide footprint by nearly 850,000 square feet. Concurrently, Utah plans to construct 126,000-square-feet of new regional centers in rural Utah and renovate 615,000 square feet of space in Salt Lake County.

The path forward >>

Eighty-seven percent of the states interviewed are contemplating or in the process of implementing changes to their real estate portfolio as a result of lessons learned about the effectiveness of remote work during the pandemic. In almost all instances, the new normal will involve increased levels of remote work and some form of desk sharing for remote workers when they come to the office. **Collectively, this is an unprecedented shift in how state's support their workforce and can transform how states organize and leverage their human capital, provide services to citizens and utilize their real estate.** It can also improve productivity, work/ life balance, attraction and retention of employees, expand the talent pool, and reduce strain on transportation infrastructure. While the shift to a hybrid workforce has its benefits, state governments must also consider the impact on constituents. As Colorado stated, "state government is not just about employees, it's also about customers. We can't have everyone work from home if it diminishes our ability to serve our customers," said Kara Veitch, Colorado State Personnel Director and Executive Director of the Department of Personnel & Administration.

Moving to the new normal is complicated and there is no "one-size-fits-all solution," as new workplace solutions must be sensitive to organizational objectives and consider the interplay between human factors, real estate and technology. Additionally, many states have delegated workplace decisions to their agencies, which complicates making broad-based changes to a state's workplace strategy. For the States that are in the process of implementing changes, they spoke to the need for a top down and bottom-up approach as a key success factor, including the need to gain executive sponsorship to drive change and deep outreach and engagement with agencies and staff to gain consensus around change.

Steps to implement a new workplace model

Initiate

- Identify what you want to accomplish
- Think about how success will be defined
- Construct a foundation that articulates your vision and goals for the project
- Utilize a balanced scorecard model to measure the performance of your goals:
  - The balanced scorecard considers project performance in the context of its impact on four major aspect of government:
    - People | Process | Finance | Constituent

Discover

Understand the current state:

- Organizational context
  - Organizational mission
  - Organizational structure
  - Key products and services
  - Financial capacity

Collect and analyze data

- Supply
  - Amount and types of space currently used by each agency
  - Number and size of buildings owned and leased
  - Condition and efficiency of owned buildings
  - Location of facilities
  - Technology infrastructure and tools
  - Operating costs for owned buildings
  - Leased building costs and terms

- Demand
  - Current and projected headcount
  - Workplace strategy for both onsite and remote work
  - Current space standards
  - Current Utilization

Develop

Use data to identify the gap between the agency's objectives and current conditions

- Develop alternative scenarios of hybrid work adoption
- Create an executive business case including data driven insights
- Review available funding
- Draft policy and program advisory
- Generate implementation recommendations
- Construct a change roadmap

Implement

- Reference change roadmap
- Communicate with stakeholders and other agencies
- Conduct agency learning and training
- Create incentives for participating agencies
- Ensure go-Live Support

Manage

- Conduct a post-implementation study
- Develop a playbook and supporting policies
- Ensure program governance
- Create sustaining metrics/ KPIs
- Develop insights and conduct research
- Allow for guideline evolution
- Constantly reassess and adjust as needed to maintain flexibility

The workplace of the future will require leaders to think differently about their real estate portfolios. Portfolio optimization is not just about reducing space or assessing space based on costs. State leaders will need to examine how the built environment adds taxpayer value and invest in the footprint that enhances productivity and supports future workforce needs.

10 steps

Ten steps CAOs can take to transform their real estate portfolio

1. **Develop** a business case to create the structure and appetite necessary to achieve executive support

2. **Convene,** facilitate and coordinate an enterprise-wide transformation task force

3. **Create** a workplace pilot to demonstrate the effectiveness of flexible work

4. **Implement** desk sharing/hoteling and increase collaboration space

5. **Leverage** real-time technology systems to understand occupancy data, support remote work and collaboration and provide reservation capabilities

6. **Co-locate** agencies to create a one-stop-shop for constituent services

7. **Shed** leased space and consolidate into owned space

8. **Modernize** owned portfolio

9. **Monetize** surplus properties to maximize real estate value

10. **Reinvest** savings generated from portfolio strategies in flexible workspaces

Given the magnitude and complexity of these changes, the partnership between NASCA and JLL provided an opportunity for States to share lessons learned and opportunities and risks associated with transforming their workplace to a fluid model where employees are empowered to work from anywhere, be it the home, office, or other locations.

Contributors

Herman Bulls, Vice Chairman - Americas, JLL

Emily Crutcher, Vice President - Public Institutions, JLL

Pam Goins, Executive Director, NASCA

Kristen Halboth, Senior Research Analyst, JLL

Bob Hunt, Group Managing Director - Public Institutions, JLL

Jamie Rodgers, Deputy Director, NASCA

Chris Roth, Group Managing Director - Public Institutions, JLL

Linda Swain, Senior Marketing Director, JLL

NASCA Research Committee led by:

Jason Jackson
(Chair) Director,
Department of Administrative Services
State of Nebraska

Brian Deforest
(Vice Chair) Chief Administrative Officer,
Department of Administrative Services
State of Oregon

About JLL

JLL (NYSE: JLL) is a leading professional services firm that specializes in real estate and investment management. JLL shapes the future of real estate for a better world by using the most advanced technology to create rewarding opportunities, amazing spaces and sustainable real estate solutions for our clients, our people and our communities. JLL is a Fortune 500 company with annual revenue of $16.6 billion, operations in over 80 countries and a global workforce of more than 91,000 as of March 31, 2021. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit us.jll.com/future-fit.

About NASCA

Founded in 1976, the National Association of State Chief Administrators (NASCA), is a nonprofit, 501(c)3 association representing chief administrative officers (CAOs)—public officials in charge of departments that provide support services to other state agencies. NASCA provides a forum for CAOs to exchange information and learn new ideas from each other and private partners. NASCA's mission is to help state CAOs and their teams strategically transform state government operations through the power of shared knowledge and thought leadership.