# BASIC QUESTIONS ABOUT BUILDINGS

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INTEGRATED PROJECT PLANNING

Unfortunately, CEOs can't make project decisions piece-meal: they can't think about a new location without *simultaneously* thinking about the project's design and financing. Poor decisions are expensive, so a CEO and the directors must face them head-on. The best way to start is with the right questions.

1. What does your competition do with their facilities?
2. What time have you allocated for making and implementing your decision?
3. Do you have a comprehensive and objective planning process?
4. Will you be able to write a complete, one-page project statement of objectives?
5. How will you prepare for objective project negotiations?

**LOCATION**

6. How do your current facilities help or hurt customer interaction?
7. How will your geographic markets change over the next three years?
8. How will your geographic labor pool shift over the next three years?
9. How would a different location offset recruitment and turnover costs?
10. How does this location relate functionally to other locations?
11. Is your location optimal for delivering products or services?
12. Is your location optimal for receiving raw materials?

**DESIGN**

13. How many months capacity do you have left?
14. What activities can you now not perform for lack of space?
15. How will productivity (i.e., the space used by staff) change with growth?
16. How do your layouts reflect your organizational structure?
17. How might you change your workflow or production methods in the next three years?
18. How might new production, inventory or information systems affect workflow?
19. How does your building's appearance reflect your preferred corporate image?
20. How does your building design support your corporate culture?
21. If you were to fulfill your dreams, how big a space or site would you need?

**FINANCING**

22. Why would you own rather than lease?
23. How do you balance cash flow against liquidity in the project's financing?
24. What occupancy cost is affordable in the project's first and third years?
25. What options to expand or contract should you have?
26. What are your organization's risk preferences?
27. What financial benchmarks (e.g., costs as percentage of revenue) are available?
28. What equipment leases or purchases need to be in this project's budget?
29. What government incentives might be available for a project?
30. What information will be presented to your lenders?

 