O_i and W_i are the number of workers in i
E_j is the number of jobs in j
d_{ij} is the distance between i and j
superscript r is remains
superscript i and e are internal and external repsectively

Step 1

Is $W_i < E_i$?

$T_i^i = W_i \times Y_{ii}$
$W_i^r = 0$
$E_i^r = E_i - W_i$

$T_i^i = E_i \times Y_{ii}$
$W_i^r = W_i - E_i$
$E_i^r = 0$

Store T_i^i as an internal cost

Step 2

Select the first zone i

Arrange zone j $(i \neq j)$ by d_{ij}
from shortest to longest

Is $W_i^r \leq E_j^r$?

Yes

No

$T_i^e = W_i^r \times d_{ij}$
$W_i^r = 0$

$W_i^r = W_i^r - E_j^r$
$T_i^e = E_j^r \times {d_{ij}}^r$

Store the calculated T_i^e

Select the next zone j in the list

$LMC_i = \dfrac{T_i^i + T_i^e}{O_i}$

Select the next zone i in the list

Is $W_i^r = 0$?   No

Yes

Is i the last zone?

No

Finish the algorithm