



Strategic Goal 1: Deliver Innovative, Quality Service

Strategic Objective 1.4: Evaluate Our Physical Footprint to Incorporate Improved Service Options

Vision 2025 Priority: Innovative Organization

Our facility maintenance costs continue to increase despite staff losses. We are concerned about the high upfront costs for facilities and associated services (e.g., rent, utilities, security guard services), especially as more cost-effective and reliable alternatives to in-person service exist. As building maintenance costs continue to increase and customer preferences move to electronic service channels, we are reassessing our facility needs, while still ensuring that we have appropriate levels of in-person service options available.

We are fully committed – now and in the future – to keeping a field office structure that provides in-person service for those customers who need or prefer it. Additionally, as technology drives the realignment of our physical footprint, we see opportunities to scale back and colocate some large brick-and-mortar facilities.

Strategies

- Design space, maintain offices, and reassess the structure of internal facilities to optimize cost and maximize opportunities for improved service delivery; and
- Explore solutions that optimize the operational efficiencies of offices, including colocations.

Progress Update

We took the following steps in fiscal year (FY) 2015 to evaluate our physical footprint to incorporate improved service options:

- Reduced our usable square feet by 1.34 million from our FY 2012 level.

Next Steps

- Assess 100 percent of all field office and hearing office new lease actions for possible colocation opportunities;
- Create shared services-claimant only video rooms in field offices to increase hearing capacity without increasing the footprint;
- Continue building judge only video rooms in existing hearing offices to increase hearing capacity without the need to build additional hearing rooms; and
- Increase the number of colocations between hearing offices and field offices.

Risks and External Factors

The following risks or external factors may affect our efforts:

- The universe of colocation opportunities is limited to the number of lease expirations in any given year:
 - Long-term lease commitments are a barrier to short-term implementation; and
 - Significant lead-time needed to secure new leases.



- Space availability and labor relations issues:
 - Availability of space large enough to colocate in a given market;
 - Compatibility of the Office of Disability Adjudication and Review and Operations service areas; and
 - Complexity of accommodating the different Bargaining Unit agreements with the three separate labor unions representing our field office and hearing office employees.

Key Initiatives

Reduce Our Real Estate Footprint

Under guidance issued by the Office of Management and Budget (OMB), agencies are required to create and implement a plan to reduce their real estate footprint. We are committed to adhering to the established baselines while providing excellent customer service.

We will create a five-year plan in FY 2015 to make the most efficient use of our real estate property assets. We will update and submit our plan to OMB each fiscal year. As part of our planning, we will assess all new space actions for colocation opportunities and plan to make the following colocations:

- In FY 2016, we will colocate at least four permanent remote site hearing offices with field offices; and
- In FY 2017, we will colocate at least seven permanent remote site hearing offices with field offices.

Performance Measures that support Strategic Objective 1.4

Performance Measure		FY 2015 Performance	FY 2015 Target	FY 2016 Target	FY 2017 Target
1.4a	Evaluate our physical footprint as described in our Office of Management and Budget (OMB)-approved Real Property Cost Savings and Innovation Plan	Reduced our physical footprint by 1.34 million usable square feet	Reduce our physical footprint from our FY 2012 level by 1.86 million usable square feet		
		Not Met			
1.4b NEW	Assess field and hearing office lease expirations and increase colocation of our field and hearing offices to reduce our physical footprint			Colocate at least 4 permanent remote site hearing offices with field offices	Colocate at least 7 permanent remote site hearing offices with field offices

References

For additional information please see our [Annual Performance Plan for Fiscal Year 2017, Revised Performance Plan for Fiscal Year 2016, and Annual Performance Report for Fiscal Year 2015 \(www.socialsecurity.gov/performance/\)](http://www.socialsecurity.gov/performance/).