Introduction to Entrepreneurship and Innovation

Leila Rawashdeh

Spring (Second) Semester 2022/2023

CHAPTER 3

Feasibility Analysis

Reminders

- **Attend lectures**
- **Study slides while concentrating on things that were said in lecture**
- **It is not enough to study slides alone without hearing lectures at least once**
- **Make sure to recognize all main concepts and know the difference between things that look similar**
- **Ask about things that you don't clearly understand… *I am here to help***
- ***I take attendance… make sure not to be absent more than 7 lectures …. Otherwise you will not be able o attend final exam***
- **30 points are for working on project**
- **Project is worked in groups but points are given individually… you will lose points if you didn't contribute to the team work and you will lose points if you didn't submit your work individually**

What Is Feasibility Analysis?

Feasibility Analysis

- Feasibility analysis is the process of determining whether a business idea is viable.
- It is the preliminary evaluation of a business idea, conducted for the purpose of determining whether the idea is worth pursuing.

Benefits of Feasibility Analysis

- Benefits of Feasibility analysis:
  - to avoid blinding an entrepreneur to risks which results in too positive of a plan.
  - allows for the idea to be revised, altered, and changed, and thus helps in shaping the idea.

https://secrj-ojs-shsu.tdl.org/secrj/article/view/140

Feasibility analysis helps in decreasing possibility of startup failure

When to Conduct a Feasibility Analysis

Timing of Feasibility Analysis

- The proper time to conduct a feasibility analysis is early in thinking through the prospects for a new business.
- The thought is to screen ideas before a lot of resources are spent on them.

Proposed business venture
Spending the time and resources necessary to move forward with the business idea depends on . . .
Product/service feasibility
Industry/ Target Market feasibility
Organizational feasibility
Financial feasibility
Yes in all four areas
No in one or more areas
Proceed with business plan
Drop or rethink business idea

Outline for a Comprehensive Feasibility Analysis

Part 1: Product/Service Feasibility

A. Product/service desirability

B. Product/service demand

Part 2: Industry/Target Market Feasibility

A. Industry attractiveness

B. Target market attractiveness

Part 3: Organizational Feasibility

A. Management prowess

B. Resource sufficiency

Part 4: Financial Feasibility

A. Total start-up cash needed

B. Financial performance of similar businesses

C. Overall financial attractiveness of the proposed venture

Overall Assessment

Part 1: Product/Service Feasibility Analysis

General Purpose of Product/Service Feasibility Analysis

- Is an assessment of the overall appeal of the product or service being proposed.
- Before a prospective firm rushes a new product or service into development, it should be sure that the product or service is what prospective customers want.

Example for a business idea to be assessed

Introduction:

Bread is a staple food prepared by baking dough of flour and water. It is popular around the world and is one of the world's oldest foods the ware created ages ago to supply the huger of man. With a twist turning plain bread into a healthier and much more beneficial to consumers is what is more convenient.

Part 1: Product/Service Feasibility Analysis

Components of product/service feasibility analysis

A. Product/Service Desirability

B. Product/Service Demand

Part 1: Product/Service Feasibility Analysis

A. Product/Service Desirability

First, ask the following questions to determine the basic appeal of the product or service.

- Does it make sense? Is it reasonable? Is it something consumers will get excited about?
- Does it take advantage of an environmental trend, solve a problem, or take advantage of a gap in the marketplace?
- Is this a good time to introduce the product or service to the market?
- Are there any fatal flaws in the product or service's basic design or concept?

Part 1: Product/Service Feasibility Analysis

A. Product/Service Desirability

Second, Administer a Concept Test

- A concept statement should be developed.
- A concept statement is a one-page description of a product or service idea that is distributed to people who are asked to provide feedback on the potential of the idea.

The feedback will hopefully provide the entrepreneur:

- *A sense of the viability* of the product or service idea.
- *Suggestions* for how the idea can be strengthened or "tweaked" before proceeding further.

Concept Test Example: "Doggy Fresh Breath"

Doggy Fresh Breath is a revolutionary new way to maintain your dog's oral hygiene without spending hundreds of dollars on veterinary bills. Simply spray Doggy Fresh Breath on your dog's teeth once a day. Doggy Fresh Breath helps to reduce harmful bacteria that build up plaque and cause tooth decay. All this, plus fresh breath!

Doggy Fresh Breath will:

- Enhance your dog's health
- Reduce your veterinary bills
- Improve the smell of your dog's breath

Please indicate what you would be willing to pay for a bottle of "Doggy Fresh Breath":

- o $4.99 or Less
- o $5.00 to $7.49
- o $7.50 to $9.99
- o $10.00 or More
- o I would not buy this product

Part 1: Product/Service Feasibility Analysis

A description of the **product or service, details** of features; may include a sketch of it as well.

The intended target market lists the **consumers** or businesses who are expected to buy the product or service.

The **benefits** of the product or service, and includes an account of how the product or service adds **value** and/or solves a problem.

New Business Concept
New Venture Fitness Drinks Inc.

Product

New Venture Fitness Drinks will sell delicious, nutrition-filled, all-natural fitness drinks to thirsty sports enthusiasts. The drinks will be sold through small storefronts (600 sq. ft.) that will be the same size as popular smoothie restaurants. The drinks were formulated by Dr. William Peters, a world-renowned nutritionist, and Dr. Michelle Smith, a sports medicine specialist, on behalf of New Venture Fitness Drinks and its customers.

Target Market

In the first three years of operation, New Venture Fitness Drinks plans to open three or four restaurants. They will all be located near large sports complexes that contain soccer fields and softball diamonds. The target market is sports enthusiasts.

Why New Venture Fitness Drinks?

The industry for sports drinks continues to grow. New Venture Fitness Drinks will introduce exciting new sports drinks that will be priced between $1.50 and $2.50 per 16-ounce serving. Energy bars and other over-the-counter sports snacks will also be sold.
Each restaurant will contain comfortable tables and chairs (both inside and outside) where sports enthusiasts can congregate after a game. The atmosphere will be fun, cheerful, and uplifting.

Part 1: Product/Service Feasibility Analysis

A description of how the product or service will be **positioned relative to competitors**.

A brief description of the company's management **team**.

Special Feature—No Other Restaurant Does This

As a special feature, New Venture Fitness Drinks will videotape select sporting events that take place in the sports complexes nearest its restaurants and will replay highlights of the games on video monitors in their restaurants. The "highlight" film will be a 30-minute film that will play continuously from the previous day's sporting events. This special feature will allow sports enthusiasts, from kids playing soccer to adults in softball leagues, to drop in and see themselves and their teammates on television.

Management Team

New Venture Fitness Drink is led by its cofounders, Jack Petty and Peggy Wills. Jack has 16 years of experience with a national restaurant chain, and Peggy is a certified public accountant with seven years of experience at a Big 4 accounting firm.

Some entrepreneurs talk through their ideas with people.
The ideal combination is to do both

TABLE 3.2 SHORT SURVEY TO ATTACH TO THE CONCEPT STATEMENT

1. List three things you like about the product or service idea described in this statement.
2. Provide three suggestions for making the idea better.
3. Do you think the idea is feasible (i.e., is a realistic or viable business idea)?
4. Provide any additional comments or suggestions you think might be helpful (including red flags).

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

- **Step 1:** Talking Face-to-Face with Potential Customers
- **Step 2:** Using Online Tools
- **Step 3:** Library, Internet and Gumshoe Research

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 1: Talking Face-to-Face with Potential Customers

- The only way to know if your product or service is what people want is by talking to them.
- The idea is to gauge customer reaction to the general concept of what you want to sell, and then tweak, revise, and improve on the idea based on the feedback.
- In some cases, talking with potential customers will cause an entrepreneur to abandon an idea.
  - Entrepreneurs are often surprised to find that a product idea they think solves a problem gets lukewarm reception when they talk to actual customers.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 2: Utilizing Online Tools

- The second way to assess demand is to utilize online tools to gauge reaction from potential customers.
- Online tools include the following:
  - Administrating surveys
  - Querying Q&A sites
  - Utilizing Google Trends
  - Purchasing Google AdWords to direct users to landing pages to see how many people request additional information.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 2: Utilizing Online Tools

- The second way to assess demand is to utilize online tools to gauge reaction from potential customers.
- Online tools include the following:
  - Administrating surveys and Querying Q&A sites
  - Utilizing Google Trends
  - Purchasing Google AdWords to direct users to landing pages to see how many people request additional information.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 2: Utilizing Online Tools

A. Surveys and Q&A Sites

- Surveys can be generated and easily administered via web sites like Survey Monkey.
- Surveys are most effective in validating what you've learned from face-to-face interviews rather than collecting initial data.
- Q&A Sites, such as Quora and Bright Journey, can be helpful in assessing product demand.
- You might pose a question on a Q&A site such as "Does Chicago need better food delivery services?" The responses may provide insight about demand for food delivery services in Chicago.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 2: Utilizing Online Tools

B. Google Trends

- Allows you to enter a search term (such as skiing or running) to see if the term is trending upwards or downwards in Google search queries.
- An upward trajectory may indicate strong consumer interest, while a downward trajectory may indicate that consumer interest is waning.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 2: Utilizing Online Tools

C. Google AdWords Coupled With Landing Pages

- Some entrepreneurs buy text ads on search engines that show up when a user is searching for a product that is close to their idea.
- If the searcher clicks on the text ad, they are taken to a landing page that describes the idea.
- There may be a link on the landing page that says “For future updates please enter your e-mail address.” Demand for the idea can be assessed by how many people click on the text ad and enter their e-mail address.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 3: Library, Internet and Gumshoe Research

- The third way to assess the demand for a product or service idea is to conduct library, Internet, and gumshoe research.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 3: Library, Internet and Gumshoe Research

Library Research

- Library research provides access to archival data, which can provide useful information.
- For example, if one were thinking about starting a company to sell educational toys, archival research may answer question such as:
  - What is the trajectory of the toy industry?
  - What do industry experts say are the most important factors that parents consider when buying toys?
  - Is there a trade association for the makers of educational toys that can provide additional information?

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 3: Library, Internet and Gumshoe Research

Internet Research

- Finding online resources to utilize.
  - For example, IBISWorld, which is available for free through most university libraries, provides current industry reports on hundreds of industries.
- More general Internet research is also helpful.
  - Simply typing a query into Google such as “market demand for educational toys” will often produce helpful articles and industry reports.

Part 1: Product/Service Feasibility Analysis

B. Product/Service Demand

There are three steps to assessing product/service demand.

Step 3: Library, Internet and Gumshoe Research

Gumshoe Research

- Simple gumshoe research is also important for gaining a sense of the likely demand for a product or service idea.
- A gumshoe is a detective or an investigator that scrounges around for information or clues wherever they can be found.
- Don’t be bashful. Ask people what they think about your product or service idea. If your idea is to sell educational toys, spend a week volunteering at a day care center and watch how children interact with toys. Take the owner of a toy store to lunch and discuss your ideas.

Part 1: Strength of Business Idea

For each item, circle the most appropriate answer and make note of the (−1), (0), or (+1) score.

	Low Potential (−1)	Moderate Potential (0)	High Potential (+1)
1. Extent to which the idea: • Takes advantage of an environmental trend • Solves a problem • Addresses an unfilled gap in the marketplace	Weak	Moderate	Strong
2. Timeliness of entry to market	Not timely	Moderately timely	Very timely
3. Extent to which the idea "adds value" for its buyer or end user	Low	Medium	High
4. Extent to which the customer is satisfied by competing products that are already available	Very satisfied	Moderately satisfied	Not very satisfied or ambivalent
5. Degree to which the idea requires customers to change their basic practices or behaviors	Substantial changes required	Moderate changes required	Small to no changes required

Part 2: Industry/Target Market Feasibility Analysis

General Purpose of industry/target analysis

- Is an assessment of the overall appeal of the industry and the target market for the proposed business.
- An industry *is a group of firms producing a similar product or service.*
- A firm's target market *is the limited portion of the industry it plans to go after.*

https://youtu.be/h6CjFANpBW8

Part 2: Industry/Target Market Feasibility Analysis

Components of industry/target market feasibility analysis

1. Industry Attractiveness
2. Target Market Attractiveness

Part 2: Industry/Target Market Feasibility Analysis

Components of industry/target market feasibility analysis

1. Industry Attractiveness

Industries vary in terms of their overall attractiveness.

In general, the most attractive industries have the characteristics depicted on the next slide.

Particularly important—the degree to which environmental and business trends are moving in favor rather than against the industry.

Part 2: Industry/Target Market Feasibility Analysis

Components of industry/target market feasibility analysis

1. Industry Attractiveness

Characteristics of Attractive Industries

- Are young rather than old.
- Are early rather than late in their life cycle.
- Are fragmented rather than concentrated.
- Are growing rather than shrinking.
- Are selling products and services that customers "must have" rather than "want to have."
- Are not crowded.
- Have high rather than low operating margins.
- Are not highly dependent on the historically low price of a key raw material, like gasoline or flour, to remain profitable

Part 2: Industry/Target Market Feasibility Analysis

Components of industry/target market feasibility analysis

2. Target Market Attractiveness

- The challenge in identifying an attractive target market is to find a market that's large enough for the proposed business but is yet small enough to avoid attracting larger competitors.
- Assessing the attractiveness of a target market is tougher than assessing the attractiveness of an entire industry.
- Often, considerable ingenuity must be employed to find information to assess the attractiveness of a specific target market.

Part 2: Industry-Related Issues

	Low Potential (−1)	Moderate Potential (0)	High Potential (+1)
1. Number of competitors	Many	Few	None
2. Stage of industry life cycle	Maturity phase or decline phase	Growth phase	Emergence phase
3. Growth rate of industry	Little or no growth	Moderate growth	Strong growth
4. Importance of industry's products and/or services to customers	"Ambivalent"	"Would like to have"	"Must have"
5. Industry operating margins	Low	Moderate	High

Part 3: Target Market and Customer-Related Issues

	Low Potential (−1)	Moderate Potential (0)	High Potential (+1)
1. Identification of target market for the proposed new venture	Difficult to identify	May be able to identify	Identified
2. Ability to create "barriers to entry" for potential competitors	Unable to create	May or may not be able to create	Can create
3. Purchasing power of customers	Low	Moderate	High
4. Ease of making customers aware of the new product or service	Low	Moderate	High
5. Growth potential of target market	Low	Moderate	High

Part 3: Organizational Feasibility Analysis

General Purpose of organizational Feasibility Analysis

- Is conducted to determine whether a proposed business has sufficient management expertise, organizational competence, and resources to successfully launch a business.
- Focuses on non-financial resources (financial resources are considered later)

https://www.youtube.com/watch?v=rtj_zTFD7IU

POSITION TITLE: Name of the position required in the company
POSITION DESCRIPTION: Description of the main activities the employee will manage in the company
POSITION KEY ROLE IN THE COMPANY: explanation of why the company needs to fill that specific position in the start-upping phase. Why that position is central for the company to start and succeed?

Part 3: Organizational Feasibility Analysis

Components of organizational feasibility analysis

A. Management Prowess

B. Resource Sufficiency

Part 3: Organizational Feasibility Analysis

A. Management prowess

skill or expertise

A proposed business should candidly evaluate the prowess, or ability, of its management team to satisfy itself that management has the requisite passion and expertise to launch the venture.

A new-venture team is the group of founders, key employees, and advisers that either manage or help manage a new business in its start-up years

- Two of the most important factors in this area are:
  - The passion that the sole entrepreneur or the founding team has for the business idea.
  - The extent to which the sole entrepreneur or the founding team understands the markets in which the firm will participate.

An indication of passion is the willingness of a new venture team to complete a comprehensive feasibility analysis

https://economicpoint.com/company-resources

Part 3: Organizational Feasibility Analysis

B. Resource Sufficiency

- This topic pertains to an assessment of whether an entrepreneur has sufficient resources to launch the proposed venture.
- To test resource sufficiency, a firm should list the 6 to 12 most critical nonfinancial resources that will be needed to move the business idea forward successfully.
  - If critical resources are not available in certain areas, it may be impractical to proceed with the business idea

An example is a start-up that will require employees with specialized skills.

Company Resources are all assets a company controls and can use to achieve its goals.

Company resources include the following:
- Human Resources
- Material (physical) Resources
- Intangible (intellectual) Assets
- ***Financial Resources (analyzed in detail in next section)***

Part 3: Organizational Feasibility Analysis

B. Resource Sufficiency

Following are examples of nonfinancial resources that may be critical to the successful launch of a new business. ***Can you classify them into Human, Material, Intangible (intellectual), resources?***

- Affordable office space.
- Lab space, manufacturing space, or space to launch a service business.
- Availability of contract manufacturers or service providers.
- Key management employees (now and in the future).
- Key support personnel (now and in the future).
- Ability to obtain intellectual property protection.
- Ability to form favorable business partnerships.

Human resources

Human resources play a key role in every company because they have a great impact on its performance and the achievement or not of its goals.

People not only acquire knowledge and skills by education but they also by experience and informal training.

Human resources of a company have several important **features**:
- Skills
- Experience
- Qualification
- Geographic Location
- Time Availability

https://economicpoint.com/company-resources

Material resources

Material resources are tangible items different from human resources, that the company can use to achieve its goals.

Examples of material resources:

- Real estate
- Machinery
- Computers and office equipment
- Supplies and intermediate products
- Tools

https://economicpoint.com/company-resources

Intangible (intellectual) Resources

Intangible resources, also called intangible assets, cannot be touched or seen. Intangible resources are not financial resources and cannot be associated with human resources.

Examples of intangible assets:

Intellectual property:

- Patents
- Trademark
- Copyrights

Other intellectual assets:

- Public image of the company brand
- Customer lists
- Private databases
- In-house developed processes and software

It is hard to measure the value of intangible resources.

A big difference between intangible and material resources, besides the fact that intangible resources cannot be touched or seen, is that the value of intangible resources usually do to change when they are being used. For example, the value of a brand can increase over time.

https://economicpoint.com/company-resources

Part 4: Founder- (or Founders-) Related Issues

	Low Potential (−1)	Moderate Potential (0)	High Potential (+1)
1. Founder's or founders' experience in the industry	No experience	Moderate experience	Experienced
2. Founder's or founders' skills as they relate to the proposed new venture's product or service	No skills	Moderate skills	Skilled
3. Extent of the founder's or founders' professional and social networks in the relevant industry	None	Moderate	Extensive
4. Extent to which the proposed new venture meets the founder's or founders' personal goals and aspirations	Weak	Moderate	Strong
5. Likelihood that a team can be put together to launch and grow the new venture	Unlikely	Moderately likely	Very likely

Part 4: Financial Feasibility Analysis

General Purpose of Financial Feasibility Analysis

- Is the final component of a comprehensive feasibility analysis.
- A preliminary financial assessment is sufficient.

Part 4: Financial Feasibility Analysis

Components of financial feasibility analysis

A. Total Start-Up Cash Needed

B. Financial Performance of Similar Businesses

C. Overall Financial Attractiveness of the Proposed Venture

Part 4: Financial Feasibility Analysis

A. Total Start-Up Cash Needed

- The first issue refers to the total cash needed to prepare the business to make its first sale.
- An actual budget should be prepared that lists all the anticipated capital purchases and operating expenses needed to generate the first $1 in revenues.
- The point of this exercise is to determine if the proposed venture is realistic given the total start-up cash needed.

If the money will come from friends and family or is raised through other means, such as credit cards or a home equity line of credit, a reasonable plan should be stipulated to repay the money. Showing how a new venture's startup costs will be covered and repaid is an important issue.

Part 4: Financial Feasibility Analysis

B. Financial Performance of Similar Businesses

- Estimate the proposed start-up's financial performance by comparing it to similar, already established businesses.

- There are several ways to doing this, all of which involve a little ethical detective work.
  - First, there are many reports available, some for free and some that require a fee, offering detailed industry trend analysis and reports on thousands of individual firms.
  - Second, simple observational research may be needed. For example, the owners of New Venture Fitness Drinks could estimate their sales by tracking the number of people who patronize similar restaurants and estimating the average amount each customer spends.

Part 4: Financial Feasibility Analysis

C. **Overall Financial Attractiveness of the Proposed Venture**

- A number of other financial factors are associated with promising business start-ups.
- In the feasibility analysis stage, the extent to which a business opportunity is positive relative to each factor is based on an estimate rather than actual performance.
- The information on the next slide lists the factors that pertain to the overall attractiveness of the financial feasibility of the business idea.

Rate of return should be weighed against the following

- The amount of capital invested
- The risks assumed in launching the business
- The existing alternatives for the money being invested
- The existing alternatives for the entrepreneur's time and efforts

Part 4: Financial Feasibility Analysis

https://pdf.usaid.gov/pdf_docs/Pnacy610.pdf

C. Overall Financial Attractiveness of the Proposed Venture

Financial Factors Associated With Promising Business Opportunities

- Steady and rapid growth in sales during the first 5 to 7 years in a clearly defined market niche.
- High percentage of recurring revenue—meaning that once a firm wins a client, the client will provide recurring sources of revenue.
- Ability to forecast income and expenses with a reasonable degree of certainty.
- Internally generated funds to finance and sustain growth.
- Availability of an exit opportunity for investors to convert equity to cash.

Examples for business models that have *recurring revenue streams*

Recurring revenue is the money a company can reliably predict it will earn from regular, stable transactions in the future.

Part 4: Financial Feasibility Analysis

https://pdf.usaid.gov/pdf_docs/Pnacy610.pdf

- Ideally, an entrepreneur will develop an exit strategy in their initial business plan before launching the business.

- If cash flow draws down to a point where business operations are no longer sustainable and an external capital infusion is no longer feasible to maintain operations, a planned termination of operations and a liquidation of all assets are sometimes the best options to limit any further losses.

- An exit strategy may be executed to exit a non-performing investment or close an unprofitable business. In this case, the purpose of the exit strategy is to limit losses.

- An exit strategy may also be executed when an investment or business venture has met its profit objective. If the business is making money, an exit strategy lets the owner of the business cut their stake or completely get out of the business while making a profit.

- Other reasons for executing an exit strategy may include a significant change in market conditions due to a catastrophic event; legal reasons, such as estate planning, liability lawsuits or a divorce; or for the simple reason that a business owner/investor is retiring and wants to cash out.

Part 5: Financial Issues

	Low Potential (−1)	Moderate Potential (0)	High Potential (+1)
1. Initial capital investment	High	Moderate	Low
2. Number of revenue drivers (ways in which the company makes money)	One	Two to three	More than three
3. Time to break even	More than two years	One to two years	Less than one year
4. Financial performance of similar businesses	Weak	Modest	Strong
5. Ability to fund initial product (or service) development and/or initial start-up expenses from personal funds or via bootstrapping	Low	Moderate	High

Pearson

Copyright © 2016, 2012, 2010 Pearson Education, Inc. All Rights Reserved.

Overall Potential

Each part has five items. Scores will range from –5 to +5 for each part. The score is a guide—there is no established rule of thumb for the numerical score that equates to high potential, moderate potential, or low potential for each part. The ranking is a judgment call.

Score (−5 to +1)	Overall Potential of the Business Idea Based on Each Part	Suggestions for Improving the Potential
Part 1: Strength of Business Idea	High potential Moderate potential Low potential	
Part 2: Industry-Related Issues	High potential Moderate potential Low potential	
Part 3: Target Market and Customer-Related Issues	High potential Moderate potential Low potential	

(*continued*)

Pearson

Copyright © 2016, 2012, 2010 Pearson Education, Inc. All Rights Reserved.

Score (−5 to +1)	Overall Potential of the Business Idea Based on Each Part	Suggestions for Improving the Potential
Part 4: Founder- (or Founders-) Related Issues	High potential	
	Moderate potential	
	Low potential	
Part 5: Financial Issues	High potential	
	Moderate potential	
	Low potential	
Overall Assessment	High potential	
	Moderate potential	
	Low potential	

Summary

Briefly summarize your justification for your overall assessment:

Pearson Copyright © 2016, 2012, 2010 Pearson Education, Inc. All Rights Reserved.