**The report must contain the following:**

**FEASIBILITY STUDY**

**Collection of the data will be done through:**

1. *questionnaires or interviews (semi-structured).*
2. *Any other kind of documents from the firm.*

**Operational**

1. Are any kind of possible employee resistance against the proposed project?
2. Is the proposed idea (website solution) easy or difficult for anybody in the firm?
3. How is the proposed idea compared to the existing IS strategy in the firm?
4. Are there any impact on existing processes or organizational structure?

**Technical**

1. Do the firm have the sufficient skilled employees?
2. Do the firm have the required computer architecture due to system performance?
3. How is the project size & complexity?
4. See my slides PP slide 8-10 (second teaching session – Feasibility Study)

**Economic**

1. = cost/benefit analysis
2. Consider using ‘Time Value of Money’ where all future amounts of money are converted to present values (see slide 22) – find out what the rate of return is.
3. Calculate NPV (see slides from day 4 – slide 3-10) and create yearly NPV cash flow if possible
4. From here find the point of breakeven – when will the firm earn money after implementing the proposed project?

For you – taken the limited time for the Case Project – maybe the Time could be the biggest issue for implementing the desired IT solution to Moterhome firm.

But assess all the above studies areas and choose!

If you decide to choose the Economic Feasibility Study – then you have to estimate the entire project costs. Do that from plausible assumptions (e.g., coding will need 500 hours á 400 DKK/hour etc.). From there you could have opportunity to find the break even for the project (NPV – calculations) PV costs against PV benefits, see the above-mentioned PP slides from day 3 and day 4.

**Risk analysis**

**Triangle of Constraints**

1. If the time is limited, we have either to decrease the project scope or increase the resources.
2. In the same **Project Scope** way – if the project scope is increased then we can increase the time or resources or increase both of them.
3. But in your situation – the case has to be delivered at a fixt date in June – find out any risks from scope triangle

**Risk Analysis**

1. What is the probability of the event and what is consequences (=loss ~ extra project costs)?
2. List all your risks in a spread sheet and calculate the risks = probability \* loss
3. Prioritize all risks starting with the highest risks

**Risk Mitigation**

1. How to avoid those risks – either it is possible to avoid them or maybe it is only possible to minimize the loss, which means that the risk exposure (level) will be reduced (by reducing the likelihood of the event

**Risk Monitoring**

1. Make a plan for ongoing monitoring all risks in the project

**Risk Management**

1. What can you do to reduce the overall risks in the project – e.g., contingency planning

See the PP materiel at Fronter for further information!

**Make a Risk Matrix and map the different kind of risk you have seen!**

**SWOT analysis for the company**

**Start with PESTEL analysis (NOT a MUST – but when you have plenty of time, it is a good idea)**

1. **P ~Political:** tax policies, trade policies, government changes, conflicts in the political area, changes in business restrictions, political stability or instability, etc.
2. **E ~ Economic:** interest rates, trade rates, inflation rates (= price index adjustments), disposable income, foreign exchange rates, gross domestic product, unemployment rates, levels of disposable income, the general economic growth or decline, etc.
3. **S ~ Social:** population size and density, age and race, major world events, cultural conditions such as attitudes to:
   1. obesity, politics, religion, view of women, superstition, educational level, etc.
4. **T ~ Technological:** technological development, research and development, associated technologies, patents, licensing, information technology (IT), increasing automation (both software and hardware robotics), improvements in the service industry, technological rate of change, communication in the country, etc.
5. **E ~ Ecological/Environmental:** natural disasters, pollution levels, weather patterns, ecology, the attitudes of employees, leadership style, consumer values, etc. (this dimension mostly used in truism & agriculture industry)
6. **L ~ Legal:** the employment law (beskæftigelsesloven), the Health and Safety law, the Discrimination law, the Consumer law, Employment law, consumer protection, competition rules, environmental regulations and etc.

**SWOT analysis**

1. **S ~ Strength:** Organizational ability that gives an advantage over the competitors, Positive tangible (= measurable) and intangible (= subjectively ~ not measurable=) qualities, internal to an organization. Beneficial aspects of the organization or organization's capabilities ~ process capacity, financial resources, products and services, goodwill and brand loyalty, etc.

Examples: Large amounts of financial resources, recognized 'brand', economies of scale, lower costs, superior management talent, etc.

1. **W ~ Weakness:** Conditions in the company that are a disadvantage in terms of competitive advantages, impairs (=reduces) the organization's ability to achieve core goals and increase growth, Factors that do not meet the minimum requirements in terms of competitiveness must either be minimized or eliminated, etc.

Examples: Limited financial resources, minimal R&D, narrow product line, high turnover, outdated products/technology, limited management skills, unskilled employees, etc.

1. **O ~ Opportunities:** Opportunities to increase profits. External attractive factors are the reason for an organizational existence, Opportunities are when an organization can benefit to its advantage through strategies that increase profit for the company, in general, organizations should be careful and able to recognize opportunities and then seize them when they arise, etc.

Examples: Rapid market growth, change in customer needs / tastes, new uses of product discovered, economic boom, public regulation, sales decline for substitute, etc.

1. **T ~ Threats:** External factors (beyond organizational control) that cause challenges for the company, occurs when external factors endanger the stability and profitability of the company, Vulnerability increases when the threats relate to the weaknesses of the organization, etc.

Examples: New market entrants, introduction of new substitute products, product life cycle is declining, changing customer needs/tastes, competing companies follow new strategies, increased public regulation, economic downturn, etc.

**In Practice - - SWOT analysis in groups:**

1. Find out what the purpose is for your SWOT analysis
2. Find out how you can collect the desired information for the analysis
3. Create a true trust in the group – so that every group member has the courage to give his idea without being afraid of being called stupid or anything (creation of safe space)
4. List all strengths, weaknesses, opportunities, and threats!
5. Assess all those inputs compared to the objectives of the analysis (categorize facts and ideas in relation to the goals)

**You are welcome to extract four strategies for the firm through TOWS analysis**

**It is all about combining the four dimensions from SWOT analysis:**

**Strategy 1: Maxi-Maxi ~ combining Strengths & Opportunities (SO strategy)**

* SO, stands for combination of strengths and opportunities.
* Utilize max strengths to get max benefits from the possibilities
* Utilize strengths to maximize opportunities = Attack strategy!

**Strategy 2: Maxi-Mini ~ combining Strengths & Threats (ST strategy)**

* ST stands for strengths and threats
* Maximum utilization of organizational strengths to minimize threats
* Utilize strengths to minimize threats = Defensive strategy!

**Strategy 3: Mini-Maxi ~ combining Weaknesses & Opportunities (WO strategy)**

* WO stands for weaknesses and opportunities
* Minimizing weaknesses by making optimal use of opportunities
* Address weaknesses by taking advantage of opportunities = Build strength for attack strategy!

**Strategy 4: Mini-Mini ~ combining Weaknesses & Threats (WT strategy)**

* Stands for weaknesses and threats
* The organization tries to minimize the impact of both weaknesses and threats
* Minimize weaknesses and threats = Build strengths for defensive strategy

**Stakeholder analysis**

**Who are the stakeholders?**

1. Any person or organisation who can be positively or negatively impacted by, or cause an impact on the actions of a company!
2. Owners, stockholders & investors
3. Banks and creditors
4. Partners & suppliers
5. Buyers, customers & prospects
6. Management
7. Employees, unions, works councils
8. Competitors Government & regulators: local, national, international
9. Professional and industry associations
10. Media: local, national, trade, financial
11. NGOs
12. Communities & other interest groups

**Meeting the stakeholders needs:**

1. Where does your organisation create stakeholder value?
2. How can you do that better?
3. Can you eliminate or reduce focus on processes which do not add stakeholder value?
4. How do you communicate with stakeholders?
5. Do your communications encourage stakeholder exchange?
6. Do you communicate the stakeholder value?

**Categorizing stakeholders:**

Internal and External Stakeholders

1. Within the organisation: e.g., employees & management
2. Outside the organisation: e.g., government & trade associations

Primary, Secondary & Key Stakeholders

1. Directly affected: e.g., employees & stockholders
2. Indirectly affected: e.g., government & media
3. Most significantly affected: those with the most influence from either group

**The Stakeholder Analysis process:**

1. Identify all stakeholders (Brainstorming)
2. Identify stakeholder needs & interests
3. Classify groups of interests (Stakeholder Mapping)
4. Identify areas of conflict: Organisation vs Stakeholder, Stakeholder vs Stakeholder
5. Prioritize, reconcile and balance stakeholders
6. Align significant stakeholder needs with organization’s strategies and actions

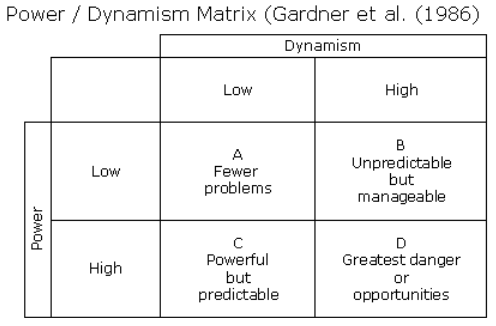
**The Stakeholder Analysis Matrix:**

1. Column 1: Stakeholder
2. Column 2: Stakeholder Interest
3. Column 3: Assessment of Impact on the project implementation
4. Column 4: Potential Strategies to reduce or eliminate the negative impact on the project

**In PRACTICE:**

**Power/Dynamism Matrix:**

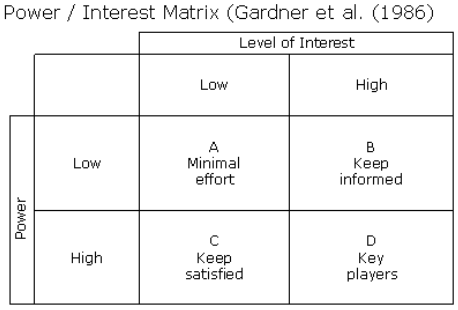
1. Map all your stakeholder related to the firm in the case in the below Matrix



1. Stakeholders in group A & B: Are the easiest to deal with.
2. Stakeholders in group C: Are important because they are powerful. But low dynamism means their reaction is predictable and expectations can be managed in that way!
3. Stakeholder in group D: Need most management attention because they are powerful and reaction is difficult to predict. May need to ‘trial’ new strategies with them!

**Power/Interest Matrix:**

1. Map all your stakeholder related to the firm in the case in the below Matrix



1. Stakeholders in group A: Need only minimum effort a monitoring!
2. Stakeholders in group B: Should be kept informed as they may be able to influence more powerful stakeholders
3. Stakeholder in group C: Are powerful, but level of interest is low. Generally expected to be passive, but may move into group D on an issue of particular interest
4. Stakeholder in group D: Are both powerful and interested. Their co-operation is of key importance for new strategies