Most organizations recognize that geography is a key driver of corporate performance. Yet many maintain ineffective and inefficient footprints that can hamper talent attraction and retention, increase operating costs, reduce operating flexibility, overexpose them to risk, and depress shareholder value. Geographic variables such as operating flexibility, talent availability, operating costs, risk, or tax regulations can change quickly. Mergers and acquisitions generate additional footprint complexity, often yielding overlap in some geographies and underrepresentation in others.

Few companies are deliberate and proactive in assessing their overall corporate footprint and the degree to which it supports the business strategy. Additionally, most companies lack mechanisms to effectively evaluate and react to business changes. Some make footprint decisions at the sub-enterprise (e.g., business unit or regional) level while others allow inertia to set in, performing the same functions in the same geographies while the world changes around them. Many companies simply associate footprint decisions with real estate and miss the opportunity to optimize talent, cost, and risk solutions for each and every corporate function and asset.

By enhancing “locational awareness” and holistically evaluating the corporate footprint, companies can more efficiently position assets in the right place at the right time and strike a balance between market access, talent availability, risk mitigation, and cost containment.

Successful chess players think many steps ahead about the role of each piece, even while they execute current moves. Before making strategic deployment decisions, businesses should apply similar forethought to the deployment of operations across the globe.

Strategically linking services
Organizations transform their business for different reasons. Some are positioning themselves for new growth opportunities while others are restructuring to improve efficiency and reduce costs. What they have in common is the desire to dramatically improve their business performance. Deloitte’s Business Model Transformation (BMT) services help architect and drive the business and operating model changes required to achieve an organization’s strategic vision. Location Strategy is one focus area in BMT. Visit www.deloitte.com/us/bmt for more on our other capabilities.
Location decisions are long-term and involve significant financial commitment and risk, often occurring globally, which makes a sound location strategy a critical component of a company’s overall business strategy.

How we can help
Deloitte’s Location Strategy practice helps companies across industries address some of their most complex and challenging location and footprint issues. We are objective location advisors — not brokers seeking to gain from a real estate transaction. We stay firmly focused on our clients’ priorities while developing and executing location strategies that add value and mitigate risk.

Our location professionals have worked in countries around the world, guiding multi-billion-dollar deployment investments. Our practice leaders are highly involved in industry organizations — many serving as board members of those organizations — so we keep our clients current with industry developments and trends. Our broader team includes practitioners who speak multiple languages and hold industry-recognized accreditations (such as The Site Selectors Guild, AIA, CCE/A, CCIM, LEED AP, PE, and PMP).

We leverage the deep resources across Deloitte should in-country or other disciplines be needed, such as corporate finance, change management, risk management, supply chain, or tax. We assist companies in building the business case for location decisions, develop and execute implementation road maps, and measure effectiveness against internal expectations and industry benchmarks along the way.

Our services include:

**Enterprise footprint optimization.**
We help executives hone their decision-making skills and resources so their asset deployment decisions incorporate an enterprise view, seek to capture benefits for the short term, and lay the foundation for long-term strategic priorities.

**Site selection.** We help clients find locations that access new markets, achieve their operating cost targets, improve access to talent, and facilitate an issue-free ramp up. From country analysis to detailed labor market and site due diligence, we bring rigor, objectivity, and multi-disciplinary analytics to corporate location decisions.

**Incentives negotiations.** We advise clients in ways to drive an optimal incentives outcome for each job creation or investment project, using a results-oriented process for statutory and discretionary incentives that promotes a win-win solution for both sides.

**Bottom-line benefits**
Executing an optimized location strategy yields significant financial and operating benefits.
• Align with and contribute to corporate strategy
• Expand market share and the potential to penetrate new markets
• Provide depth of experience and a high-level understanding of the full scope of location decisions
• Enable effective negotiations to secure incentive value

Three ways to get more value now

1. **Look before leaping.** Clearly outline location decision drivers and the broader impact of decisions on the overall operational and facility footprint to address strategic considerations.

2. **Think outside the box.** Best-in-class locations for specific functions may be outside of company’s initial comfort zone and may not receive mainstream media attention.

3. **Think like the locals.** Take time to understand nuances of local markets to adapt broader enterprise approaches to local requirements.

The big idea
An enterprise-wide location and footprint strategy can help companies stay several steps ahead as the business grows and expands its global reach.

Learn more
Business Model Transformation often encompasses a broad range of strategic issues like Location Strategy. To learn more about how Deloitte can help, visit www.deloitte.com/us/bmt.