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An integrated modelling approach for an optimal location of warehouses in the defence industry organisation

Melda Gelibolu Bayrakcı^{1*} Ömer Faruk Baykoç²

¹ Presidency of the Republic of Türkiye Defence Industry Agency, Ankara, Türkiye

² Gazi University, Industrial Engineering Department, Ankara, Türkiye

* Corresponding author; email address: mgelibolu@ssb.gov.tr

Abstract

Countries' defence industries are the leading indicator of their global power. The warehouse is the place where the materials are kept until the customer order arrives so that the companies are viable and can respond appropriately to internal/external customer demands. In this regard, warehouse location plays a vital role in the defence industry in terms of storage options with increased flexibility, a simplified supply chain with cost management and optimal positioning according to deployment locations. In this study, the decision on the location of warehouses for logistic support during the warranty period of military vehicles manufactured and supplied to the armed forces by a defence company was made. It is aimed to propose the best solution to a real-life problem with high complexity, containing many data and constraints. In this context, the criteria that are thought to be most relevant to this problem have been determined by taking expert opinions. Having determined the order of importance of the requirements by the analytical hierarchy process (AHP) with the Super Decisions V 2.10, their weights were included as a coefficient of the objective function in the goal programming (GP) model. As a result of solving the GP model using GAMS (general algebraic modelling system), it was decided to select the warehouses that provided the optimal results among the alternative warehouse locations in 9 different locations. Furthermore, to see the impact of changes in criterion weights, sensitivity analysis has also been included. The significance of this research lies within the integrated usage of AHP and GP in the defence industry when determining warehouse locations by the experts' opinions. With this study, not only a solution strategy was developed, but also a basis for the warehouse location decision in the defence industry projects already signed or to be signed was given.

Keywords: warehouse location, integer programming, defence industry, analytic hierarchy process, goal programming

1. Introduction

The defence industry is the sector that provides the production and sale of weapons and military technology. Although the first thing that comes to mind is weapons, missiles and military vehicles; logistics and operational support are also the building blocks of the defence industry.

37 The current structures of countries, their geopolitical situation, and economic and demographic charac-
 38 teristics lead to differences in military spending. Supporting the limited resources in the defence industry
 39 with the right investments and cost-effective solutions brings strategic advantages in the international
 40 arena. For this reason, a project in the defence industry studied the problem of selecting warehouse
 41 locations, assuming that the sustainability of the systems produced can be maintained at a high level if
 42 the necessary support is provided at the time of operation. The location theory was originally proposed
 43 by Weber to position a single warehouse in such a way as to minimize the overall distance between cus-
 44 tomers and the warehouse [8]. Shortening the response time is possible by choosing the right location
 45 of the facility or warehouse. The facility or warehouse location selection problem aims at choosing the
 46 best location and the best number of facilities. If the right choice is made, companies can achieve great
 47 profits and market share in today's conditions [11].

48 The decision is a series of algorithms that become increasingly difficult as the number of options
 49 increases, requiring detailed examination and evaluation. To achieve the best results in cases where the
 50 options increase and the problem becomes complex, it is necessary to use analytical and mathematical
 51 decision-making models. Figure 1 shows the graphical representation of conflicting goals in space.

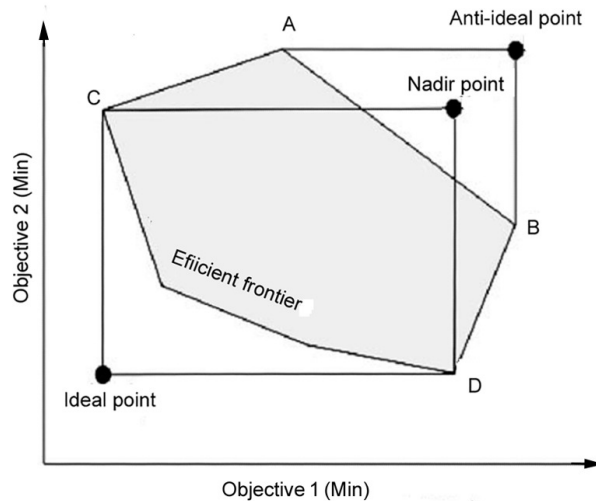


Figure 1. Conflicting goals in space [12]

52 In the project conducted in the defence industry, decision models are used because there are many
 53 decision-makers and alternatives to solve the problem. The objective of this study is to make an effective
 54 decision in the defence industry project. The paper is organized as follows; after a short literature review
 55 regarding the core problem is given in the next section, we present our mathematical model and solution
 56 algorithm in Section 3. Having given the computational analysis and results in Section 4, our paper ends
 57 with conclusions and future research suggestions in Section 5.

58 2. Methodology adopted. Integrated usage of AHP-GP 59 and a brief look to related literature

60 Goal programming (GP) was first introduced in 1955 by Charnes, Cooper, and Ferguson in a study on the
 61 analysis of executive salaries, and GP was clearly defined in Charnes and Cooper's study [24]. GP can
 62 be considered a branch of multi-objective optimization, which is a part of multicriteria decision analysis.

GP is used in the optimization of multi-objective goals by minimizing the deviation from the desired goal for each of the goals. Although the GP model dates back to the 1950s, it has been in active use since the mid-1970s. Some of the articles that were examined during this study using GP are given below.

Sharma et al. [23] studied the GP model for the supplier selection problem, which aims to achieve the least deviation from price, quality, and lead time goals Mukherjee and Bera [17] addressed the project selection problem using the GP technique. Lee and Kim [15] used the analytical network process (ANP) and GP, considering the interdependencies among projects in information systems selection. Uludağ [25] developed a GP model that would give the most appropriate frequency values for 26 lines passing through two stops in the Izmir city bus network, and then established a fuzzy linear programming model. Dengiz et al. [7] used the weighted GP method to solve the home health services routing problem in their study.

The AHP method, developed by Saaty in 1976, is a systematic approach used to solve complex multidimensional problems that helps the decision-maker choose among alternatives. The AHP method is used in military strategic areas, ammunition, unit, tactical selection decisions, exercises, and election decisions in competitive environments in social life, in the fields of health and law; environmental issues, economy and marketing, technology and investment projects, transportation problems, etc. AHP compares alternatives, ranks them, and makes a decision among the alternatives; it provides the necessary planning by predicting the results. Thus, the outcome that must be found by trial and error when resources are scarce in real life is simulated by the AHP method and a cost-effective solution is presented to the decision-maker.

GP and AHP in handling quantitative and qualitative criteria, respectively. This is done by:

- employing the quantitative criteria directly in the GP model,
- deriving AHP priorities for the qualitative criteria after eliciting expert judgments,
- employing the AHP priorities as coefficients of the decision variables in the corresponding objective functions of the GP model.

Thus, the integrated model has the potential to extend the applicability of GP to problems involving qualitative criteria, and, at the same time, reduce the burden on decision-makers while eliciting AHP judgments. Additionally, AHP has been used in our integrated model to arrive at the weights to be assigned to the various objectives [20].

In this study, an integrated model of the AHP and GP (GP) was used. Therefore, some literature review for using AHP or GP is given below.

Dağdeviren and Eren [6] used AHP and 0–1 GP techniques to select the supplier and the two methods together are also discussed. Badri [4] used an integrated model of AHP and GP for obtained weighting of a firm's unique service quality measures, considered the real-world resource, and selected the optimal set of service quality control instruments.

Kwak et al. [13] used the AHP-GP approach to determine the best combination of media advertising for a Korean company that manufactures digital devices. Lee et al. [14] developed a multi-objective GP model using fuzzy AHP and GP integrated for supplier selection for a company that produces TFT-LCD screens. Liao and Kao [16] developed a supplier selection model by combining the Taguchi loss function, AHP and GP approaches. Darko et al. [5] used fuzzy AHP and MABAC methods in site selection for facilities related to warships. Sadeghpour et al. [22] conducted a descriptive survey. They compared 15

103 experts to decide and prioritize the factors on which they wanted to collect information through ques-
 104 tionnaires. The results showed that the hierarchical validity and reliability of the research instruments
 105 were desired. Hamurcu and Eren [9] used integrated AHP and GP approaches for the selection of the
 106 monorail projects planned for Istanbul. Patel et al. [18] used the combined AHP-GP model based on
 107 the real-world problem, applied to maximize the agility of the supply chain of a manufacturing company
 108 situated in North India. Radovanovic et al. [19] build a decision support model based on the fuzzy
 109 AHP and the VIKOR methods when choosing the most efficient rectification procedure of the optical
 110 sight of the long-range rifle. Alostta et al. [3] solving an EMS centre's location selection problem using
 111 an integrated AHP-RAFSI approach. In addition, Ho [10] presented a literature survey study including
 112 66 articles using AHP and AHP-integrated methods between 1997-2006 and concluded that the most
 113 popular technique among AHP-integrated methods was the AHP-GP technique with 16 articles.

114 In this study, the integrated AHP-GP model was used, which takes into account the opinions of experts
 115 in the field of the defence industry to make the decision to select the warehouse to be used in the project
 116 carried out in the defence industry. Within the scope of the study, first of all, theoretical research was
 117 carried out to determine the method to be used, and as a result of the literature research, it was decided to
 118 use AHP and GP integrated. Five criteria selected specifically for the project carried out in the defence
 119 industry sector were analyzed with AHP and then the best solution was obtained with GP.

120 3. Case study

121 The integrated method of AHP and GP helps the decision-maker to achieve the best result when there
 122 are multiple criteria and more than one decision-maker. Since sensitivity analysis can be used in this
 123 approach, it is preferred for choice problems between alternatives because one can observe how much
 124 the outcome changes when the objective is affected. As is seen in Figure 2, the usage rate has increased
 125 over the years. The steps to solve the problem are summarized in Figure 3.

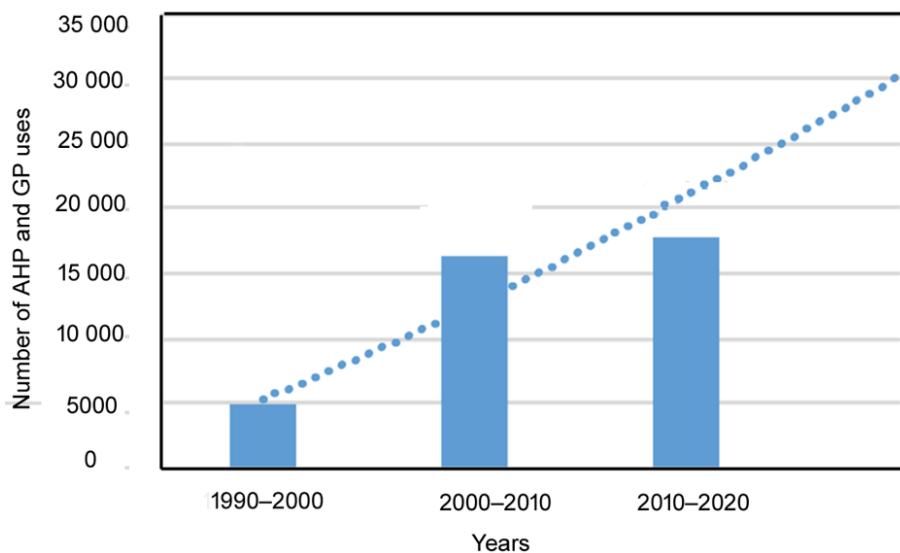


Figure 2. Usage of integrated AHP and GP method by years [1]

126 Below, the general mathematical model is presented and then, in line with the AHP's output, the GP
 127 model is given in the open form.

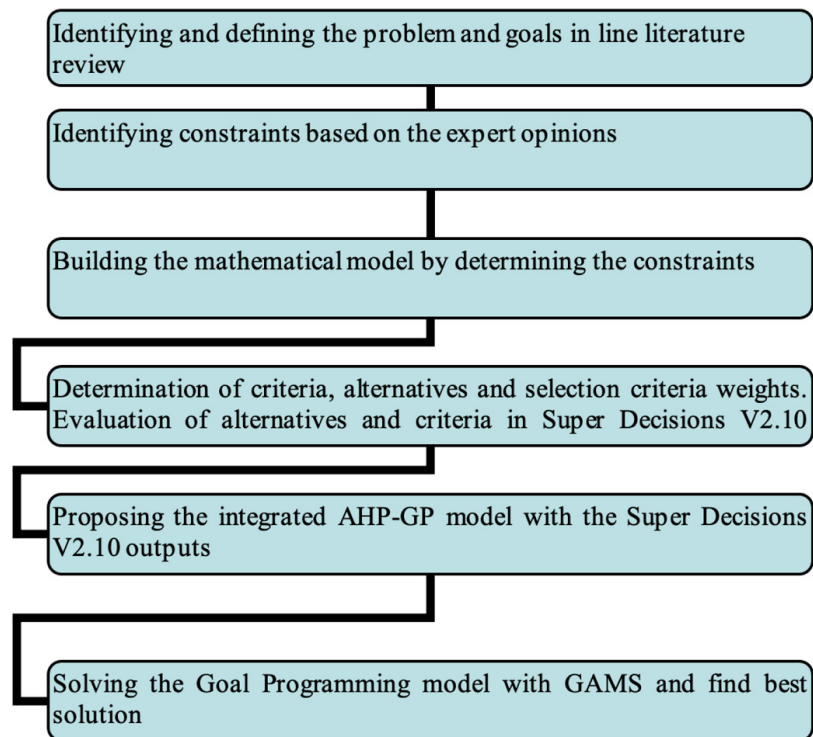


Figure 3. The steps to solve the problem

3.1. Model assumptions

- The company, which provides services in the defence industry, has a production facility in Ankara.
- There are 175 military vehicles to be manufactured and delivered to the user in accordance with a tender that the company has received.
- These military vehicles will be delivered to a total of seven military units.
- The warranty period for each vehicle is three years from the date of delivery of the vehicle. At the end of the three-year period, the company's responsibility for providing spare parts and intervention vehicles expires. After the expiration of the warranty period, the user may receive temporary service from the company with a maintenance and repair contract, if necessary.
- A warranty service centre (hereinafter referred to as warehouse) is installed to provide integrated logistic support service after the delivery of vehicles. Warehouses are intermediate stations that play a strategic role in responding to breakdowns in military installations.
- The warehouses in question: according to company policy, there will be a total of three, one in each region. The locations of the warehouses are specified in this study.
- According to the contract to which the company is subject, there is a condition to support within fifty hours in the event of any malfunction of a vehicle that it delivers to the military installations during the warranty period.
- If the user can use the warehouse space for free, the company will reduce warehouse costs (expenses for the storage space and transportation costs). User associations can open warehouse facilities. In this way, the response time to a malfunction is reduced.

- 148 • The coordinate information used in the study is indicated as an approximate location because it
 149 is military information and contains confidentiality. In the study, information about companies,
 150 organizations, military vehicles, etc. was not included in any way.

151 3.2. Notation

Decision variables

$$x_{ij} = \begin{cases} 1, & \text{if there is logistic support from } i \text{ to } j \\ 0, & \text{otherwise} \end{cases}$$

152 Parameters

153 i – alternative warehouse points

154 j – military installations

155 d_{ij} – distance from i to j , km

156 r_{ij} – risk coefficient of i to j

157 t_{ij} – support time from i to j , min

158 c_{ij} – transportation cost from i to j , TL

159 m_i – cost of installing the i th warehouse, TL

160 k – AHP criteria

161 P_k – AHP importance value of the k th criterion

162 D – maximum desired distance to Ankara, km

163 R – risk coefficient

164 T – desired max response time, min

165 S – desired maximum transportation cost, TL

166 F – desired maximum warehouse installation cost, TL

167 d_1^+ – positive deviation from the distance to Ankara

168 d_1^- – negative deviation from the distance to Ankara

169 d_2^+ – positive deviation from the risk coefficient ($i = 1, \dots, 9$)

170 d_2^- – negative deviation from the risk coefficient ($i = 1, \dots, 9$)

171 d_3^+ – positive deviation from the response time

172 d_3^- – negative deviation from the response time

173 d_4^+ – positive deviation from the transportation cost

174 d_4^- – negative deviation from the transportation cost

175 d_5^+ – positive deviation from the warehouse installation costs

176 d_5^- – negative deviation from the warehouse installation costs

177 TL – Turkish lira

178 General goal programming model

$$\min Z = P_1 d_1^+ + P_2 (d_{21}^+ + d_{22}^+ + d_{23}^+ + d_{24}^+ + d_{25}^+ + d_{26}^+ + d_{27}^+ + d_{28}^+ + d_{29}^+) + P_3 d_3^+ + P_4 d_4^+ + P_5 d_5^+ \quad (1)$$

$$\sum_{i=1}^9 d_{i10} x_{i10} - d_1^+ + d_1^- = D \quad (2)$$

$$\sum_{i=1}^9 \sum_{j=1}^9 r_{ii} x_{ij} - d_{2i}^+ + d_{2i}^- = R \quad (3)$$

$$\sum_{i=1}^9 \sum_{j=1}^9 t_{ii} x_{ij} - d_3^+ + d_3^- = T \quad (4)$$

$$\sum_{i=1}^9 \sum_{j=1}^9 c_{ii} x_{ij} - d_4^+ + d_4^- = S \quad (5)$$

$$\sum_{i=1}^9 \sum_{j=1}^9 m_{ii} x_{ij} - d_5^+ + d_5^- = F \quad (6)$$

$$\sum_{i=1}^4 \sum_{j=1}^9 x_{ij} = 1 \quad (7)$$

$$\sum_{i=5}^9 \sum_{j=1}^9 x_{ij} = 1 \quad (8)$$

$$x_{99} = 1 \quad (9)$$

$$x_{ij} = 0 \quad \text{or} \quad 1 \quad i, j = 1, 2, \dots, 9 \quad (10)$$

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Equation (1) minimizes logistics support cost with minimum deviation. Equation (2) provides that distance to Ankara is less than the equal desired distance with minimum deviation. Equation (3) ensures that all alternative warehouse points' risk coefficient is less than the equal desired coefficient with minimum deviation. Equation (4) assumes that support time is less than the equal desired time. Equation (5) aims for minimum deviation from desired transportation cost. Equation (6) provides minimum deviation from desired installation cost. Equation (7) assumes installing only one warehouse in Marmara Region. Equation (8) ensures installing only one warehouse Southeastern in Anatolia Region. Finally, Equation (9) provides only one warehouse in Cyprus. Finally, equation (10) shows the binary values for a decision variable.

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4. Performing the integrated AHP-GP and analyzing the results

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The weights of the selection criteria are determined based on the expert opinions to specify the AHP outputs, the alternatives and criteria are evaluated in the Super Decisions V2.10 program. Then, the GAMS (General Algebraic Modeling System) output of the GP model is obtained [2].

191

This study discusses the problem of location selection of warehouses that will support military vehicle breakdowns at military installations in various geographic locations. The problem is to select the best location for the warehouse among the alternatives. The criteria weights to be found with the AHP are integrated into the GP and the warehouse at the best location is found. This warehouse is to serve seven military installations with minimal deviation from the goals. The approximate locations of the military

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199 installations to which the vehicles are to be delivered are shown in Figure 4 by marking them with
200 different colors on a regional basis.



Figure 4. Vehicle delivery points map

201 The number of vehicles delivered to the regions and the regions' cities are summarized in Table 1.

Table 1. Distribution of the number of vehicles by regions

City	Region	The number of vehicles
Edirne, Kırklareli, Tekirdağ, İstanbul	Marmara	69
Mardin, Şırnak	Eastern Anatolia	76
Cyprus	Cyprus	30
Total number of vehicles		175

202 The number of military vehicles to be delivered for each city can be found in Table 2.

Table 2. The number of military vehicles for each city

City	Edirne	Kırklareli	Tekirdağ	İstanbul	Mardin	Şırnak	Cyprus
No. of vehicles	12	24	30	3	4	72	30

203 4.1. Application of AHP to the problem

204 Some basic steps of the AHP method are as follows.

- 205 • The problem is defined.
- 206 • The criteria and alternatives are established.
- 207 • The hierarchical structure is created.

- 208 • A pairwise comparison matrix is created.
- 209 • The priority vector matrix is created by determining the priority vectors.
- 210 • Consistency calculation is performed.
- 211 • The ranking is created based on the superiority values between the criteria or alternatives.

212 The following stage is the application of the AHP to the problem [21].

213 **Determination of criteria.** There are many criteria in the selection of warehouse location but in this
 214 problem, the criteria, which were determined as the most important (5 criteria) based on past project
 215 experiences, were discussed by the project team members. They are experts in the field of the defence
 216 industry, with at least 5 years of industry experience, senior managers, and military personnel. As a
 217 result of the evaluation made with the decision-makers consisting of the staff and consultants in the
 218 project management group, which consists of the project executive government authority, the company
 219 and the user personnel, 5 criteria were determined:

- 220 • criterion 1 (C1) – distance to Ankara,
- 221 • criterion 2 (C2) – risk coefficient,
- 222 • criterion 3 (C3) – support time,
- 223 • criterion 4 (C4) – transportation cost,
- 224 • criterion 5 (C5) – installation cost.

225 **Comparison of criteria.** The criteria comparison matrix, A , is given in Table 3. It is formed by taking
 226 the geometric mean of the data collected as a result of the brainstorming of the project team members,
 227 consisting of senior managers and military personnel, who are experts in the field of the defence industry,
 228 with at least 5 years of industry experience.

Table 3. Criteria comparison matrix A

Criterion	C1	C2	C3	C4	C5
C1	1.0000	0.7937	0.1529	0.2321	0.2752
C2	1.2599	1.0000	0.1812	0.2924	0.2554
C3	6.5421	5.5178	1.0000	3.5569	6.4633
C4	4.3089	3.4200	0.2811	1.0000	3.5569
C5	3.6342	3.9149	0.1547	0.2811	1.0000

229 **Normalization of the comparison matrix.** In the pairwise comparisons matrix of the criteria created,
 230 each cell value is divided by the sum of the column values it is in, and the proportional values of the
 231 criteria in Table 4 are found.

Table 4. Normalized matrix

Criterion	C1	C2	C3	C4	C5
C1	0.0597	0.0542	0.0864	0.0433	0.0238
C2	0.0752	0.0683	0.1024	0.0545	0.0221
C3	0.3907	0.3767	0.5650	0.6633	0.5596
C4	0.2573	0.2335	0.1588	0.1865	0.3079
C5	0.2170	0.2673	0.0874	0.0524	0.0866

232 **Criterion weight.** The weight values of the criteria calculated from the average of each row are shown
 233 in Table 5.

Table 5. Criterion weight

Criterion	C1	C2	C3	C4	C5
Criterion weight (W_i)	0.0535	0.0645	0.5111	0.2288	0.1421

234 **Calculation of consistency.** In this step, the pairwise comparison matrix of the criteria given in
 235 Table 4 and the values calculated in Table 5 are multiplied as a matrix and the resulting column vector is
 236 divided by the weighting values in Table 5 and the value $(A \times W)/W$ is calculated. $(A \times W)/W$ matrix
 237 is shown Table 6.

Table 6. $(A \times W)/W$ matrix

Criterion	C1	C2	C3	C4	C5
$(A \times W)/W$	5.1429	5.0801	5.7714	5.8088	5.1526

$$CI = \frac{\lambda - n}{n - 1} \quad (11)$$

238 Equation (11) formulates the consistency index. n in the formula stands for the number of criteria,
 239 and λ is the arithmetic mean of the elements of the $(A \times W)/W$ matrix.

240 $CI = ((5.3911) - 5)/4 = 0.0977$ was calculated as.

Table 7. Random consistency index

n	1	2	3	4	5	6	7	8	9	10
RI	0	0	0.58	0.90	1.12	1.24	1.32	1.41	1.45	1.49

241 Since the number of criteria in the problem is 5, the RI value is taken as = 1.12 according to Table 7
 242 which is adapted from Saaty [16]. The consistency ratio (CR) is obtained by dividing the consistency
 243 indicator (CI) by the random index (RI), $CR = 0.0872$. A value less than 0.1 means that the result is
 244 consistent. The results of super decisions can be seen in Figures 5 and 6 and gave the same result as the
 245 Excel solution. The high weights found indicate that it should be in the top rank in the election [2].

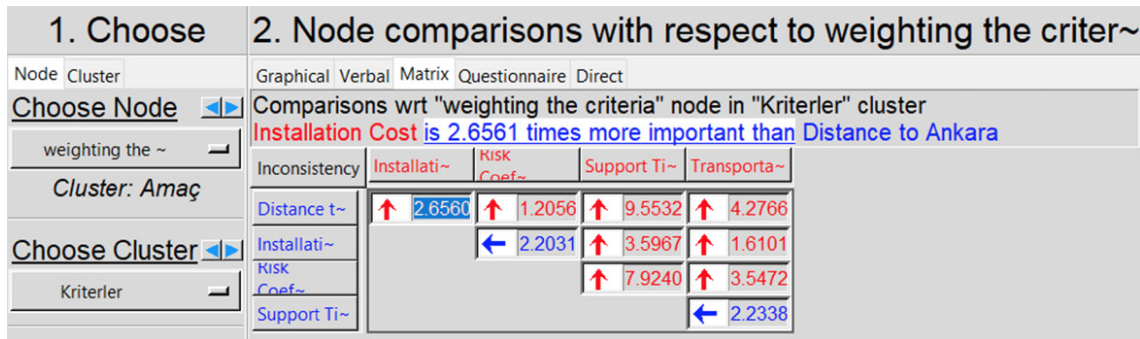


Figure 5. Super decisions weight values

246 The high level of sustainability of the vehicles during the warranty period, low warranty support costs
 247 and minimum support time depend entirely on the fastest and most effective repair of military vehicles.

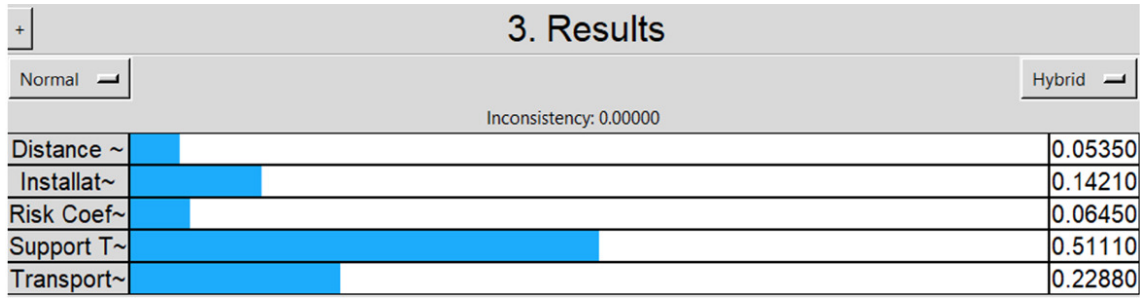


Figure 6. Super decisions criteria weight ranking

248 For this reason, it is an expected result that Criterion 3 (support time) is determined as the most important
 249 criterion.

250 4.2. Open form of the GP model

251 Given all this information, the given mathematical model is explained below in open form in line with
 252 the AHP outputs. The formulation of the GP model based on minimizing objective function deviations
 253 using AHP outputs is presented in (12).

$$\min Z = 0.05d_1^+ + 0.06(d_{21}^+ + d_{22}^+ + d_{23}^+ + d_{24}^+ + d_{25}^+ + d_{26}^+ + d_{27}^+ + d_{28}^+ + d_{29}^+) + 0.51d_3^+ + 0.22d_4^+ + 0.14d_5^+ \quad (12)$$

254 To find the deviations (d_i) in the formula, the GP constraints are included in the next step.

255 **Distance constraint to Ankara.** The company’s production facility is located in Ankara. The total
 256 distance to Ankara must be less than 4800 km. This condition is shown as a formulation

$$\sum_{i=1}^9 d_{i10}x_{i10} \leq 4800 \quad (13)$$

257 **Risk coefficient constraint.** The risk coefficients of the warehouse locations were determined by the
 258 project team considering the geographic location, distance from the military installation, and the security
 259 situation of the city in the study conducted with the project team, as shown in Table 8.

Table 8. Risk coefficient matrix

City	Edirne	Kırklareli	Tekirdağ	Istanbul	Mardin	Şırnak	Cyprus	Siirt	Batman
RI	1.5	1.5	1	1	3	4	1	2	2

260 Formulation of the constraints for the risk coefficients determined by the project team bare as follows:

$$\sum_{j=1}^9 r_{1j}x_{1j} \leq 1.5 \quad (14)$$

$$\sum_{j=1}^9 r_{2j}x_{2j} \leq 1.5 \quad (15)$$

$$\sum_{j=1}^9 r_{3j}x_{3j} \leq 1 \quad (16)$$

$$\sum_{j=1}^9 r_{4j}x_{4j} \leq 1 \quad (17)$$

$$\sum_{j=1}^9 r_{5j}x_{5j} \leq 3 \quad (18)$$

$$\sum_{j=1}^9 r_{6j}x_{6j} \leq 4 \quad (19)$$

$$\sum_{j=1}^9 r_{7j}x_{7j} \leq 2 \quad (20)$$

$$\sum_{j=1}^9 r_{8j}x_{8j} \leq 2 \quad (21)$$

$$\sum_{j=1}^9 r_{9j}x_{9j} \leq 1 \quad (22)$$

261 **Response time constraint.** Constraint that the response time to the military installation responsible
262 for vehicles travelling at 55 km/h from alternate warehouse points is less than 3000 min:

$$\sum_{i=1}^9 \sum_{j=1}^9 t_{ij}x_{ij} \leq 3000 \quad (23)$$

263 **Transportation cost constraint.** Limiting transportation costs to less than 250 000 TL is

$$\sum_{i=1}^9 \sum_{j=1}^9 c_{ij}x_{ij} \leq 250\,000 \quad (24)$$

264 **Warehouse installation cost constraint.** The cost of installation of the warehouse depends on the
265 number of personnel to be sent, which depends on the number of vehicles to be delivered to each military
266 installation. It has been determined as 500 000 TL for Cyprus, 1 500 000 TL for Edirne and Mardin,
267 other cities 1 000 000 TL. Formulation of the constraint that the cost of installation of a warehouse is less
268 than 3 000 000 TL is included in

$$1\,000\,000(1.5x_{11} + x_{22} + x_{33} + x_{44} + 1.5x_{55} + x_{66} + x_{77} + x_{88} + 0.5x_{99}) \leq 3\,000\,000 \quad (25)$$

269 **Constraint of installation of a warehouse in each region.** The cities of the Marmara Region and
270 the Southeastern Anatolia Region are listed in Tables (9) and (10), respectively.

271 The equations to be used for the installation of a warehouse in each region according to the company's
272 policy can be found in the following equations

Table 9. Marmara Region cities

City	Edirne	Kırklareli	Tekirdağ	Istanbul
i_n	i_1	i_2	i_3	i_4

Table 10. Cities of Southeastern Anatolia Region

City	Mardin	Şırnak	Siirt	Batman
i_n	i_1	i_2	i_3	i_4

$$\sum_{i=1}^4 \sum_{j=1}^9 x_{ij} = 1 \quad (26)$$

$$\sum_{i=5}^9 \sum_{j=1}^9 x_{ij} = 1 \quad (27)$$

Constraints (28)–(35) are used to ensure (26).

$$x_{11} \leq M(1 - y_1) \quad (28)$$

$$x_{22} + x_{33} + x_{44} \leq My_1 \quad (29)$$

$$x_{22} \leq M(1 - y_2) \quad (30)$$

$$x_{11} + x_{33} + x_{44} \leq My_2 \quad (31)$$

$$x_{33} \leq M(1 - y_3) \quad (32)$$

$$x_{11} + x_{22} + x_{44} \leq My_3 \quad (33)$$

$$x_{44} \leq M(1 - y_4) \quad (34)$$

$$x_{11} + x_{22} + x_{33} \leq My_4 \quad (35)$$

M is a very big number and y_i is zero-one variable.

Constraints (36)–(43) are used to ensure (27).

$$x_{55} \leq M(1 - y_5) \quad (36)$$

$$x_{66} + x_{77} + x_{88} \leq My_5 \quad (37)$$

$$x_{66} \leq M(1 - y_6) \quad (38)$$

$$x_{55} + x_{77} + x_{88} \leq My_6 \quad (39)$$

$$x_{77} \leq M(1 - y_7) \quad (40)$$

$$x_{55} + x_{66} + x_{88} \leq My_7 \quad (41)$$

$$x_{88} \leq M(1 - y_8) \quad (42)$$

$$x_{55} + x_{66} + x_{77} \leq My_8 \quad (43)$$

291 M is a very big number and y_i is zero-one variable.

$$x_{99} = 1 \quad (44)$$

292 Equation (44) is used for the installation of a separate warehouse in Cyprus.

293 4.3. Solution of the integrated AHP-GP model

294 The GP model was solved using GAMS which is a mathematical modelling language designed particu-
295 larly for formulating and solving a wide variety of optimization problems, including linear programming,
296 nonlinear programming, and integer programming. In solving the integrated AHP-GP model with GAMS,
297 it has been concluded that it is necessary to assign 3 points (these shown in Table 12) that provide the
298 best results among the alternative warehouse points at 9 different geographical locations. Information
299 about this location is shown in Table 11.

Table 11. Information about the assignment of the cities

City	Edirne	Kırklareli	Tekirdağ	Istanbul	Mardin	Şırnak	Siirt	Batman	Cyprus	Ankara
x_i	x_1	x_2	x_3	x_4	x_5	x_6	x_7	x_8	x_9	x_{10}

300 x_{10} is not an alternative but is defined only for the distance constraint to Ankara. x_7 (Batman) and x_8
301 (Siirt) are not delivered vehicles and have been defined as alternative warehouse locations that may affect
302 x_5 and x_6 in terms of safety and proximity.

Table 12. Summary assignment table

Assigned city	Cities to be supported	Description
	x_{21}	support from Kırklareli to Edirne
x_2	x_{22}	install a warehouse in Kırklareli
Kırklareli	x_{23}	support from Kırklareli to Tekirdağ
	x_{24}	support from Kırklareli to Istanbul
	x_{65}	support from Şırnak to Mardin
x_6	x_{66}	install a warehouse in Şırnak
Şırnak	x_{67}	Siirt (not considered because it is only an alternative)
	x_{68}	Batman (not considered because it is only an alternative)
x_9		supporting only vehicles in Cyprus
Cyprus	x_{99}	by install a warehouse in Cyprus

303 As a result, it was evaluated that the installation of warehouses in Kırklareli, Şırnak and Cyprus
304 (summarized in Table 12) is the best result and the company should make this choice with minimum
305 deviation from its goals.

306 4.4. Sensitivity analysis

307 During this phase, two different analyzes were conducted for the sensitivity analysis. Firstly, the effect
308 of the change of criterion weights, obtained in AHP, which are used as an input of the GP model is
309 examined. Secondly, the effect of the change of the right-side value of the criterion with the highest
310 importance (support time) on the GP model was examined.

4.4.1. Changing criterion weights

In this phase, the sensitivity of the applied mathematical model was examined, in order for the decision-maker to receive confirmation of the rationality and quality of the obtained solution, that is to determine how changes in the significance of criteria lead to changes in the ranks of alternatives [19]. The analysis for changing criterion weights is shown in Table 14, which is formed by taking the geometric average of the data collected as a result of the brainstorming of the project team members, consisting of senior managers and military personnel, who are experts in the field of the defence industry, with at least 5 years of industry experience. The proportional value matrix of changing criteria is shown in Table 13.

Table 13. Normalized matrix for sensitivity analysis

Criterion	C1	C2	C3	C4	C5
C1	0.0708	0.0606	0.0885	0.0559	0.0309
C2	0.2037	0.1742	0.2260	0.1188	0.0652
C3	0.3897	0.3754	0.4869	0.6269	0.3899
C4	0.2286	0.2646	0.1401	0.1804	0.4671
C5	0.1072	0.1253	0.0585	0.0181	0.0469

Table 14. Changing criterion weights

Criterion	C1	C2	C3	C4	C5
Criterion weight (W_i)	0.0309	0.0652	0.3899	0.4671	0.0469

Table 15. Summary assignment table after changing significance of criteria

Assigned city	Cities to be supported	Description
Istanbul	x_{41}	support from Istanbul to Edirne
	x_{42}	support from Istanbul to Kırklareli
	x_{43}	support from Istanbul to Tekirdağ
	x_{44}	install a warehouse in Istanbul
Batman	x_{85}	support from Batman to Mardin
	x_{86}	support from Batman to Şırnak
	x_{87}	Siirt (it is only an alternative)
	x_{88}	Batman (it is only an alternative)
Cyprus	x_{99}	supporting only vehicles in Cyprus by install a warehouse in Cyprus

When the GAMS model was run as a result of the sensitivity analysis with changed criterion weights, it was evaluated that the installation of warehouses in Istanbul, Batman and Cyprus (Table 15) is the best result and the company should make this choice with minimum deviation from its goals.

4.4.2. Changing right side value of the most important criteria

According to the contract, support time which is the most important criterion, is less than 3000 min, as was shown in equation (23). If this time was less than 4500 min shown in equation (45), the city information would be as follows

$$\sum_{i=1}^9 \sum_{j=1}^9 t_{ij} x_{ij} = 4500 \quad (45)$$

Table 16. Summary assignment table after changing right side value of most important criteria

Assigned city	Cities to be supported	Description
x_4 Istanbul	x_{41}	support from Istanbul to Edirne
	x_{42}	support from Istanbul to Kırklareli
	x_{43}	support from Istanbul to Tekirdağ
	x_{44}	install a warehouse in Istanbul
x_8 Batman	x_{85}	support from Batman to Mardin
	x_{86}	support from Batman to Şırnak
	x_{87}	Siirt (it is only an alternative)
	x_{88}	Batman (it is only an alternative)
x_9 Cyprus	x_{99}	supporting only vehicles in Cyprus by install a warehouse in Cyprus

326 When the GAMS model is run as a result of the sensitivity analysis with changing response time
 327 constraints shows that; the installation of warehouses in Istanbul, Batman and Cyprus (Table 16) is the
 328 best result and the company should make this choice with minimum deviation from its goals. In the case
 329 of a 50% increase in response time, the optimal assignment warehouse points change.

330 5. Conclusion

331 In today's cost-efficient environment, profitability is improved thanks to warehouses with increased flexi-
 332 bility, a simplified supply chain with cost management, and optimal positioning according to intervention
 333 points instead of bulky warehouse concepts. For this reason, this study was conducted to make an effec-
 334 tive decision and increase profitability in a real problem of projects signed in the defence industry.

335 The purpose of this study was to develop a solution for the selection of warehouse locations for the
 336 defence industry company and to select the best warehouse/s based on this proposed solution. Five
 337 criteria, specifically selected for the defence industry project, were analyzed using AHP and then the best
 338 solution was determined using the GP.

339 Evaluated using AHP: as a result of comparing and ranking the weights of distance to Ankara, risk co-
 340 efficient, response time, transportation cost, and establishment cost criteria; support time was determined
 341 as the most important criterion. The effective use of the systems/subsystems/components included in
 342 the inventory in the defence industry projects is ensured only to the extent of their sustainability. The
 343 highest level of sustainability during the warranty period also depends on the company intervening in the
 344 product in the inventory as soon as possible and eliminating the malfunction as quickly and effectively
 345 as possible. In accordance with all this information, it is expected result that the criterion of support
 346 time is determined as the most important criterion. On the other hand, the criterion of transportation cost
 347 ranks second in importance. Since the defence industry is a sector that has recently gained importance,
 348 more efficient use of national resources is important for both the project implementing company and the
 349 government agency. In addition, transportation costs are associated with disadvantages, such as traffic,
 350 loss of labour, and carbon emissions. The installation cost criterion ranks third and is followed by the
 351 risk factor. Finally, distance to Ankara is ranked as the lowest criterion.

352 Apart from the cities where the vehicle is to be delivered, Siirt and Batman in the Southeastern Ana-
 353 tolia Region were selected as alternatives because they are close to the provinces to be delivered in this
 354 region and are more advantageous in terms of security. In accordance with the company's business rules,

the conditions for delivery in each region, the distance information, the risk analysis study, and the distance to Ankara, the central facility, were used as inputs for GP. GP constraints have been solved using GAMS and it was determined that opening warehouses in Kırklareli, Şırnak, and the Turkish Republic of Northern Cyprus (Cyprus) is the best result and that the company should make this choice with the least deviation from its goals. In addition, with the help of sensitivity analysis, the effects of change in criterion weights and increase in a certain amount in response time, as a most important criterion, were also observed in the overall decision.

As a result, while we found an optimal solution to a real-life problem, we also proposed a solution strategy that will be a basis for further projects in the defence industry.

Standard warehouse size and standard warehouse opening costs were used in this study. As further directions, a solution with variable warehouse size and thus variable costs, etc., with a different number of vehicles and the province's conditions to be opened can be considered. Besides, other MCDM techniques can be used alternatively for future studies.

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