



Decision Name: Example : Build vs. Buy

Project: Example Project

01. Decision Summary

Due Date	In Progress	Build our own medical office building
Decision Status	Selected Alternative	

Objective

We need to decide whether we want to build a medical building or build one ourselves.

Collaborators

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Tags

- buy
- or
- build
- medical
- office
- building

Notes

We need to make a proposal and send it to the regional funding group. The key stakeholders need to be consulted for their opinion and inputs.

02. Alternatives

Buy a medical office building

A developer has approached us with a medical office building that fits our needs

Build our own medical office building

We have some empty land that we can build a office in

03. Factors & Criteria

Ability to deliver excellent medical care

Must Criterion : must enable high quality care

Want Criterion : want better care

Proximity and synergy to existing patient services

Want Criterion : want synergy with existing facilities

Timeline for starting operations

Want Criterion : want to open as soon as possible

Community support

Want Criterion : want wider community support

04. Attributes

Ability to deliver excellent medical care

Must Criterion: must enable high quality care

Build our own medical office bui...: can delivery excellent care

Met meet must criterion ✓

Buy a medical office building ...: can delivery good care

Met meet must criterion ✓

Proximity and synergy to existing patient services

Build our own medical office bui...: 1 mile away from hospital

Met meet must criterion ✓

Buy a medical office building ...: 5 miles away from hospital

Met meet must criterion ✓

Timeline for starting operations

Build our own medical office bui...: can start in 18 months

Met meet must criterion ✓

Buy a medical office building ...: can start in 3 months

Met meet must criterion ✓

Community support

Build our own medical office bui...: need to lobby the city hall

Met meet must criterion ✓

Buy a medical office building ...: can get community support

Met meet must criterion ✓

05. Advantages

Ability to deliver excellent medical care

Want Criterion : want better care

can delivery excellent care	Advantage: can delivery superior care	Least Preferred Attribute	✘
can delivery good care	Advantage: can deliver superior healthcare	Most Important Advantage	★

Proximity and synergy to existing patient services

Want Criterion : want synergy with existing facilities

1 mile away from hospital	Advantage: 4 miles closer to hospital	Most Important Advantage	★
5 miles away from hospital	Advantage: None	Least Preferred Attribute	✘

Timeline for starting operations

Want Criterion : want to open as soon as possible

can start in 18 months	Advantage: None	Least Preferred Attribute	✘
can start in 3 months	Advantage: 15 months earlier start	Most Important Advantage	★

Community support

Want Criterion : want wider community support

need to lobby the city hall	Advantage: None	Least Preferred Attribute	✘
can get community support	Advantage: do not need to lobby for support	Most Important Advantage	★

06. Importance of Advantages

Ability to deliver excellent medical care

Must Criteria : must enable high quality care

Want Criteria : want better care

Alternative	Attribute	Advantage	Weight of Advantage
Build our own medical offi...	can delivery excellent care	None	
Buy a medical office build...	can delivery good care	can deliver superior healthcare	34

Proximity and synergy to existing patient services

Want Criteria : want synergy with existing facilities

Alternative	Attribute	Advantage	Weight of Advantage
Build our own medical offi...	1 mile away from hospital	4 miles closer to hospital	96
Buy a medical office build...	5 miles away from hospital	None	

Timeline for starting operations

Want Criteria : want to open as soon as possible

Alternative	Attribute	Advantage	Weight of Advantage
Build our own medical offi...	can start in 18 months	None	
Buy a medical office build...	can start in 3 months	15 months earlier start	100*

* *Paramount Advantage*

Community support

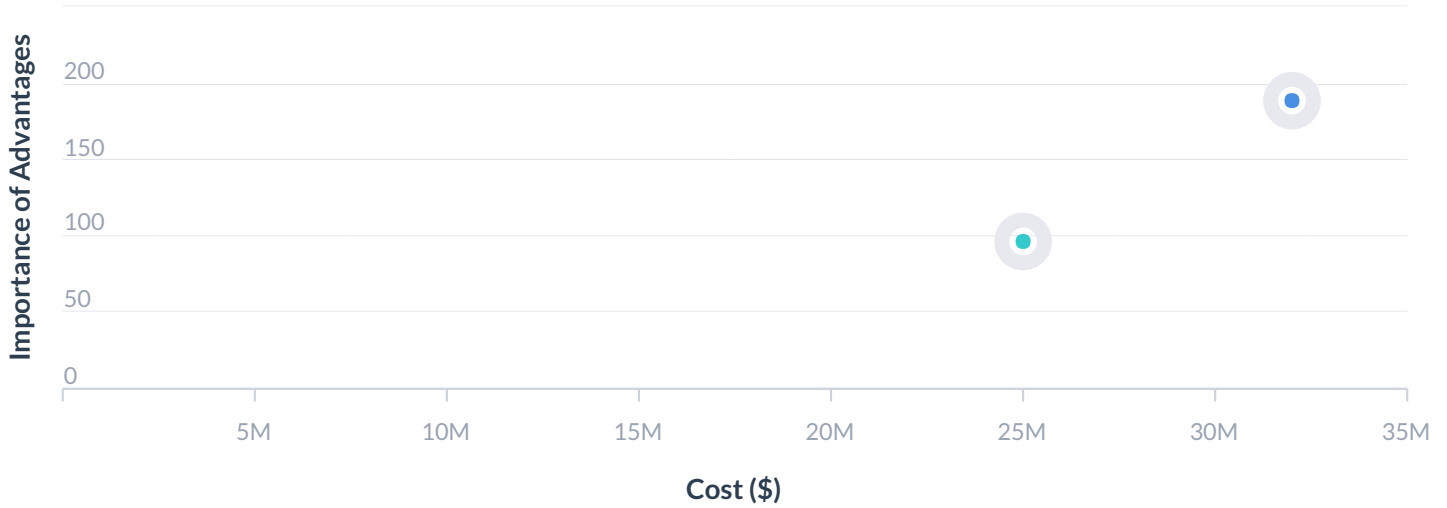
Want Criteria : want wider community support

Alternative	Attribute	Advantage	Weight of Advantage
Build our own medical offi...	need to lobby the city hall	None	
Buy a medical office build...	can get community support	do not need to lobby for support	55

07. Costs

Alternative	Acquistion	--	--	--	--	Total*
Buy a medic...	\$32,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$32,000,000.00
Build our ow...	\$25,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000,000.00

Importance of Advantages vs. Cost Graph



Alternative	Importance of Advantages	Cost
1 Buy a medical office building	189	\$32,000,000.00
2 Build our own medical office building	96	\$25,000,000.00

Selected Alternative	Importance of Advantages	Life Cycle Cost
Build our own medical office building	96	\$25,000,000.00

Final Notes

We decided to build our own building. The differences in the advantages between the two options were not that far apart. By building our project, we can save \$7 million and have it next to the existing hospital. It will take us 15 months longer for the project to be open to patients.

Last Modified

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