

Diagnostic for Strategic Assessment - External

External	Importance	What's Known	Gap	Anything to Change	What Works Well
Customers	Will have bearing on location and type of distribution patterns. Type of loading. Image of facility	Is there sufficient information about the customer based to make decisions	What more needs to be known about customers	Are there some customers that are more profitable than others? Will you want to make changes to increase the profitability of some? Are there any real estate attributes that will affect change	What should stay the same to keep and service best customers. Sometimes this is an indication for future locating attributes
Suppliers	How is this location for suppliers. Are there any critical supplies that can be improved by a location or physical building attributes - rail, ocean, docks. Location to materials	Will pricing of supplies or materials be relevant. Stockpiling be needed.	Is everything know. What can be anticipated.	Will new inputs be needed. any differences in overseas sourcing. will location be affected by new sources of supplies. Will other locations be needed to process new supplies. Any eliminated	What works will suppliers. Is there a long wait at he dock to receive supplies. Will there be an increase in incoming and outgoing shipments
Rivalry	Are there competitors? What do they do better. What do you do better. Can real estate be used to be a better competitor. Location, identity, efficiency of facility	Who are the competitors? where are they located? what type of real estate? are there and benchmarks like sales/sf or employees/sf that can be used.	Is there anything the management team needs to learn to make this comparison	What do you need to improve to be a better competitor? anything regarding property?	Where do you succeed and want to improve?
Technology	For manufacturers this can often apply to machinery. For instance bay size for new equipment, or air-conditioning for special processes. Warehouse users may want automated systems like bar-coding or computerized inventory. Ceiling Heights, floor slabs, and sprinklers often come into play.	Are there any technological changes? Can process be changed?	Consult with industry experts to determine if new technologies are available and easy to implement.	What will be different in the future and how long will it take. Immediate or roll out? Future considerations	What technologies work well and which do you want to improve.
Regulation	In a city like Los Angeles, Air and water discharge permits are important to many businesses, There are significant challenges because the permits are often location sensitive. Trucking regulations and other zoning ordinances have impact in many municipalities. Does your company have any regulatory matters?	Normally there is knowledge about the current locations, new locations need investigation. From a real estate perspective, zoning and planning issues are paramount.	Who will find out about regulatory matters. Often a consultant will be hired or permits and letters obtained to be sure.	By moving, will regulations be reduced or will they be increased elsewhere?	By moving, will regulations be reduced or will they be increased elsewhere?
Financial	Financial implications will have its own section. In general what type of budgetary, borrowing, and monetary restraints? For rent, T'l's, cost savings? Rent vs., lease? Partnerships? Franchising? What is the financial position of the company? Internal financing? Outside resources? Credit rating?	Is there a budget or any metrics? What are the budgetary approvals, commitments.	Monetary gaps., of course? Does management need to be educated?	How does current financial structure work?	How have you financed real estate in the past? what is the effective interest rate

Diagnostic for Strategic Assessment - Internal Strategy

Internal	Importance	What's Known	Gap	Anything to Change	What Works Well
Structure	Anything about company structure that affects real estate. Does office personnel and sales work inside or out. Decision-making. Does it go up the ladder or made on site? Subsidiaries and divisions? Mergers or splits. Any partner organizations that may be involved.	Is structure set in place or changing. Is it purposefully changing?	Are other participants needed to examine organizational structure?	Anything to change in departments? Outside or inside units? The way the business is structured.	What works well in the structure?
Work Process	Critical in warehousing and distribution. Essential for manufacturing flow and equipment. Any special design considerations	Any efficiency experts needed? or consultants? Anything that competitors do?		Very important consideration for a new building. This is the opportunity to make changes for improvement. What processes can be improved.	What processes work well and what can be done tom improve them. What specifically works well.
Demographics	Important to retail and wholesale sales. For example, close to Hispanic middle class? Location on a visible street. Also important regarding work force and commute.	Going after any new markets?	Is demographic research typical for location decisions. Normally yes for retailers. No for industrial. Employment study?		
History	What is unique that has carried through over the years. Could be a result of a strong leader or policies that no one remembers. e.g., aversion to technology, all in person personnel reporting, location characteristic, ways of dealings with customers, supplies must be stored on site, 3rd party outsourcing,	Does the mold need to be broken? Is there still institutional memory on site	Are there logical reasons for this behavior	Does something need to be changed is it possible? personality driven?	What is significant about the company's history? Has it always been located in a certain place. IS there something special about operations
Culture	What is the company's unique culture that helps the business operate? Is unique in the market? and keeps employees? For instance surf apparel companies want to be near the beach. Creative business want to be downtown or Westside. Also important for specific industry clusters to be near each other.	Can the culture be expressed?	Does more exploration need to be done to determine the culture	Does more exploration need to be done to determine the culture	what is special about the culture that should be preserved and possibly improved? Can real estate help wit the culture
Preferences	These can be as simple as locating the business near the owner's home. Or having a lot of green space near by. If there were choices, what would be preferred	Are there any obvious preferences?	Are the preferences known	Were decisions made in the past or will they be made in the future that is in the company's best interest?	