Investigation and evaluation of decisive factors in short-distance relocation process

Haojie Ye

School of Engineering

Thesis submitted for examination for the degree of Master of Science.
Espoo 24.09.2017

Thesis supervisor:
Prof. Seppo Junnila

Thesis advisor:
Prof. Seppo Junnila
Abstract of master's thesis

Author Haojie Ye

Title of thesis Investigation and Evaluation of Decisive Factors in Short-Distance Relocation Process

Degree programme Degree Programme in Real Estate Economics

Major/minor Real Estate Investment and Finance Code M3009

Thesis supervisor Professor Seppo Junnila

Thesis advisor(s) Professor Seppo Junnila

Date 11.10.2017 Number of pages 5+36 Language English

Abstract

Nowadays relocation is not only the change of the physical location for a corporate, but also a part of company strategy for long-run development. Hence the result is crucial to the company. A promising relocation could help entrepreneurs to promote company business, increase corporate reputation, boost employee morale, etc. Meanwhile, an unsuccessful relocation may lead to employee resistance, subsequently infect business productivity and profitability. This thesis analyses how to conduct short-distance relocation successfully, and further aims to investigate and evaluate the decisive factors in relocation process.

This thesis discusses short-distance relocation from a case study, using a mixed method. Both qualitative research and quantitative research are applied in study. Qualitative research includes historical theories review, background information research and interviews. Quantitative research is applied in questionnaire to get some numerical data from employees regarding employee satisfaction. The qualitative research is applied as the main method to present a descriptive discussion, while the quantitative research is used as a supplement for case study.

The case study strengthens the assumption that COMPANY STRATEGY, COMPANY GROWTH, CONDUCT PERSON, EMPLOYEE PARTICIPATION, EXTERNAL SERVICES, EMPLOYEE EXPERIENCE, and INFORMATION SHARE are the decisive factors in short-distance relocation, and each decisive factor is discussed aligning to the process of the relocation case. The case study scope narrows to a short-distance relocation case happening in a small-to-medium size retail company in Helsinki. As relocation is a unique activity for every corporate, the applicability of these decisive factors differs from case to case. The conclusion could be generated to a more widely use, however researchers and entrepreneurs should understand the universality and particularity of the conclusion, and apply it as a reference according to the specific attributes of the relocation case.

Keywords Relocation, Decisive Factors
Preface

I appreciate Aalto University School of Engineering for the study opportunity of my master degree. I learnt a lot about real estate economics and finance, and I try to apply the knowledge into work and life. For this thesis, I want to thank Professor Seppo Junnila for being my supervisor and advisor. Professor Seppo Junnila is very helpful and patient, instructing me from research plan to thesis content and thesis structure, giving me a lot of feedback and comments. With his help, I can keep moving on with a proper schedule. The writing experience improves my research skills. I also want to thank my colleagues for supporting my thesis in terms of interviews and questionnaire. The data works as an valuable resource in this thesis. In addition, I would like to thank my husband, Fang Li, for being with me. His encourage motivates me to do a better work. Also I need to thank my parents in China who support me mentally and care about me all the time.
Contents
Preface .......................................................................................................................... iii
1 Introduction ................................................................................................................. 1
  1.1 Background .......................................................................................................... 1
  1.2 Research problems and questions ....................................................................... 2
  1.3 Research methods and research data .................................................................. 2
  1.4 Scope and limitation of research ...................................................................... 2
  1.5 Structure .............................................................................................................. 2
2 Literature Review ..................................................................................................... 4
  2.1 General review of relocation theories .................................................................. 4
  2.2 Theoretical framework in this thesis ................................................................... 9
3 Methodology .............................................................................................................. 11
  3.1 General review of methodology ....................................................................... 12
  3.2 Methodology in use in this thesis ...................................................................... 14
4 Case Study ................................................................................................................ 16
  4.1 Get Background Information .......................................................................... 16
  4.2 Understand Driven Reasons ............................................................................ 17
  4.3 Observe Process ................................................................................................. 18
  4.4 Listen External Advice ..................................................................................... 18
  4.5 Understand Difficulties ................................................................................... 20
  4.6 Evaluate Outcome ............................................................................................ 20
5 Results ...................................................................................................................... 22
  5.1 COMPANY STRATEGY and COMPANY GROWTH .......................................... 22
  5.2 CONDUCT PERSON and EMPLOYEE PARTICIPATION .................................. 24
  5.3 EXTERNAL SERVICES ....................................................................................... 25
  5.4 EMPLOYEE EXPERIENCE .............................................................................. 26
  5.5 INFORMATION SHARE ..................................................................................... 27
6 Discussion ................................................................................................................ 29
  6.1 Research questions and goals .......................................................................... 29
  6.2 Statement of results ......................................................................................... 29
6.3 Unexpected outcome and explanation ..............................................................31
6.4 Recommendation ...........................................................................................31
7 Conclusion ........................................................................................................32
Reference .............................................................................................................33
Appendix .............................................................................................................35
1 Introduction

1.1 Background

Relocation can be simply identified as “the change of location for a corporate”. From global corporates to small-to-medium size companies, relocation nowadays is not only the concern of location, but also a business strategy to support company development. Many corporates take relocation as an important strategy to achieve momentous change, sometimes structurally, sometimes culturally. However, the result of relocation is not always promising. And here arises the thinking, how can a company conduct relocation successfully? What are the decisive factors in relocation? And what could be the outcomes from relocation? These questions become some of the most interesting topics in relocation filed recently.

Researches in relocation study have been developing quite rapidly in past several decades. And many of the previous studies tried to explain relocation academically from different perspectives. The very earliest study on relocation could be McLaughlin and Robock’s research in 1949. They investigated the reason why industries in US were moving to south, and they proposed the concept of relocation. With the quick development of economics, entrepreneurs pursued more add-value from relocation activities, and seek more understanding from relocation literatures. This promoted the development of relocation theories. In the past 70 years, relocation theories have been evolved more maturely and systematically. Before 2000, researchers focused more on two parts of relocation theories, one was the driven reason of relocation, and the other was the outcome of relocation. At that stage, relocation study was more likely an experience study. In driven reason studies, researchers tried to find some common rules to explain why corporates were relocating, and driven reasons were concluded into various aspects, like economic reasons, environmental reasons, and social reasons. While in outcome evaluation studies, company development, company reputation and employee experience were paid more attention to. After 2000, relocation process studies became more popular. Some researches realized the relocation process was a “black box”, and tried to investigate a common rule for this. As a result, many literatures about how corporates should conduct relocation were supplemented to relocation theories. Many researchers presented their opinions about “crucial factors” that would lead to the success / failure of relocation.

As corporates expect more add-value from relocation, it is vitally important to achieve successful results from relocation. The motivation here is to understand the success/failure reasons behind relocation, thus further apply the knowledge into reality as a guideline. The main task proposed here is centred on relocation process decisive factors investigation and outcome evaluation.
1.2 Research problems and questions

This thesis tries to conclude some general rules on “how to conduct a short-distance relocation successfully”. Thus, “decisive factors in relocation” and “potential outcomes” are brought up to be the two sub-problems.

1.3 Research methods and research data

Both qualitative and quantitative methods are applied frequently in researches. Qualitative study in relocation researches usually includes interviews and open-question questionnaire, which are widely used in getting information about employee experience. Quantitative study usually contains models and statistics, revealing the impacts from numerical elements like district labour force, salaries, etc. This thesis applies a mixed method, as qualitative research and quantitative research are both used. Qualitative data mainly comes from interviews and company background information acquisition, while quantitative method is applied in questionnaire analysis to provide supportive numerical resources.

1.4 Scope and limitation of research

The case study in this thesis is a short-distance relocation of a mall-medium size company in Helsinki, Finland. As this research focuses on short-distance relocation, it does not acquire reginal data like reginal labour cost, reginal product cost, etc. Leaning on qualitative data may deviate the analysis objectively a bit. The scope narrows its value to generate the result to a world-wide use, however the analysis and conclusion are still referable to some extend.

1.5 Structure

This study includes five parts:

I. Literature review: Literature review generates relocation study from historical researches. Evolution of relocation theories is revealed and some typical theories are presented from a general view. At the end of literature review chapter presents a list of most relevant. These papers provide diversified views towards relocation, either help to build the theory in this thesis, or help to study the case more thoroughly.

II. Methodology description: It describes what study method will be used in this thesis. A mixed method is used through a case study, which includes both qualitative and qualitative research, and qualitative is the main method (more than 95%).

III. Case study: Case study follows a sequence as “get background information”, “understand driven reasons”, “observe process”, “listen external advice”, “understand difficulties”, and
“evaluate outcome”. Personal expression from the author is weakened to avoid objective bias. Instead, opinions from the majority are strengthened to reveal the situation subjectively.

IV. Results: To reveal the result of the case study, seven decisive factors are presented in this chapter from five aspects: company development (company strategy and company growth), human resource involvement (conduct person and employee participation), external service, employee experience, and information share.

V. Discussion: Research goals and questions are emphasized again in discussion chapter. Outcome evaluation is discussed with the “Four-Factor Taxonomy” method from the perspective of human resource development (HRD). Some unexpected outcomes are analysed.

VI. Conclusion: Conclusion part summarizes the whole research, and presents the contribution and limitation of this thesis.
2 Literature Review

2.1 General review of relocation theories

Relocation is a very common activity in business from many years ago. When people start to communicate and interact, the impact of different locations to business becomes evident and important. The impact of relocation can be summarized into a “3P” principle – People, Profit and Prosperity. A promising relocation can lead to employees’ well-being, increase company profitability and maintain a sustainable harmony between people and company.

In the middle of 20’s century, there were some literatures talking about relocation. Like in 1949, McLaughlin and Robock discussed about the reason and outcome of industries moving to south (McLaughlin, Robock 1949). This could be the early age of relocation theories (BARIN 2009). After that, relocation theories have become more thorough and diversified. Nowadays, relocation theories could be roughly concluded into four parts – Driven Reasons, Decision Making, Relocation Conduction, and Result Evaluation. Each part could be further divided into sub-theories.

A literature map (Figure 1: Literature map) is presented as following to elaborate the structure of relocation theories.
As many researchers pointed out (BARIN 2009, Erickson, Wasylelko 1980), at early age, relocation study mainly focused on the reason why relocation, including external reasons and internal reasons; study cases were usually taken in high developed countries, like USA and UK. And the relocation reasons could usually be concluded to labour cost, policy regulations, tax issue, company development (more employees), supplier/customers migrate, etc. (BARIN 2009). Driven reasons could be summarized into three categories: Firm internal characteristics, Site characteristics, and Regional characteristics (Brouwer et al. 2004). Firm internal characteristics included company growth (employee growth), and company strategy; Site characteristics contained internal workplace, external environment, and public transport; Regional characteristics consisted of regional economic, regional environment and regional adaptability.

As relocation is a unique activity for each entrepreneur, the impact from three characteristics varies from company to company, although literatures focus more on firm internal characteristics and regional characteristics than site characteristics.

Watering and Knoben in 2013 investigated the driven reasons for short distance and long-distance relocation. The conclusion was, firm short distance relocation relied on internal characteristics (firm growth and employment growth), while long-distance relocation depended on regional characteristics (e.g. municipality specialization level, urbanization level, regional innovation level, regional education, R&D intensity, etc.) (Weterings, Knoben 2013). Van Dijk and Pellenbarg in 2000 also emphasized the importance of firm growth in their study (Van Dijk, Pellenbarg 2000). Erickson and Wasylelko in 1980 conducted a quantitative research on regional driven reasons for relocation in different industries. Their research covered variety industries including construction, manufacturing, transportation, communications and public utilities, wholesale trade, retail trade; finance and insurance, real estate, and services. A Cost Minimization Model and a Profit Maximization Model were applied in research, concluding to the importance of agglomeration economies and available labour force (Erickson, Wasylelko 1980).

An interesting research came from Sleutjes and Beckers’s case study in 2013, showing that site characteristics may be over-weighted in practice (Sleutjes, Beckers 2013). They conducted a case study in Netherland with 40 entrepreneurs from five urban neighbourhoods, analysing the impact from external environment to corporation relocation. Their study showed the site characteristics affecting relocation could be the supply and quality of business property, local spending power, and local liveability situation. However, the impact was not as promising as it was expected. Many interviewees admitted that environment was not entrepreneur’s priority when consider relocation, especially in small-to-medium size corporates (Sleutjes, Beckers 2013).
Relocation theories have been involving quite rapidly after 80s. Studies not only focus on driven reasons, but also focus on result measurement, the process, and care more about employees (BARIN 2009).

Some literatures focused on decision-making theories, which could be supplemented from executives’ perspective, external experts’ perspective and employees’ perspective. For instance, in 2003, Allard and Barber conducted a survey among more than 200 CEOs from some of the leading Fortune 500 and Global 500 companies, to determine which were most important to strategy execution, from the executives’ perspective (Allard, Barber 2003). The results confirmed CEO’s awareness of strategic value of real estate and workplace design, however the contribution from real estate action was not very perceivable if the real estate strategy was not well aligned to corporate business strategy (Allard, Barber 2003). From the external expert view, Rothe et al in 2015 described the challenge and opportunities, and clarified the use and need for external services in decision-making (Rothe et al. 2015a). In addition, Nunnington and Haynes in 2011 investigated the decision making from a process view, consequently proposed a client-focused tool to support objective decision making, as well as emphasized the essentialness to establish some clear quantifiable building assessment criteria and a framework for evaluation (Appel, Muelenbroe et al. 2011). And Rymarzak and Sieminska analysed the decision making in different corporate type (Rymarzak, Sieminska 2012).

Theories in relocation conduct part are as various as other parts. It contains the research on director / participants, relocation conduct model and, challenges / difficulties. Rothe and Heywood in 2015 summarized the process of relocation into four relocation models according to the level of employee involvement and the manner of leadership: “Democracy”, “Orchestra”, “Expert taskforce”, and “One-man-show”. This provided a concrete logic to classify different relocation cases, and meanwhile presented advantages and flaws of each model as a reference for relocation conductors in the future (Rothe, Heywood 2015). Rothe and Heywood also investigated the impact of employee participation in the same year, describing employee’s actions towards relocation (Rothe et al. 2015b).

Result Evaluation is another key part consisting of relocation theories. Result measuring could be either qualitative or quantitative evaluation. Qualitative evaluation is usually applied to clarify employees’ experience and satisfactory, which is a crucial factor for relocation success. Quality of Life (QOL) theory is a very commonly used method to reveal employee experience. It was applied in Rabianski research to define how different locations would affect key employees’ life experience (Rabianski 2007). Another qualitative method, “Four-Factor Taxonomy”, analysed relocation outcome from four dimensions: “valence”, “duration”, “magnitude” and “quality” (Matthiesen, Tissington 2008). Despite qualitative evaluation, quantitative assessment is also widely applied in relocation researches. Michael used the “Cost Minimization Model & Profit Maximization Model” to reveal the impacts from fiscal variables, including price of land and access of transportation, price of capital and property
taxes, price of labour, and price of other public service, etc. (Wasylenko 1980). However, the result of quantitative research had limitation on data acquisition, because every case was unique (Cooke 1983).

Case Study is widely applied in relocation researches. Case study researchers are more likely to narrow their scope to one industry in one area. These articles usually aim at supplementing an existing theory and providing some evidences. For example, Ciaramella and Dettwiler compared two manufacturing companies’ relocation from Italy and Sweden to illustrate how different relocation options would affect company long-way development (Ciaramella, Dettwiler 2011). Huang and her colleagues studied an industrial case in China, concluding to some crucial factors in long-distance relocation (Huang et al. 2011). In addition, Rasmussen et al focused on international / global relocation cases. They classified international firms into different categories, and analysed the motivation and potential actions respectively (Rasmussen et al. 2011).

Some of the literatures are emphasized in this thesis to interpret research questions, and those literatures are listed in the following table (Table 1: Literature in reference).
### Table 1: Literatures in reference

<table>
<thead>
<tr>
<th>Topics</th>
<th>Author and Year</th>
<th>Literature</th>
<th>Theories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driven Reasons</td>
<td>Weterings, Knoben 2013</td>
<td>Footloose: An analysis of the drivers of firm relocations over different distances</td>
<td>Driven reason for short-distance relocation: firm growth and employment growth</td>
</tr>
<tr>
<td></td>
<td>Brouwer et al. 2004</td>
<td>The firm relocation decision: An empirical investigation</td>
<td>Driven reasons for relocation are three characteristics: firm internal, site and regional</td>
</tr>
<tr>
<td></td>
<td>Van Dijk, Pellenbarg 2000</td>
<td>Firm relocation decisions in The Netherlands: An ordered logit approach</td>
<td>Driven reason - Firm growth, case study method</td>
</tr>
<tr>
<td>Relocation Types</td>
<td>Rothe, Heywood 2015</td>
<td>Demystifying the short-distance relocation process: 5 cases from Finland</td>
<td>Four types relocation models</td>
</tr>
<tr>
<td>Conduction Model / Employee Participation</td>
<td>Rothe, Heywood 2015</td>
<td>Demystifying the short-distance relocation process: 5 cases from Finland</td>
<td>Four different ways to conduct relocation according to conduct model and employee participation</td>
</tr>
<tr>
<td></td>
<td>Allard, Barber 2003</td>
<td>Challenges and opportunities in aligning real estate and the workplace with business strategy: A survey of leading CEO</td>
<td>The influence of executive roles towards relocation</td>
</tr>
<tr>
<td>External Services</td>
<td>Rothe et al. 2015</td>
<td>Office relocation management in Finland – challenges and service opportunities</td>
<td>The use of external services and the need of external services in relocation</td>
</tr>
<tr>
<td>Employee Experience</td>
<td>Rabianski 2007</td>
<td>Employee quality of life in corporate location decision</td>
<td>QOL (Quality of Life) Theory and its application in relocation</td>
</tr>
<tr>
<td>Potential Outcome</td>
<td>Matthiesen, Tissington 2008</td>
<td>The Four-Factor Taxonomy of Relocation Outcomes</td>
<td>Four dimensions to consistently classify relocation outcomes: Valence, Duration, Magnitude, and Quality</td>
</tr>
</tbody>
</table>
2.2 Theoretical framework in this thesis

This thesis applies a relocation case to emphasize the decisive factors in short-distance relocation process. Theoretical framework is presented in figure 2 (Figure 2: Decisive factors) “Driven Reasons” applies Weterings, Knoben’s, Brouwer et al.’s and Van Dijk, Pellenbarg’s theories, concluding driven reasons as company growth and company strategy. Conduct persons’ behaviour and employee participation determine conduction process. Rothe and Heywood’s assumption helps to classify relocation cases into diverse types, according to the level of change in geography area and workplace concept. Meanwhile, Rothe and Heywood’s theory answers the impact from employee participation. This part also uses Allard and Barber’s study to reveal how executive roles would affect the process and result of relocation. “External Services” again applies Rothe et al.’s research to reveal the importance and current inadequate use of external services. “Employee Experience” is taken as an outcome analysis in this thesis. It reveals employee’s reaction to relocation, using Rabiansk’s QOL (Quality of Life) theory. Matthiesen and Tissington’s research on four dimensions of relocation outcome is also applied as a reference to forecast the relocation outcome. The theoretical framework works as an integrity. The conduction flow conveys from “driven reason” to “conduction process” to “outcome” as a sequence, however the information flow is interactive. For instance, “company growth” and “company strategy” are the two decisive factors initiate relocation, and they guide the conduction process, subsequently determine the outcome. However, the outcome can reversely influence “company growth” and “company strategy”.

Figure 2: Decisive factors
3 Methodology

3.1 General review of methodology

The methodology in this thesis is followed by Creswell’s instruction of study methods. Creswell (w Creswell 2009) categorizes scientific research methods from different perspectives. Here presents two different classification ways of research methods.

Dependence on statistic / description

The most common perspective that researchers categorize research methods is according to its dependence on statistical analysis or descriptive analysis. From this research design perspective, researches can be divided into qualitative research, quantitative research, and mixed methods research (w Creswell 2009).

- Qualitative research is a method helps researchers to investigate and explore social and human problems, with the qualitative description, discussion and analysis. Research materials can be narrative interpretation, interview, questionnaire, etc. Outcome can sometimes be subjective, and it is quite normal to hold different opinions towards the same question.
- Quantitative research is a method for testing existing theories/assumptions with variables. It is widely used in natural science, of which can be revealed and explained by repeatable experiments. Data and evidence is of great importance in quantitative research, and the outcome aims to be objective.
- Mixed method is a combination of qualitative method and quantitative method. It mixes both approaches in one survey, and usually researches will lean to either qualitative method or quantitative method as a main method. Qualitative method could provide additional information from a “human-sense” perspective, and quantitative method could supply a more accurate data supplement.

Above three research methods are supplemented from specific strategies (w Creswell 2009). For instance, qualitative methods tend to solve open-ended research questions, while quantitative methods are more likely to target on close-ended research questions. Even though data is applied in almost all researches, “qualitative research acquires data from interview, document, audio-visual and observation”, while “quantitative research prefers to get numerical and mathematical data from experiment, database and census” (w Creswell 2009). Qualitative researchers leans to text and image analysis, and quantitative researchers rely on statistical analysis.

Worldview
From worldview perspective, “Postpositivism, Constructivism, Advocacy/Paticipatory and Pragmatism” respectively represent four different types of beliefs to lead research actions (Creswell 2009).

- “Postpositivists hold a deterministic philosophy in which causes probably determine effects or outcomes.” (Creswell 2009). Postpositivism is a view that believes majority scientific phenomenon/reality can be explained in a theory or an assumption, however absolute truth can never be found. Hence qualitative researches which aim at proving or denying an existing theory / assumption can apply postpositivist worldview as a mind guide. Data, evidence and rational consideration are required to conduct a postpositivist worldview research. In addition, corresponding to the guideline, being objective, standard of validity and reliability are relatively important.

- “Social constructivists hold assumptions that individuals seek understanding of the world in which they live and work” (Creswell 2009). Constructivism is a view that provides the mind stone for social research, and it is usually applied widely in qualitative researches. Social research questions are relatively open-ended, and the understanding towards these questions varies from individual to individual, based on the researcher’s own experience. Holding a social constructivist worldview, researchers prefer to make sense of the social meaning that others have about the world.

- “Advocacy/participatory worldview believes that research inquiry needs to be intertwined with politics and political agenda, so that the research contains an action agenda for reform that may change the lives of the participants” (Creswell 2009). Advocacy/participatory worldview is usually applied in political-related social issues, and usually suits qualitative researches. Sometimes it can also be the foundation of qualitative research. More than what social constructivists propose, advocacy/participatory worldview holders want the participate individuals not only being the investigation sample, but also being the change maker. These researches aim to arise a discussion upon social problems, and appeal change could occur.

- “Pragmatism as a worldview arises out of actions, situation, and consequences rather than antecedent condition” (Creswell 2009). This worldview aims to find a solution to a problem, so it is pragmatic. It is widely used in qualitative research, quantitative research, and mixed methods. Unlike postpositivism which has a high request to data, evidence and rational consideration, pragmatism researchers are free to choose any methods and can focus on any specific material, as long as they find it is relevant to their study.

The connection and interaction between these concepts can be partly but not thoroughly presented in the following figure (Figure 3: Methodology)
3.2 Methodology in use in this thesis

Relocation is more likely a social concept than a scientific concept. Researches on relocation aim at providing a more realistic and successful way to help corporates in relocation, and investigating a solution to a real-life activity. Research theories in relocation field are not theories that need to be proved or denied, they should be theories that guide people to take proper actions. Consequently, “pragmatism” is the most appropriate worldview to conduct this research. Following the structure (Figure 2: Methodology), three research methods are all plausible to conduct relocation research.

This research applies a mixed method, including both qualitative research and quantitative research. The topic of this master thesis is “Investigation and Evaluation of Decisive Factors in Short-Distance Relocation Process”, and “decisive factors” and “short-distance relocation” are keywords in this research. “Short-distance relocation” defines the research scope; hence literature review will refer to theories and concepts in the whole relocation field but concentrate on short distance relocation. “Decisive factors” defines the goal of this thesis, which reveals the effective and critical elements that influence the outcome. There are no sequence between qualitative strategies and quantitative strategies, and different research methods will happen at the same time and be mutually helpful.
Case study is the main research method in this thesis. It focuses on a retail industry, small-to-medium size company in Helsinki, Finland. The company has its special attributes (employee structure, decision making habit, information share habit, etc), making the relocation process unique. Interview is applied frequently as a qualitative method. Three interviews are taken to understand different topics. The interview with CEO’s executive secretory provides a lot of information on driven reasons and decision-making; the interview with HR gives some information about company strategy and employee growth; and the interview with external real estate broker explores the idea of external experts’ services. In addition to interview, author’s self experience is a very important data source, since the author is one of the employees that experience the relocation. A questionnaire has been taken as a quantitative method in this thesis. The questionnaire is a survey of employee satisfaction for relocation, and the result from questionnaire is expected to elaborate potential outcomes of relocation. In the questionnaire, employees are asked to compare old office and new office regarding different topics, scoring from 1 to 10 (1 is dislike, 10 is like), and the result was analyzed based on the average score for each category.

The following figure (Figure 4: Research methods in case study) gives an intuitional view about the research methods in use.
4 Case Study

4.1 Get Background Information

The company background information mainly came from the interview with HR, supplemented with the author’s own experience. HR gave the information about the employee composition and Helsinki-based employee volume. She also provided the layout of the old office, which specified how large was the office, office appliances, and how employees were using the area.

The relocation case happened in a small-to-medium size e-commerce company focusing on online shopping with around 50 employees. In order to support the main market - US market, almost half of the employees were located outside Finland around the world, although the administration work was located in Helsinki.

At the beginning of 2016, before relocation, there were around 11 people working in Helsinki office, including finance team (two people), product team (three people), customer acquisition team (two people), customer support team (two people) and senior managers (two people). The old office was located in city center of Helsinki, in a shopping-commute mall. Old office was 228 m², with three open spaces for individual work, two meeting rooms, two toilets, one shower room, one kitchen, and one storage room. Every employee had approximately 8 m² individual area with a fixed desk, and share area was about 140 m². The net rent was 7357 Euro/month (VAT included) in 2017, and the maintenance fee was 1443 Euro/month (VAT included). The contract was renewed in 2015 and would last for three years, ending at August 2018. Most likely the contract would be ongoing until further notice. Rent was expected to increase 2.5% annually and the maintenance fee would be predictable. Figure 5 (Figure 5: Layout of old office) was the layout of old office.
4.2 Understand Driven Reasons

In order to understand the driven reasons of relocation, an interview was arranged with the main conductor – CEO’s executive secretary. As the executive secretary said, “the old office was quite promising, but it could not support the company development”. She interpreted the long-run strategy of the company, and gave the estimation of employee growth. As a result, these two elements were the most important driven reasons for relocation.

The big change happened in late spring 2016, when company decided to expand its business volume and re-structure. Company decided to launch a new parallel company with another business model. Subsequently a parent company would be established at the same time to take administrative responsibilities for both two subsidiaries. Executives wanted to distribute two subsidiaries physically, hence raised the demand for another workplace for the new parallel company (necessary), and even a third place for the parent company (optional).
Corresponding to the fast growth of the business, new hirers were necessary. In spring 2016, company estimated that total employee number might grow rapidly from 50 to 100 within one year, and approximately half of the growth (25 persons) would be working locally in Helsinki. This estimation raised the problem of the limit capability of current office in workplace support, and the search for a new working place was urgent.

4.3 Observe Process

The data of relocation process mainly came from the interview with CEO’s executive secretory and the author’s own experience. Interview with CEO’s executive secretory revealed the decision making process, executives’ actions, and the conduct process. As one of the relocated employees in this company, the author’s own experience provided the information on employee participation and employee involvement.

CEO’s executive secretory was the most active person in the whole process and conducted the majority of the work. As she said in interview, the relocation strategy was first proposed by directors, and approved by the board. Subsequently, CEO, CFO, COO and other managers had a short discussion, setting the criteria for the new premise and agreed on the draft timetable for relocation. Aligning to future needs, executives proposed criteria for the relocation project as following. As the Executive secretory indicated, the criteria were listed from “very important” to “not necessary”.

I. New location should be in the city center and not far away from current place
   a) Easy to keep a good connection with employees remaining at current place
   b) Minimize the impact on employee commutes
II. Should be ready to move in ASAP
III. New office should be big enough and flexible in work place design
    a) Provide enough space for each employee
    b) Support teamwork with good IT service
IV. Price should be acceptable
V. New office should create an easy and innovative culture

Employees were not involved quite much in relocation process. The first time acquiring employee’s opinion was to choose the final premise between two best candidates. Two options were posted on internal communication channel with relatively simple descriptions. Different comments and opinions were collected at this point. Final decision was expected to go with the majority preference.

4.4 Listen External Advice

Data about external advice came from two interviews. One interview with CEO’s executive secretory introduced the process of external services, including what real estate companies
were involved, the attitudes from different brokers and the communication between her and external server. The other interview was a phone call with Sponda, the owner of final relocate premise. Sponda provided additional data about the building condition and the contract details.

Although Helsinki office rental market was quite transparent and informative, help from external experts was still necessary. In the interview, CEO’s executive secretory admitted that external service was very helpful and valuable, especially on space hunting. Without the help from real estate brokers, it was almost impossible to find an optimal premise. She searched many of the high-reputation real estate companies in Helsinki, like DTZ, CBRE, Regus, Ilmarinen, Ovenia, etc. She had the feeling that, the attitude real estate brokers were acting and the profession real estate brokers were presenting, did affect the final decision. A promising real estate broker was able to interpret the advantages clearly and explain why the candidate premise met client’s need. The contact with real estate agents was mainly by mail, and no face-to-face meeting was arranged before the practical premise showing. When asked whether face-to-face communication would speed up the searching process, and made the space hunting easier, interviewee felt there should be no big difference. Mail communication was enough to get adequate information about location, public transportation, rent, layout, infrastructure, service, etc. to judge the suitability to the company.

Sponda interview provided new premise contract details. The new place was located in city center, but a little far away from train, metro or bus. New place was 423 m², and current rent was 11539.44 Euro/month (VAT included). Three years lease agreement started from January 2017, and the rent was expected to increase 2.5% annually. There was no maintenance fee charged. Sponda interviewee said this rent price was a bit under market average as the building used to be a factory and was not modern in functions. As figure 5 (Figure 6: Layout of new office) presented, new place was designed to have four to five individual working rooms, two to three meeting rooms, two toilets, one interview room, one open kitchen with spacious dining area, one storage room and one relaxing room.
4.5 Understand Difficulties

The understanding of difficulties was not straightforward information. Interview with HR and CEO’s executive secretory both revealed some challenges from different perspectives. HR mentioned her concern about the impacts from location to company reputation, which would further influence recruitment. She also expected to create a new culture in the new office, which would help to separate the two subsidiaries aligning to company strategy. CEO’s executive secretory said it was a big challenge for her to conduct the relocation alone. She expected to get more support from executives as well as employees. In addition, information flow was not as smooth as it supposed to be. Because of lack of communication, the relocation process was hidden from general employees. Consequently it caused some rumors and resistance. Appeasing employees’ mood and relieving rumor required some effort.

4.6 Evaluate Outcome

Data for evaluating outcome came from the questionnaire, and it was the only quantitative method in this research. In the middle of December 2016, all the employees who were required to relocate were moved out from the old office. After relocation, a questionnaire was conducted to evaluate the outcome from the perspective of employee satisfaction.
In the questionnaire, employees are asked to compare old office and new office by scoring from 1 to 10 (1 is dislike, 10 is like) for different topics, like office suppliers, IT infrastructure, commute, etc. The result seemed to be optimistic, and the relocation led to a good result. Employees were satisfied with the new office although some of the furniture was not ready when the questionnaire was taken.

The analysis of questionnaire result is presented in result chapter.
5 Results

Following the study sequence, results are presented from five aspects - company development (company strategy and company growth), human resource involvement (conduct person and employee participation), external service, employee experience, and information share.

5.1 COMPANY STRATEGY and COMPANY GROWTH

These two factors are interpreted together, because they are two elements sub-supplemented and co-effective. In this case, company strategy and company growth are the two biggest driven reasons resulting in relocation. The board members and executives determine the criteria of relocation according to company strategy. Correspondingly, employee number is expected to increase rapidly, which also added some more criteria to relocation. Following is the list of relocation criteria (from interview with CEO’s executive secretory):

I. New location should be in the city center and not far away from current place
   a) Easy to keep a good connection with employees remaining at current place
   b) Minimize the impact on employee commutes

II. Should be ready to move in ASAP

III. New office should be big enough and flexible in work place design
    a) Provide enough space for each employee
    b) Support teamwork with good IT service

IV. Price should be acceptable

V. New office should create an easy and innovative culture

The new place turns out to be only 1km away from the old office, which supports the first priority perfectly. The new office is found with very little renovation required, which meets the second priority. The new office is twice the size than the old office, which is able to support flexible work place design, and at the same time leave plenty of room for each person to focus on individual work. The new rent agreement is a little cheap than the market level (as Sponda interviewee says).
As a result, this relocation project successfully realizes the company strategy and meets the desire from company growth. It not only gives an opportunity to physically change organizational structure, but also supports the new subsidiary a brand new environment to cultivate its own company culture. The parent company and the new parallel subsidiary have been established successfully with a smooth name change. Workplace design is also very different from the previous one. Old office is a little “out-of-time” because of lacking of IT support. Limit meeting rooms are occupied with managers as private rooms (because there was no private room), so it is difficult to arrange any teamwork or workshops in the office. The new office have plenty of open spaces as well as meeting rooms, which provides employees a flexible working environment. In addition, each room in the new office is installed with good IT appliances. As some employees say, the new office is very supportive for their work, because individual concentration and team collaboration can be realized in the same place.

Relocation can be classified into four types according to the level of change in geography area and workplace concept. A new geography area and a new workplace concept is the type of “New Beginning”; a new geography area but maintain the previous workplace concept is the type of “Logistic Change”; while a new workplace concept in an old geography area is the type of “Change of Organizational culture”; and both geography area and workplace concept do not change much is the type of “Routine Move”(Rothe, Heywood 2015). The dimensions can be elaborated in the following figure (Figure 7: Four dimensions of relocation model). Compared to this theory, this relocation case can be recognized as a “change of organizational culture”, because this relocation process changes a lot on the workplace concept and the company structure (A parent company was established, and another subsidiary started operation at the same time), but it still remains around the same geographical area (the old office was still being used for half the employees, and the new office was only 1km away). The blue circle displays the dimension of this case.

![Figure 7: Four dimensions of relocation model (Rothe, Heywood 2015)](image)
5.2 CONDUCT PERSON and EMPLOYEE PARTICIPATION

These two factors are analysed together as they interpreted this case from the perspective of human resource. Another classification method of relocation is according to the way of executing and employee participation. Relocation can be identified into “Orchestra”, “Democracy”, “One-man-show”, and “Expert taskforce” (Rothe, Heywood 2015). Figure 8 shows the dimensions of this classification (Figure 8: Four Dimensions of Conduct Model and Employee Participation).

![Figure 8: Four dimensions of conduct model and employee participation](image)

This classification is a good reference to understand the conduct model and the level of employee participation in this case. As the blue circle indicates, this case is a “one-man-show” model, because it is almost done by one person. The CEO’s executive secretory takes care of all tasks by herself, under CEO’s supervision. Because all the decisions are made by two to three members, the relocation is done fast enough to catch up with the schedule. In addition, “one-man-show” conduct model is able to meet all pre-set requirements from company strategy, since information is fully understood by relocation conductors.

However, the “one-man-show” model has some problems dealing with employees’ reaction. Even though information is shared online (randomly update about relocation status), employees feel they are not involved into the project, especially in location-choose and work place design part. Almost no one knows how the project is going, and what need to prepare from the staff side. There are even some employees do not aware the relocation will happen when it almost approaches to the moving date. As a result, rumors spread among staff, people are reluctant to change place, and complains come up. After move, compensation work is
required to deal with employee resistance. Company arranges cleaning day, team offsite, and office lunches to boost team moral. In addition, company encourages everyone to buy anything needed for work (no budget limit), to create the feeling as “brand new and good office for everyone”.

5.3 EXTERNAL SERVICES

In the process of this short-distance relocation, external services are used three times. The first time using external services is optional premises searching. The main conduct person searches help from real estate brokers in space hunting. There are more than 5 premises proposed by different real estate agents, and the executive secretary visits all of them. Each premise is evaluated aligning to the criteria. Contrast to space hunting, the final decision is kept totally “in house”. Executives choose the optimal one referring to employees’ comments, without external advice. The second time using external services is new leasing contract negotiation. An external expert intervenes to help the company getting a reasonable price for renting. The third time using external services is helping on practical move. A professional moving company is hired on moving day to help on physical move, which makes the moving process efficient and safe.

In general, external services are classified into 4 categories and 8 main tasks (Rothe et al. 2015a). They are presented in the following table (Table 2: Tasks of external services).

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>TASK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Assessment</td>
<td>Criteria defining – determine space need, characteristics</td>
</tr>
<tr>
<td></td>
<td>Work space design – IT support, other functionality design</td>
</tr>
<tr>
<td>Space Hunting</td>
<td>Hunting - search for available space options</td>
</tr>
<tr>
<td></td>
<td>Decision - compare and choose between available space options</td>
</tr>
<tr>
<td>Real Estate Purchase</td>
<td>Consultant – understand contract and agreement</td>
</tr>
<tr>
<td>/ Lease</td>
<td>Negotiation – lease/purchase negotiation</td>
</tr>
<tr>
<td>Process Management</td>
<td>Physical move - practical arrangement of office suppliers and furniture</td>
</tr>
<tr>
<td></td>
<td>Person move - employees management</td>
</tr>
</tbody>
</table>

Rothe concluded that although these tasks seem to be quite crucial in relocation process, each one was perceived differently from corporates. “Hunting for optimal relocation space” was the most widely used external service, following by “practical move management”, and “relocation criteria assessment”. By contrast, “employee care”, and “optimal option decision” were more likely to be kept in house (Rothe et al. 2015a). This case could be a good example to prove this conclusion. Three services used belong to “space hunting”, “real estate lease” and “physical move”. In comparison, in “decision” and “person move”, external services are not applied.
5.4 EMPLOYEE EXPERIENCE

In order to understand employee experience in this case, a survey/questionnaire has been taken to get more opinions from employees. QOL (Quality of Life Theory) is applied to design the questionnaire. Rabianski in 2007 classified QOL topics into five categories, and proposed some general questions that could be asked to understand relocation study (Rabianski 2007). His five category for QOL research were listed as following:

- Demographic attributes (information about the population size and composition, educational attainment, density/distribution, skill levels/occupational distribution, etc.);
- Economic attributes (information about employment/unemployment rates, wages and salaries, industrial structure, taxes, price of housing, cost of living, etc.);
- Societal information (crimes, poverty levels, work ethic, etc.);
- Public services (type and quality of public services such as police and fire protection, educational services, health services, transportation services; business climate and attitudes about locational incentives; etc.); and
- Environmental information (air and water quality, traffic congestion, etc.).

QOL is a flexible method, which can be adapted into different study topics and subsequently have specific questions for each case. In this case, the questions in the survey are divided into four topics: Office Infrastructure, Office Aid, Commute and Neighbourhood, and each topic includes several specifications. To simplify the survey, and have an intuitive comparison between the previous office and new office, each participator is asked to score every

<table>
<thead>
<tr>
<th>Topic</th>
<th>Specification</th>
<th>Old office score</th>
<th>New office score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Infrastructure</td>
<td>Open space</td>
<td>4.6</td>
<td>8.7</td>
</tr>
<tr>
<td></td>
<td>Individual desks</td>
<td>4.3</td>
<td>9.1</td>
</tr>
<tr>
<td></td>
<td>Meeting room</td>
<td>5.2</td>
<td>9.2</td>
</tr>
<tr>
<td></td>
<td>IT infrastructure</td>
<td>3.1</td>
<td>9.9</td>
</tr>
<tr>
<td>Office Aid</td>
<td>Kitchen</td>
<td>6.2</td>
<td>9.2</td>
</tr>
<tr>
<td></td>
<td>Shower(^1)</td>
<td>5.5</td>
<td>5.2</td>
</tr>
<tr>
<td></td>
<td>Relax room</td>
<td>NA(^3)</td>
<td>9.1</td>
</tr>
<tr>
<td>Commute</td>
<td>Public transportation</td>
<td>10</td>
<td>8.0</td>
</tr>
<tr>
<td></td>
<td>Parking area(^2)</td>
<td>7.5</td>
<td>7.5</td>
</tr>
<tr>
<td>Neighbourhood</td>
<td>Lunch place</td>
<td>9.5</td>
<td>7.2</td>
</tr>
<tr>
<td></td>
<td>Grocery purchase</td>
<td>10</td>
<td>7.5</td>
</tr>
<tr>
<td></td>
<td>Shopping mall</td>
<td>10</td>
<td>4.3</td>
</tr>
</tbody>
</table>

\(^1\) Shower had 3 respondents
\(^2\) Parking area had 2 respondents
\(^3\) Old office does not have a relaxing room
specification from 1 to 10 for both previous office and new office (10 is the best experience, and 1 is the worst experience). 11 employees (all the employees that were relocated) participates the survey. The final score is averaged from 11 results, listing below (Table 3: Questionnaire Outcome from Employees). Although the statistical sample is relatively small, it involves every relocated employee, so the result is reliable and trustful to explain this case.

The survey results shows a significant improve on office infrastructure. IT infrastructure has the most remarkable improve from 3.1 to 9.9. Some respondents even emphasize their satisfaction on abundant IT supports in new office. They say, “With good IT infrastructure, team work is way easier than before”, and “Thanks to the IT support, we can finally have efficient team work”. Open spaces, individual desks, and meeting rooms also see obvious improves respectively. Respondents confirm that good office infrastructure does help them improving productivity and promoting collaboration. In Office Aid topic, new office also performs better than old office in general. Kitchen aid average score increases from 6.2 to 9.2, mainly because the new office kitchen is more spacious with a big dining table and an oven, which can support team-building activities like office lunch. A respondent writes additional comment that, “new kitchen builds a better network between different departments”. Relax room is also a welcome concept in new office, which provides employees a good place to balance their intensive work and easy time. One respondent says, “Good relaxing makes my work more efficient”.

However, on the other hand, new office is not as convenient as old office in commute and neighbourhood service. Old office has full score in public transportation, grocery purchase, and shopping mall, because the old office is located in Kamppi center (a multi-use shopping center with bus, metro and supermarket underground). Although the new office is only 1 km away, the public transportation scores less. The most significant score drop is on grocery purchase topic. Employees complain no grocery store around the new office, which makes breakfast and handy stationary purchase more difficult.

Relocated employees also feel a big change after relocation in company culture and communication way. Survey participators mention that it is able to create a new culture with the new office, which is very important in the start up point for the new subsidiary. And some respondents feel the communication way is more smooth and wide than before with more open spaces and good teamwork environment.

All in all, the total score for new office is higher than the old office. Consequently, from employee experience perspective, the outcome is promising.

5.5 INFORMATION SHARE

Information share in this case has its merits and shortages. Communications between executives, main conductors, and HR are thorough and comprehensive, while the information
share between managers and general employees is not enough. HR conveys her concern about relocation impact to company reputation and new subsidiary establishment, thus the concerns are presented in the searching criteria. However, the information share is not adequate among employees. In the preparation and criteria decision stage, information is shared only between executives and main conduct person. When it comes to location choice stage, different options are published on internal-communication channel to get some comments from employees. However, because the posts about relocation are not emphasized, not many employees notice the posts, so there is almost no discussion or comments. In order to speed up the process, the main conductor and executives make the final decision.

The inadequate and unsmooth information share results in some unexpected outcomes. Except CEO’s executive secretary, almost no other employees are involved into relocation process, so rumors start, and some employees even doubt whether the relocation will really happen. In order to boost team moral and relieve the anxious on the relocation project, executives decide to leave employees enough freedom to choose their office appliances after relocation. The compensation works effectively on increasing employee satisfaction.

In Figure 2 (Figure 2: Decisive factors) shows the information flow in this relocation case. It is a typical information share model as a “one man show” relocation. On one hand, simplifying information flow will make decision-making easier and have quick process. In addition, because the executives understand company strategy and searching criteria the best, so the decision will be more suitable for the company from an overall view. On the other hand, it does have the risk that employees will be unsecure about the relocation process, and rumors will arise. Even worse, employees may doubt about company strategy and lose their confidence towards the new office. In a word, information share is an important factor in short-distance relocation. Good information share is able to seize challenges and overcome difficulties during relocation process. In comparison, inadequate information share will result in a passive outcome.
6 Discussion

6.1 Research questions and goals

The main target of this thesis is to investigate how to conduct a short-distance relocation successfully. And the investigation is divided into two sub targets. One sub target is to understand the decisive factors in short-distance relocation process, and the other is to reveal the outcome of it.

Decisive factors are discussed from five aspects, company development (company strategy and company growth), human resource involvement (conduct person and employee participation), external service, employee experience, and information share.

Discussion on potential outcome applies a “Four-Factor Taxonomy” method (Matthiesen, Tissington 2008), and it reveals the outcome from four dimensions - “valence”, “duration”, “Magnitude” and “Quality”. The four dimensions analyze outcome from the perspective of human resource development (HRD), as relocation is a human resource related activity. Either the executives or the general employees will be affected from relocation, and subsequently influence the company development reversely.

6.2 Statement of results

From the case study, it can be concluded that COMPANY STRATEGY, COMPANY GROWTH, CONDUCT PERSON, EMPLOYEE PARTICIPATION, EXTERNAL SERVICES, EMPLOYEE EXPERIENCE, and INFORMATION SHARE are the decisive factors in short-distance relocation. Company strategy and company growth are the two prerequisites which lead to relocation activity, and they are acting interactively. Company strategy will result in the company growth; meanwhile, the company growth will reversely influence the company strategy. Like in this case, company strategy is rapid expansion, which guides the criteria of candidate premises, and influence the behaviour of conduct persons. Conduct person and employee participation are the two significant factors impacting relocation process. Conduct persons’ behaviour and employee participation level determine the conduct model of relocation, and further influence relocation outcome. A suitable executing way and enough employee involvement are crucial to a successful relocation. For instance, relocation in this case study is a “one-man-show” model (only one to two persons are responsible for relocation conduction, and the rest of the employees are not involved), it can help to fasten the process, but it will also have risks on employee resistance and information intransparancy. A good balance between fast and smooth is crucial to achieve a good result. External services nowadays becomes more notable
as its efficiency and. Corporates are more willing to use external services, especially in the area they are not familiar with. However, although more popular than before, external services are still staying at the stage of providing information, not managing process. Employee experience is another key component, as the satisfaction of employees will affect employee productivity, team moral, consequently affect corporate profitability, innovation, and long-run development. Hence, employee experience is a crucial factor in corporate relocation. Information share is the general description of data share and resource share, and it happens simultaneously with other steps in the whole process. It is also emphasized as a notable factor, because the quality and frequency of information share can affect the success of relocation, as well as the employee satisfaction.

Matthiesen and Tissington’s method is applied to reveal the outcome of relocation from a human resource development (HRD) view. Their study presented outcome taxonomy from four dimensions – Valence (positive versus negative), Duration (short-term versus long-term), Magnitude (major versus minor), and Quality (physical, psychological, social behavioural, or practical) (Matthiesen, Tissington 2008). Table 4 introduces the study method of “Four-Factor Taxonomy” (Table 4: The Features of the Four-Factor Taxonomy) (Matthiesen, Tissington 2008).

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Categorization Question(s)</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valence</td>
<td>Does the effect influence individuals in a good way?</td>
<td>Yes Positive  No Negative</td>
</tr>
<tr>
<td>Duration</td>
<td>Does the effect occur and disappear within 12 months of relocation?</td>
<td>Yes Short term  No Long term</td>
</tr>
<tr>
<td>Magnitude</td>
<td>Does the effect in any way incapacitate the individual from completing tasks that care normally part of their routine or does the effect in any way enable the individual to complete asks that they are not normally able to complete?</td>
<td>Yes Major  No Minor</td>
</tr>
</tbody>
</table>
| Quality   | 1. Is the consequence related to an individual’s physical health (excluding their psychological health unless psychological issue result in physical problem)?  
2. Is the consequence related to an individual’s psychological health or state?  
3. Is the consequence related to one’s social life (excluding those knowledge, skills, and ability considered psychological)?  
4. Is the consequence related to changes in one’s behaviour?  
5. Is the consequence practical or applied and does not fit any of the above categories? | Yes Physical  Yes Psychological  Yes Social  Yes Behavioural  Yes Practical |

In this case, valence outcome is positive from an overall view. Relocation achieves the goals that executives set up, helping company to realize its restructure. In addition, individuals eventually feel satisfied with the new location and are confident about increasing employee productivity. Duration dimension should be long-term, as the new office is much bigger that the desire at the moment, which means the new office is able to support future development.
and team expansion in a relatively long time (expected to support at least 5 years according to the business development rate). Magnitude dimension should be minor in this case, because the relocation neither incapacitates any individual from completing any normal routine task, nor enables individuals to complete tasks that are not normally able to complete. Employee experience discussion convinces that work is easier to do than it used to be because of good IT appliance, and it is the working way change, not the working content change. Regarding quality dimension, it is a practical move, as it does not affect employees physically, psychologically, socially or behaviourally.

Four-Factor Taxonomy method has its limitation on applicability because it analyzes relocation outcome from HRD perspective. It is suitable for relocation that is employee-development aimed, but in practical, company-development-aimed relocation is more often.

### 6.3 Unexpected outcome and explanation

The overall outcome from case study is as expected, that COMPANY STRATEGY, COMPANY GROWTH, CONDUCT PERSON, EMPLOYEE PARTICIPATION, EXTERNAL SERVICES, EMPLOYEE EXPERIENCE, and INFORMATION SHARE are proved to be the decisive factors in short-distance relocation. By contrast, some elements expected to be as valuable as these factors turn out to be not notable as they were considered as.

For instance, literatures suggest the impact from site characteristics should be as significant as firm characteristics. However, either from interviewees’ narrative or author’s observation, site characteristics (e.g. neighbour companies networking, business park collaboration, surrounding infrastructures) are not emphasized. There may be three reasons to explain this. Firstly, many corporates are not accessible to customers, so the physical location will only infect internal employee rather than customer behaviour, hence site characteristics are not significant. Secondly, short-distance relocation desalinates the impact from site characteristics, as the surroundings are relatively the same. Thirdly, networking and collaboration between neighbour companies are not very popular.

### 6.4 Recommendation

From case study, COMPANY STRATEGY, COMPANY GROWTH, CONDUCT PERSON, EMPLOYEE PARTICIPATION, EXTERNAL SERVICES, EMPLOYEE EXPERIENCE, and INFORMATION SHARE are the decisive factors in short-distance relocation. The conclusion is limited from its scope, as this research focuses on short-distance relocation. It does not acquire regional data like regional labour cost, regional product cost, etc. Some factors not mentioned in this thesis could also be significant if they contribute to the relocation process. Hence, future researchers and relocation conductors are suggested to evaluate above decisive factors with the company specifications.
7 Conclusion

The main idea of this thesis is to understand how to conduct a short-distance relocation successfully. As a result, company strategy, company growth, conduct person, employee participation, external services, employee experience, and information share are the seven decisive factors that influence the outcome of short-distance relocation. The seven decisive factors are revealed from a case study. In the case study, both qualitative and quantitative research methods are used. As for qualitative research, three interviews with HR, CEO’s executive secretary and real estate agent give the majority information of the relocation process and result; As for quantitative research, a questionnaire is taken to present an instant comparison between old office and new office.

The limitation of this research comes from its scope and the objective narrative. The scope of this thesis is a short-distance relocation of a mall-medium size company happened in Helsinki, Finland. This narrows its value to generate the conclusion, since relocation could happen to any size corporate in any area around the world. The limitation from objective narrative is because the author is one of the employees who experience the process, thus personal feelings may deviate the result evaluation.

When a corporate decides to relocate (especially short-distance relocation), it is suggested to evaluate above decisive factors (COMPANY STRATEGY, COMPANY GROWTH, CONDUCT PERSON, EMPLOYEE PARTICIPATION, EXTERNAL SERVICES, EMPLOYEE EXPERIENCE, and INFORMATION SHARE) with the company specifications. All successful relocation cases in the past (including this one) are the reference to the future. A factor could be very important in one case, while it could be only a supplement point in another case. Since relocation is very dynamic and various, future researches and relocation conductors need to understand the universality and particularity of the conclusion. As long as the relocation can support company future development as well as employee development, no matter what process it is conducted, no matter what factors are involved, it is the best relocation for the company.
Reference


# Appendix

## Relocation Employee Satisfaction Survey

Please mark your feeling from 1 (very dissatisfied) to 10 (very satisfied). You can leave it blank if that service/facility is not applicable to you.

1. **How do you feel the open space in the office?**
   - **Old Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
   - **New Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

2. **How do you feel your individual desk?**
   - **Old Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
   - **New Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

3. **How do you feel about the meeting room(s)?**
   - **Old Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
   - **New Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

4. **How do you like the IT infrastructure?**
   - **Old Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
   - **New Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

5. **What do you think about the kitchen?**
   - **Old Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
   - **New Office:** □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

6. **How about the shower?**
7. Do you like the realxing room?

Old Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
New Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

8. How about the public transportation?

Old Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
New Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

9. How is the parking area?

Old Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
New Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

10. What do you feel about the lunch places around?

Old Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
New Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

11. How about grocery purchase? Is it convenient?

Old Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
New Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10

12. Is there shopping malls around? Are they good?

Old Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10
New Office: □ 1 □ 2 □ 3 □ 4 □ 5 □ 6 □ 7 □ 8 □ 9 □ 10