

Asset Management Planning to Support the Business Mission: Completing the Real Property Puzzle for the United States Government

By

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On February 4, 2004 President Bush signed Executive Order #13327, "Federal Real Property Asset Management" to promote efficient and economical use of the US Federal Government's real property assets. The inclusion of "Real Property" as part of the President's Management Agenda with its quarterly scorecard is currently providing a major focus for all US Federal Government departments.

The Executive Order placed an emphasis on the development of Asset Management Plans. It bought about the creation of the Federal Real Property Council (FRPC) that is made up of the Senior Real Property Officers responsible for each US Federal Government department.

Briefly, an Asset Management Plan consists of an interlocking series of procedural components. It describes a process that starts with a strategic plan and ends up with a real property technology plan. It takes into account the total life cycle of the asset and how business goals and action plans are derived from the strategic plan to determine data; performance metrics and a technology plan.

The life of an asset may be viewed as a combination of decision cycles in planning, acquisition and maintenance. During the life of a building, it will go through a series of renovations to match physical space to the organization's needs. Asset Management Plans bring together the various components of an asset lifecycle.

The General Service Administration's (GSA) Office of Governmentwide Policy, Office of Real Property Management, is supporting this effort in developing asset management baseline data, performance measures reporting, and real property inventory database standards. Each US Federal Government department is now required to satisfy 5 first tier property performance measures and 23 property data elements that have been developed by the FRPC.



In order to satisfy this Executive Order, US Federal Government departments have been forced to adopt different approaches. As the Steward of Capitol Hill, The Architect of the Capitol developed a detailed Strategic Plan to support its mission. They created a detailed Action Plan that identified specific projects to meet the goals of the plan in key areas of customer service, maintenance, projects and human capital. The strategic plan provided a clear direction to create the performance metrics required to monitor performance of the organization towards their strategic goals.



The US Army Corps of Engineers looked at Automated Information Systems. They reviewed existing technology applications but realized that they needed to look at the business drivers for real property assets to understand their use of existing technology and future requirements. After significant data collection and information sorting, a series of alternative strategies were proposed. The strategies had a common theme of convergence towards support for the Department of Defense mission.

The Federal Aviation Administration faced a different challenge altogether. To comply with the requirements of the Federal Real Property Council and the Executive Order, they needed to produce an asset management plan from the beginning. They chose to use a template provided by the GSA to conduct their gap analysis. The results of the gap analysis and the baseline survey of their asset management activities provided the foundation for their action plan to match the business plans developed by each of their divisions.

The main lessons learnt by the various US Federal Government departments were that unless you know where you stand in relation to the problem you do not know if you are moving forward. The development of a properly-structured Asset Management Plan provides this information. They have found that it is also necessary to develop a structure that organizes the many issues that need to be resolved and ties them back to the business plan.

The US Federal Government has recognized that Asset Management Plans that are linked to business needs will help justify investing taxpayer's money into its real property assets.

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