

Workforce allocation with GlobalArenaRank™

– white paper –

GlobalArenaRank™ is the scientific algorithm and related software technology driving our Foreign Direct Investment (FDI) matching and deal-making platform Global-Arena.com.

Determining in which country, region, metropolitan area or city a company will allocate its workforce is a crucial and strategic management decision. Defining a global workforce allocation strategy is one of the main challenges executives are facing in today's global business and demographic environment. Workforce allocation will not only influence the organization's adaptability to changes in its business environment, it will also be of utmost importance for the company's overall cost structure and supply of talent and thus ultimately the business performance. Workforce allocation influences the company's culture and reputation and potentially even the economic, social and political climate of the countries the organization is operating in.

In order to stay competitive, companies are convinced that global workforce allocation and planning can deliver sustainable competitive advantage that enables them to fund their future growth. Since the impact of workforce relocation decisions is very significant, companies can only afford to make one decision. The right one.

It is easy to believe that the decision-making on where "to go or to be" relies upon a situational translation of a perceptible trend. These decisions unfortunately are too often more the result of a sort of herd mentality leading to "me too" strategies of the decision makers. These kinds of subjective allocation approaches will never provide the necessary competitive differentiators to companies in today's business environment. Therefore it goes without saying that workforce allocation decisions need to be driven from clearly defined strategies and made after careful comparison of selected decision criteria and possibilities, supported by objective systematic allocation algorithms and tools.

In practice however, workforce allocation decisions are ultimately based on the decision makers' intuition. The challenges executives are facing are complex, not in the least because of the data deluge and abundant supply of alternatives they have to base their decisions on. Authoritative, reliable and comparable workforce information is hard to obtain and process; unstructured data, missing elements, unreliable sources, often too fragmented, too in-transparent, too dispersed, too opinionated or too subjective.

GlobalArenaRank™ addresses these workforce allocation problems by providing a scientific algorithm, proven methodology and solutions for global workforce planning and management.

GlobalArenaRank™ is the methodology that challenges and tackles the problems and concerns associated with global workforce allocation and enables decision-making in a clear, objective, scientifically proven and easy to quantify manner. The methodology allows comparing and ranking countries, regions and cities based on the company and project specific requirements that the management considers to be of utmost importance for the strategy and the operations that will have to be performed at specific locations.

Our Global-Arena.com FDI Marketplace - developed to help identify business locations that best meet the differing requirements of individual companies - is powered by GlobalArenaRank™. The algorithm is based on statistical data reduction that draws upon a large amount of market research information from authoritative data sources and reduces it to ranked relevant results.

Each decision criterion that is being taken into consideration for a specific allocation problem, contains relevant composite information indexes in a dataset consisting of a large amount of variables, that have been carefully selected and modeled for each decision-making situation. The information relevant for the decision-making process is next being extracted by transforming the original dataset into a reduced and easy to interpret set of decision criteria. Finally, a ranking will be performed on each of the decision criteria in scope. The consolidated ranking summarizes the information value contained in each decision criterion to determine the optimal allocation strategy.

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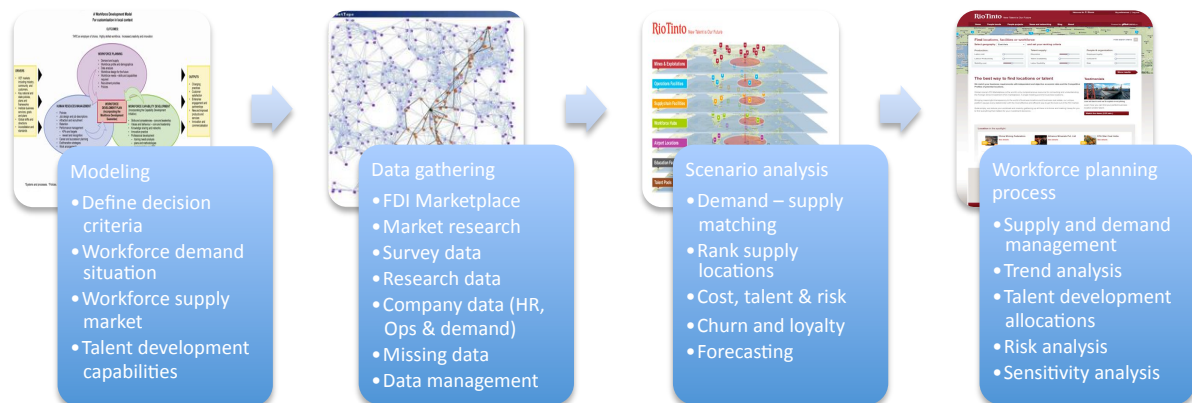
GlobalArenaRank™ allows management to reduce and translate a multi-dimensional workforce allocation case (based on multi-dimensional workforce data) into a mono-dimensional ranking of the best workforce allocation possibilities. This ranking will pin-point the most favorable workforce allocations, depending on the specific business, operational and project needs.

Global Arena hereby offers a decision-making solution and capability whereby a company can determine which workforce allocations are most optimal depending on a wide variety of customizable requirements. Based on the decision criteria that are most important for the company, as well as on a purely objective basis, the company's optimal global workforce allocation strategy can be determined.

The flexibility of GlobalArenaRank™ and related software allows for highly flexible modeling and scenario planning to support trend analysis and decision making on an ongoing basis in workforce operations and planning processes. The key functionalities provided for the workforce management process are:

1. Workforce matching; demand – supply matching
2. Workforce supply; site analysis and selection
3. Talent development; planning and allocation
4. Workforce alignment; Workforce – supply-chain alignment
5. Workforce trend analysis
6. Workforce forecasting

Workforce demand – supply matching approach:



Using GlobalArenaRank™

1. We offer Free workforce allocation functionality on our FDI Marketplace, with three decision criteria in the talent category in our Location Search system.
2. We also offer a much more enhance personalized search and allocation capability with full global scope, using our GlobalArenaRank™ data sources combined with customer specific data and research.
3. Companies can also License our GlobalArenaRank™ algorithm and software for their projects and workforce operations, including private online secured access to their personalized workforce dashboard and profiles. The licensed solution is based on functionality from all the above options.

Getting started – getting results

The choice of the optimal solution for your business or project can be made via telephone or on-site interviews resulting in a personalized project proposal. Modeling is key and can take between a few days and a few months depending on the complexity of the workforce case. Data gathering depends on the geographic scope and availability of reliable statistics and data. Scenario analysis and workforce planning are easily available for ongoing use once the modeling and data gathering is finished. Relatively simple projects typically take weeks to complete, complex cases a few months.