

# Performance Measurement: Understanding Your Customers

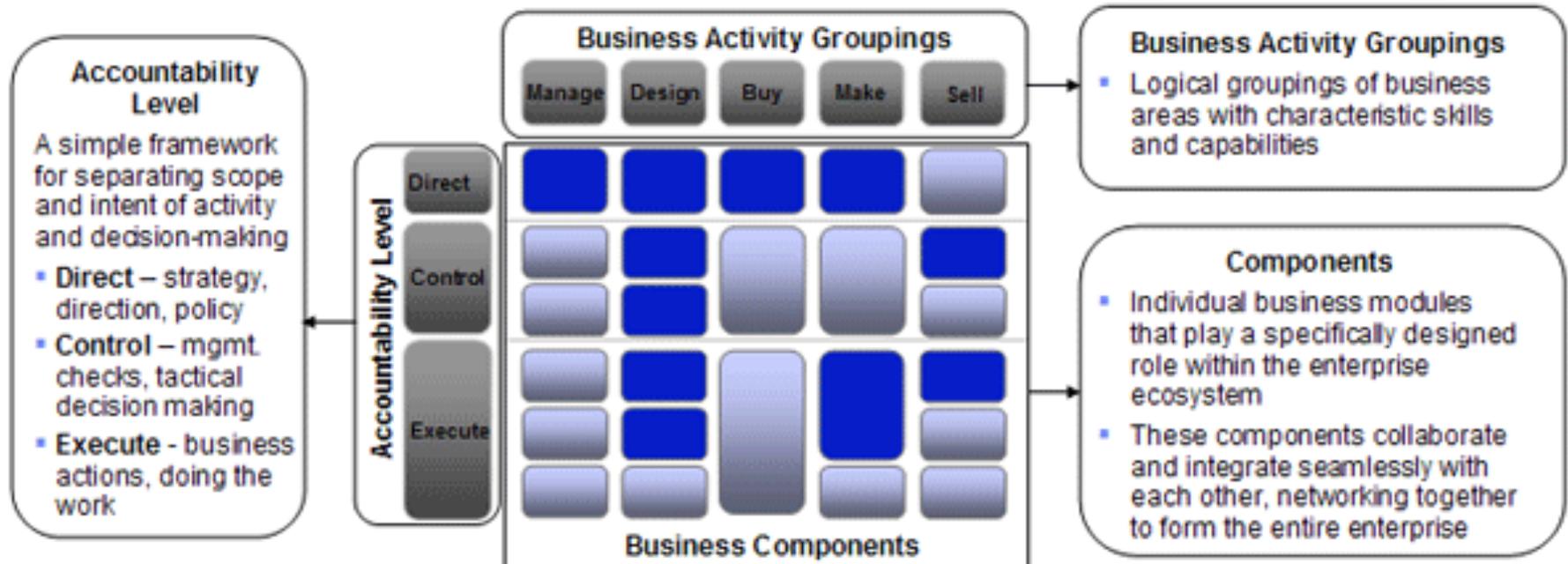


States, regions and cities are forced to compete in a market that is rapidly changing, as corporations begin to take a component view of their business activities...

## “Component Business Model”

A framework that aggregates business activities into non-overlapping components that can be shared across a firm.

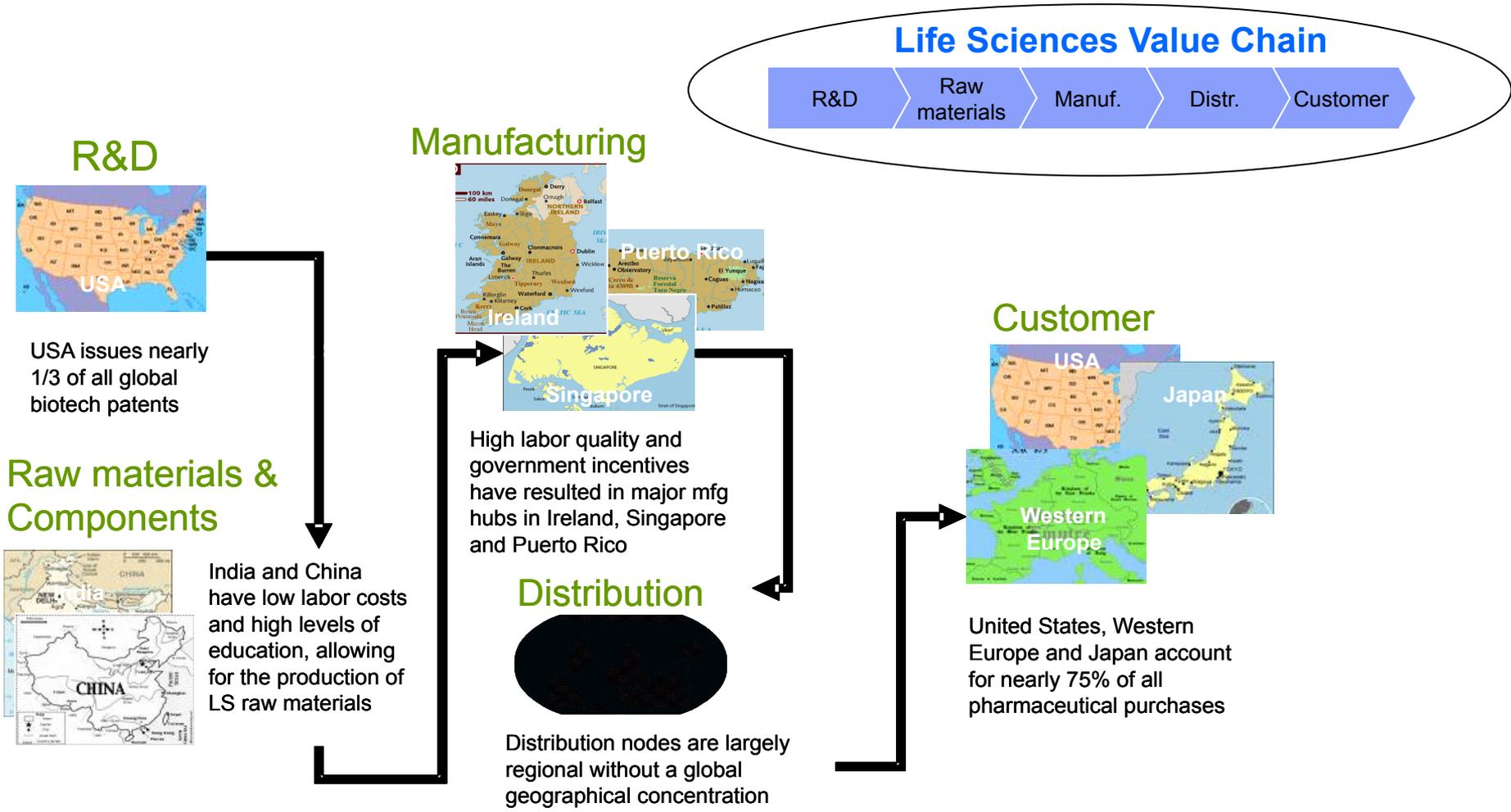
A logical representation of a business that reveals its essential building blocks



...and locating those business components globally—where work can be performed with the best resources



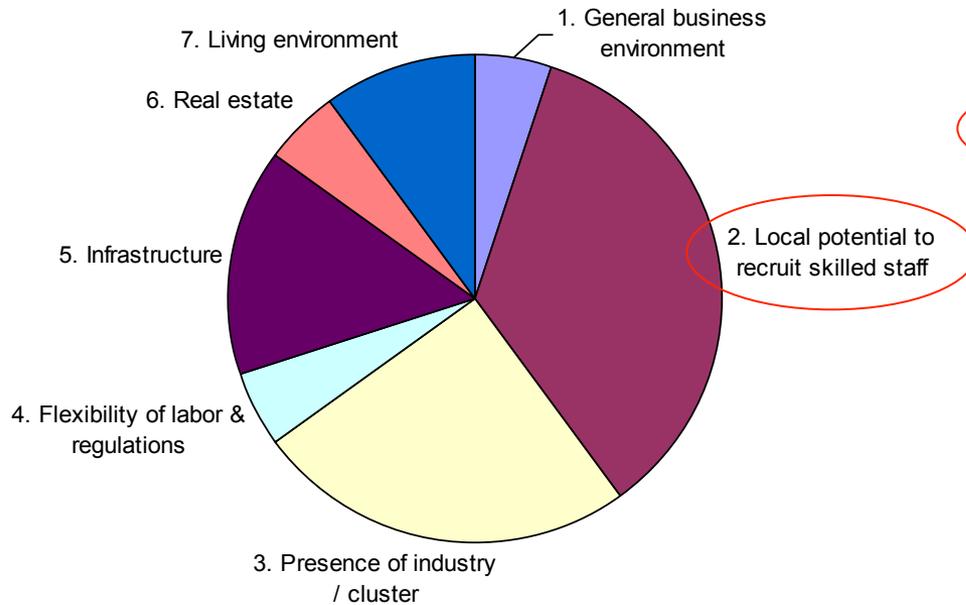
Corporate investment decisions are driven by numerous factors which are project specific—and decision criteria vary greatly even within industry clusters



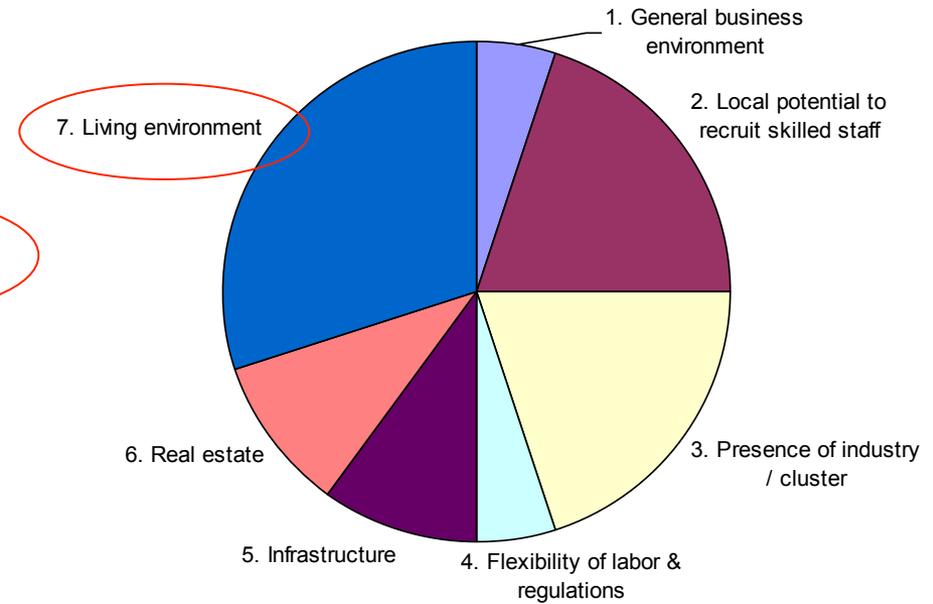
# The location factors, and their relative importance (weights), can vary significantly across sub-sectors within industry clusters...

Example weightings for ICT sub-sectors:

## Wireless Software Development



## Digital Media



## As can the demands for various labor categories and skills...

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Example labor requirements for ICT sub-sector projects:

### ▪ Wireless Software Development

- Junior Computer Programmers (15-1021)
- Senior Programmers - Computer Software Engineers (15-1031)
- Computer and Information Systems Managers (11-3021)
- Team Leader (51-1011)
- Telecommunications Engineers (17-2072)

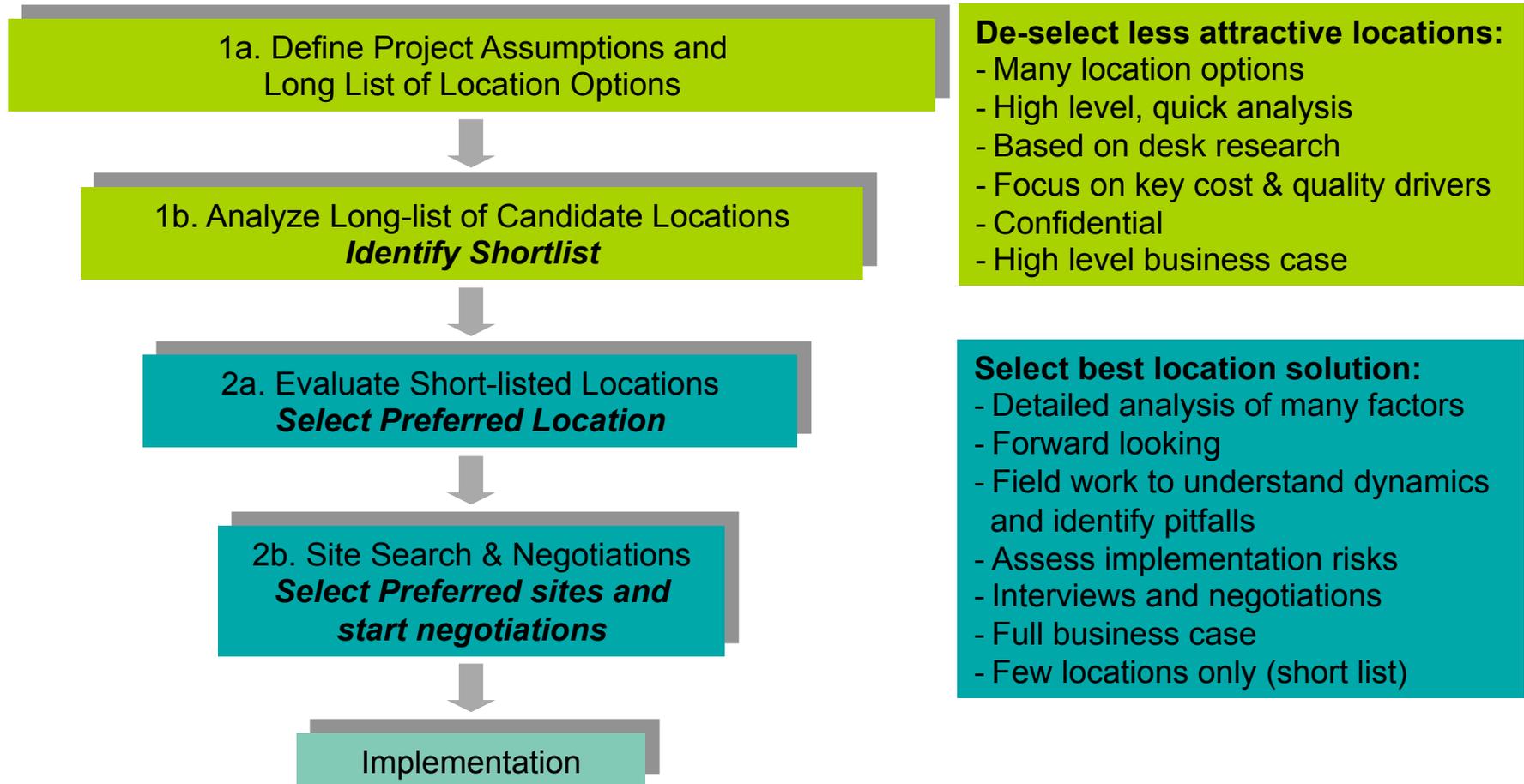
### ▪ Digital Media

- Junior Computer Programmers (15-1021)
- Senior Programmers – Computer Software Engineers (15-1031)
- Business Development - Sales Representatives (41-3090)
- Marketing Manager (11-2021)
- Product Manager (11-2022)
- Marketing Assistant (19-3021)
- Financial / Project Managers (11-3031)
- Author/scriptwriter (27-3043)
- Head game designer (27-1011)
- Team Leader - Art Director (27-1011)
- Animation Director (27-1011)
- Technical Director (27-2012)
- Multi-Media Artists and Animators (27-1014)
- Graphic Designer (27-1024)

**Key:**

- Like skills
- Unique skills

## Typical steps in a location selection process



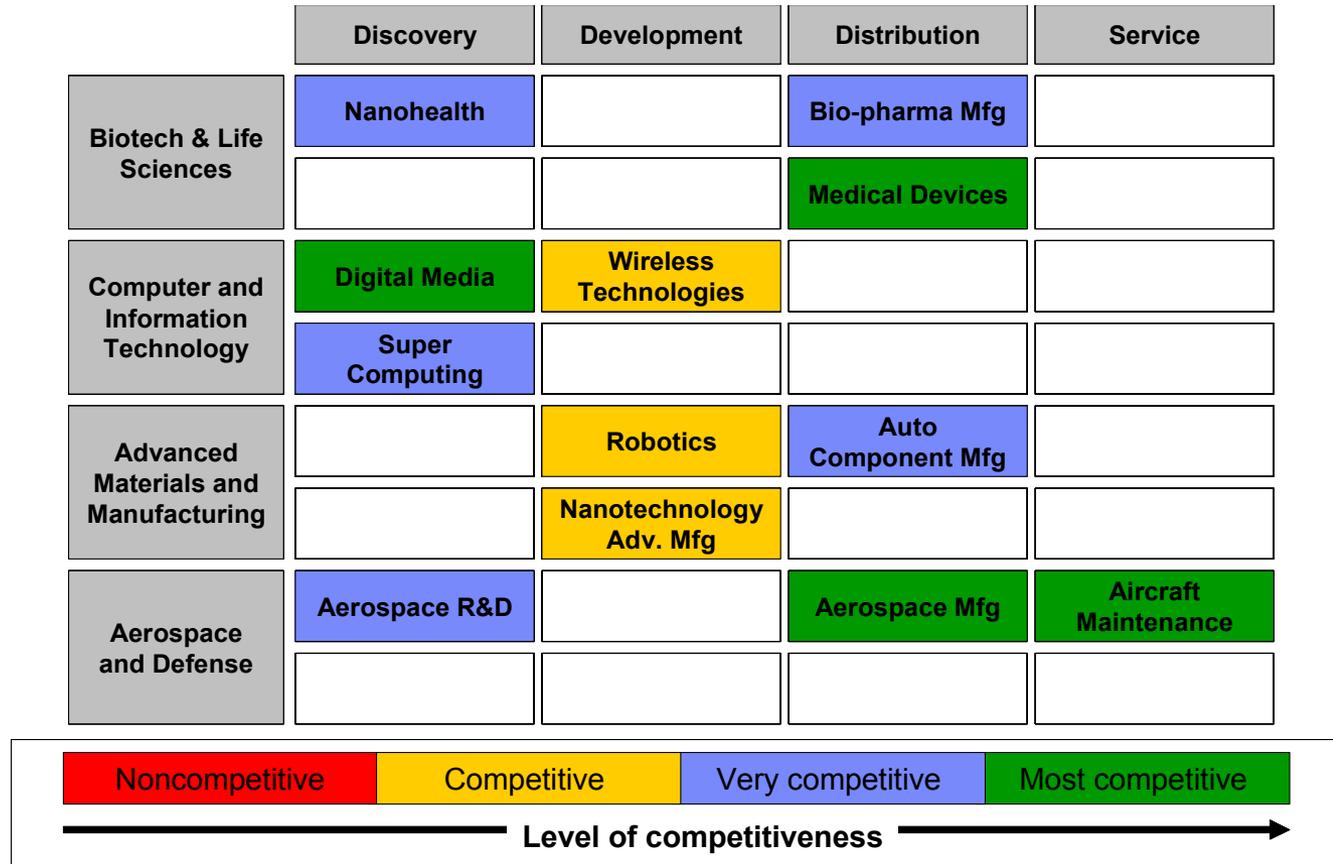
## There are multiple drivers that influence corporate location decisions and that are critical to a region's economic competitiveness

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- **General Business Environment** – including support of local government, permitting procedures and tax environment
- **Labor Skills Availability** – including supply of qualified graduates, size of labor market, tightness of labor market, size of cluster employment and availability of skills specific to each project profile
- **Presence of Industry** – including presence of supplier base, proximity to customer base, presence of cluster or related businesses, presence of subcontracting services, quality of university support, and availability of venture capital
- **Infrastructure** – including port access, air access, highway and road infrastructure, and utilities and telecommunications infrastructure
- **Real Estate Availability** – including both build-to-suit sites and space for lease
- **Living Environment** – including cost of living, safety, quality of schools for employee families and general quality of living concerns

We approach economic competitive assessments from the customer's perspective and identify competitive strengths and weaknesses (relative to competitors) and define strategies to better market strengths and address weaknesses

The most successful regions understand their competitive position in sectors of focus and what key location factors are most important for recruiting and retaining companies...



...and focus their economic development and marketing efforts to align with specific components of the sector that match local and regional strengths

## Implications for performance measurement

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1. Understand how your customers make their locations decisions
2. Collect information on metrics that matter to investors
3. Ensure that the data is accurately reported
4. Update the data at regular intervals
5. Emphasize your achievements

## Contact details

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### Global Location Strategies

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