**AO23 Assignment- Social and Economic Value**

**Homeless Shelter**

**Group L: Portifize**

1. **Economic Impact**

Provide a detailed description of your system elements defined as start-up costs. Define a list of items contributing to operating and maintenance expenses. Describe all forms of potential revenue, including possible subsidies required for socially focused solutions.

There are three main categories of costs when it comes to manufacturing and selling our product. For startup costs, we have to **rent a factory space** in which we have enough space to assemble our product. In addition, we have to **buy the materials** to create our initial prototype. This is going to be fairly expensive since buying singular materials is going to be much more costly than buying materials in bulk once we get up and running. Once we do get running, there are many more costs that go into **maintaining our ongoing operating costs**. We have to pay **manual laborers** and **invest in machines to assemble the product** as well as **pay ourselves**. We also will have to dedicate money towards **advertising** and pay a little more all around to ensure that our product and marketing is effective and quality. In addition, we are considering purchasing a **patent** for our product in the future, which can be a long and expensive process. **Our main source of revenue will come from user fees and donations**. We are planning on pricing our product in such a way that will allow us to make profit even with our donation of a free product to homeless people. We may only break even or even lose money to start, but once we can start buying things in bulk, our production cost will decrease exponentially and we can eventually start making profit. In addition, because our product directly supports a good cause, we can ask for donations to fund our donations.

1. **Social Impact**

Provide a detailed description of potential social impacts realized as a result of implementing your solution with consideration of the special needs of various populations.

Due to the humanitarian nature of our product, there is great opportunity for social impact. Most obviously, our tents will fulfill a pressing need in our community and in the United States as a whole: the need for portable shelter amongst the homeless. Our product will provide homeless people with greater access to shelter, protection from cold and sickness, personal space and privacy, and transportation due to the portable nature of our product. Though it is far less important, the aesthetic aspect of our product will also beautify cities and make communities more welcoming to homeless people. The manufacturing of our product also provides ample job opportunities. We will need manual laborers to assemble our product and engineers to operate and maintain the machinery needed to assemble our product. As our company continues to grow and expand, more workers, managers, and engineers will be needed to ensure the company runs smoothly, creating more and more jobs with time. In addition, advertising is a critical part of promoting company growth. We will need to hire marketing experts, graphic designers, film companies, and countless other people and organizations to create advertisements for our product. In addition, we will also need drivers to transport our products to and from stores, and out into the community to homeless people.

| **COSTS** | **COSTS** | **VALUES** |
| --- | --- | --- |
| **Startup costs** | **$$** |  |
| Factory space | $$ |  |
| Creation of initial prototype | $$ |  |
| **Ongoing/operation costs** | **$$$$** |  |
| Manual labor | $$$ |  |
| Machines | $$$ |  |
| Raw materials | $ |  |
| Advertising | $$ |  |
| Patent | $$$ |  |
| Quality assurance | $ |  |
| **VALUES** | **COSTS** | **VALUES** |
| **Income** |  | **$$** |
| User fees |  | $$$ |
| Donations |  | $ |
| **Social Value** |  | **\*\*\*** |
| Job opportunity |  | \*\*\* |
| Support homeless community |  | \*\*\*\* |
| Urban beautification |  | \*\* |

This Chart represents the magnitude of projected cots. Each dollar sign specifies a certain monetary value. For example, for costs if there is only one dollar sign present, then it has a relatively lower cost when compared to a category with three dollar signs. A similar system of identification was also represented for Social Value but with asterisks.

**Appendix:**

| **A23 Assignment** | | | |
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| **Project Manager for Assignment** | | | |
| Ella Wulforst | | | |
| **Deputy Manager for Assignment** | | | |
| Leah Norton | | | |
| **Drafted Assignment** | **Reviewed Assignment** | **Revised Assignment** | **Proofread Assignment** |
| Ella Wulforst | Leah Norton | Ashwin Rajkumar | Avi Popat |
| **Created Figures** | | **Created Tables** | |
| Ella Wulforst | | Ashwin Rajkumar | |
| **Other Contributions** | | | |
| N/A | | | |
| **Problems Overcome** | | | |
| N/A | | | |