



## CASE STUDY: Site Selection

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A company manufacturing automotive aftermarket products was rapidly outgrowing their existing facilities and was looking for an additional location for expansion. Though they manufactured most of their products, some were brought into the country from overseas in containers. The manufacturing process required few skilled technicians or highly specialized equipment.

### Objectives

- ▼ Define their parameters for site selection;
- ▼ Analyze and evaluate a "short" list of 12 potential areas in 4 states;
- ▼ Provide the company with a prioritized site list based upon objective, quantitative data.

### Methodology

The first order of business was to meet with the entire management team and determine their criteria. Part of this exercise was designed to draw out the subjective attitudes that are always a part of the site selection process and to have management arrive at a consensus. Part was to predetermine what variables should be weighted the heaviest in the subsequent analysis. Market data were generated for each of the 12 areas under consideration including general demographics, business-related data, labor supply, wage scales, existing facilities/sites, state and local government cooperation and assistance, etc.

The data variables were entered into a matrix, ranked by assigned weight, adjusted for inconsistency, and compiled.

### Results

It was apparent from the evaluation that one area was clearly the best suited to meeting the selection criteria from an **OBJECTIVE** analysis.

Using a clear-cut approach to presenting the analysis in simple to understand graphics, we then coaxed management into reintroducing the **SUBJECTIVE** elements that had been purposely kept from the process to this point in time.



Using the data that had been withheld from the matrix, we demonstrated how the selection of the production team to be relocated to the new facility could impact the success of the new facility, and , how the logical variables could be overridden and a poor business decision could be made.

On the strength of the analysis and evaluation the recommended area was selected.

On the basis of the subjective elements introduced, management chose a production team that would thrive in the selected area rather than suffer the potential loss of valuable personnel or miss the opportunity for the "ideal" plant location.