

Platforms for Diplomacy

The Bureau of Overseas Buildings Operations



Major General Charles E. Williams, U.S. Army, Retired, is director of the Bureau of Overseas Buildings Operations.

In January 2006, Secretary of State Condoleezza Rice announced an ambitious foreign policy initiative that she called “transformational diplomacy.” She defined the objective of transformational diplomacy this way: “To work with our many partners around the world, to build and sustain democratic, well-governed states

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that will respond to the needs of their people and conduct themselves responsibly in the international system.”

The task of the State Department’s Bureau of Overseas Buildings Operations (OBO) is to provide and maintain secure, safe, functional physical facilities to accomplish the department’s objectives. OBO’s mission is to provide the department’s employees with the tools essential to achieving U.S. foreign policy objectives.

To achieve this mission, OBO has established four priority goals that advance diplomatic readiness, are aligned to the Department of State’s objectives, and reflect the priorities outlined in the secretary’s Transformational Diplomacy Initiative and the President’s Management Agenda. These goals are:

- **Capital Security Construction.** Award contracts for the capital security construction projects that have been identified by the department after

consultation with other agencies, and complete the construction on time and within budget. These projects are listed in the six-year Long-Range Overseas Buildings Plan (LROBP), which is published by OBO each year in conjunction with the release of the president’s annual budget.

- **Compound and Physical Security.** Provide physical security upgrades and compound security to State Department overseas facilities to protect employees from terrorists and other security threats. This program also provides security upgrades for soft targets such as schools, recreational facilities, and residences.
- **Maintenance of Assets.** Maintain, repair, and rehabilitate existing overseas diplomatic and consular facilities in an effective manner that enhances the quality of life of visitors as well as employees by



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The new U.S. Embassy in Kabul, Afghanistan, was opened in March 2006.

allowing them to work in secure, safe, and functional facilities.

- **Asset Management.** Acquire, dispose of, and manage the department's overseas real property in a professional manner that meets department needs on terms favorable to the U.S. government and satisfies the concerns of the president, Congress, and the American public.

Organization

In support of these four goals, each component of the OBO organization has established performance targets that benchmark critical functions. Management reviews performance against these targets monthly to identify potential problems and ensure effective performance. OBO management also meets quarterly with its Industry Advisory Panel to review and discuss issues with the aim of maximizing the free exchange of ideas and best practices between the government and the private sector.

OBO operates through four primary program offices: Planning and Development, Real Estate, Project Execution, and Operations and Maintenance.

Planning and Development. Proper planning is the most critical component of OBO's philosophy of "getting it right." The Planning and Development Office provides the central focus for overseas facility planning efforts and is the linchpin in OBO's efforts to change over from a "budget drives planning" mindset to one of "planning drives the budget." This office is responsible for producing the LROBP and the Asset Management Plan. It also leads strategic planning, prepares business case analyses, and provides the detailed long-range facility planning, space-requirements planning, project development, and cost-management analyses necessary to design and construct new facilities and renovate existing ones.

Real Estate. Site selection and acquisition are critical steps in the success of any new construction project, but they can be the most difficult to negotiate and complete. The Real Estate Office supports all aspects of real property acquisition, management, and disposal. This responsibility includes oversight of all leases of office and residential property—more than 12,000 properties around the world.

Project Execution. This office has responsibility for engineering design, construction, and the commissioning of all facilities. Its U.S. and on-site construction management staffs oversee the work of the general contractors building and renovating the State Department's

overseas facilities. The office also provides assistance in soliciting and negotiating architectural service contracts and reviewing project drawings, specifications, and associated documents. In addition, the office provides security measures that safeguard overseas construction projects from potentially hostile terrorist acts and intelligence efforts.

Operations and Maintenance. This office is accountable for the operation and maintenance of overseas U.S. government-owned and leased structures, providing for the upkeep of the department's existing property inventory. The office manages a major rehabilitation program that rehabilitates, upgrades, and, when necessary, replaces worn-out building systems that can no longer be physically or economically maintained by routine preventative and unscheduled maintenance and repair activities. Its facility management program provides technical assistance and support to overseas posts to maintain major building systems, as well as all maintenance-related activities associated with the planning and execution of the New



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During the ground-breaking ceremony for a new permanent U.S. Embassy in Nairobi, Kenya, in August 2000, U.S. Ambassador to Kenya Johnnie Carson (third from left) symbolically mixes soil from the former U.S. Embassy site with soil of the new site. Other officials are (from the left) Kenya's Minister for Lands Joseph Nyaga, then-Deputy Assistant Secretary of State for Foreign Buildings Operations Patsy Thomasson, and the Deputy Mayor of Nairobi, Joe Akech.



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The new U.S. Embassy in Berlin, Germany, shown in October 2006, is scheduled to open in 2008.

Embassy Compound program. The office also includes fire protection and environmental safety and health programs.

Impressive Performance

The journey to a new level of performance started in 2001. Upon his appointment as director and chief operating officer, retired Major General Charles E. Williams revamped the new Overseas Buildings Operations Bureau and instituted changes to create a results-based organization leveraging commercial best practices.

After almost six years, the results have been amazing. With some 36 New Embassy Compounds completed over the past six years, 40 projects under management, and four more New Embassy Compounds scheduled for award before the end of the year, OBO has become a results-based organization that focuses on accountability, performance, credibility, and discipline.

One key element of this progression has been the creation of a strong partnership between OBO and the construction industry. Since its inception five years ago, OBO's Industry Day event has become extremely popular among industry and the government. What was once an annual one-day event has progressed to a two-day

matchmaking event, with industry and government officials hosting one-on-one meetings the second day. OBO's industry event brings together a stimulating mix of developers, contractors, engineers, consultants, government officials, and architects.

OBO has also moved aggressively to establish standardized building sizes and design parameters, which in turn have led to standardized designs and capped construction costs. These designs are adapted to reflect the particular requirements of the specific posts and provide significant cost and time savings. Under this approach, there are four primary

standard embassy design sizes and cost categories: super small, small, medium, and large. Super-small buildings are generally less than 3,000 gross square meters (gsm) and cost about \$31 million to construct. Small buildings are between 3,000 and 4,300 gross square meters and cost about \$52 million. Medium-sized buildings are generally between 4,300 and 7,400 gsm and cost about \$75 million. Large projects generally are between 7,400 and 11,300 gsm and cost about \$97 million. In 2005 General Williams introduced "New Ways to Think and New Ways to Build," which established the Williams 20 Program Management Concepts: 20 carefully crafted concepts that clearly fine-tuned the project planning and execution process (analysis, control, measurement). Focusing on process improvement, OBO adopted the "Six Sigma" model and is now introducing "lean-management" concepts to enable us to reduce waste, improve process flow, identify value, manage the value stream, and increase process flexibility.

These improved management techniques, combined with a dedicated professional staff, will ensure the efficient execution of the facilities programs that will provide the Department of State with the physical platforms it needs to pursue its transformational diplomacy objectives. ■

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