# Chapter 2: Analysis

**Feasibility study:** A feasibility study evaluates the project’s potential for success; therefore, perceived objectivity is an important factor in the credibility of the study for potential investors and lending institutions. There are five types of feasibility study—separate areas that a feasibility study examines, described below.

**1.** **Technical Feasibility -**this assessment focuses on the technical resources available to the organization. It helps organizations determine whether the technical resources meet capacity and whether the technical team is capable of converting the ideas into working systems. Technical feasibility also involves evaluation of the hardware, software, and other technology requirements of the proposed system. As an exaggerated example, an organization wouldn’t want to try to put Star Trek’s transporters in their building—currently, this project is not technically feasible.

**Economic Feasibility -**this assessment typically involves a cost/ benefits analysis of the project, helping organizations determine the viability, cost, and benefits associated with a project before financial resources are allocated. It also serves as an independent project assessment and enhances project credibility—helping decision makers determine the positive economic benefits to the organization that the proposed project will provide.