



Strategic relocation study

Identified >\$3M annual savings





The Challenge

THERE IS MUCH TO CONSIDER

There are many important factors when considering a relocation. Some factors are easily calculated, like real estate and labour costs. More elusive are local infrastructure, tax implications, labour factors and other economic conditions. Measuring these can be arduous. However, rigorous research, analysis, and planning will be well-rewarded.

This case study highlights the potential for significant savings leading to increased stakeholder value.

This client's example identified >\$3 million in annual savings.

The Critical Factors



OBJECTIVE CRITERIA

More than 2 dozen individual critical criteria were defined with the client.

These were categorized under a handful of *objective* and *subjective* headings. Objective criteria included:



Labour:

Wages
Payroll costs
Misc.



Facilities:

Lease
CAM
Utilities



Transportation:

Inbound
Outbound
Distributor costs

The Critical Factors

SUBJECTIVE CRITERIA

Due to the subjective nature of these criteria, analysis was extensive, employing multiple tools to quantify and rank them.

The options matrix below is one example.

	Cost Reduction	Distribution Improvement	Strategic Advantage	Ease of Future Sale	<-- Desired Outcomes
	10	7	4	9	<-- Importance
Criteria	Correlation of Criteria to Outcome				Ranking Outcome
Proximity to target markets	3	8	8	8	190
Proximity to Competitors	0	2	6	7	101
Business attractiveness	7	7	7	8	219
Attractiveness to future buyers	0	0	5	9	101

The Summary

Final decision requires consideration of the trade-offs between criteria.
Give this high-level summary, which location would you choose?

