

# Multi-Criteria Decision Analysis

## Targeted Solution – Strategic Growth & Implementation

### OBJECTIVE

ServiceSource needed to grow their company responsibly and strategically. With an increasing market share and a large investment from General Atlantic Partners, this meant that more growth was on the horizon. ServiceSource hired NKF Consulting to help develop a growth strategy and implement the solution.

### APPROACH

The first step of this analysis was a calculation of ServiceSource's turnover cost. Hiring costs, training costs and lost productivity provided the platform for a financial definition of their growth challenges in their current market. The second feature of this analysis was the development of a cause and effect model for increased employee turnover. NKF Consulting identified specific labor market characteristics restricting growth in San Francisco and Denver. The third feature of this analysis was the organization of ServiceSource's success criteria. Specific labor market requirements, locational features, and issues of corporate image were thoroughly explored through company-wide, cross-functional interviews.

NKF Consulting outlined several operating strategies centered on the number and sizes of new facilities and the labor markets that would best meet ServiceSource's labor demand. Operational design alternatives developed by NKF Consulting included a hub and spoke model with regional operations in close proximity to existing clients, larger time zone specific facilities and one consolidated facility in ServiceSource's optimal market. Using DeciMetrics, a proprietary decision modeling tool, NKF Consulting tied ServiceSource's success criteria to the attributes of each strategy and market.

### SOLUTION

DeciMetrics identified the 25 best combinations of operational designs and markets for ServiceSource's growth opportunity. Additional sensitivity and scenario analysis brought clear identification of the 10 optimal operational design and market combinations. NKF Consulting honed in on these alternatives with budget-level operating cost models, real estate availability surveys, incentives estimates and market labor profiles.

In order to solidify our recruitment estimates, NKF Consulting organized job fairs in the top markets. These venues allowed ServiceSource's human resources and recruitment staff the opportunity to experience the labor market first hand.

After much research, NKF Consulting helped ServiceSource identify Nashville, TN as the top market for future North American growth. The efficiencies created through a consolidated operation coupled with the strength and value of the Nashville labor market supported the consolidated facility operational design.

