FEASIBLITY ANALYSIS

-TECHNICAL FEASIBILITY

1. Familiarity with application:

- Many firms now days use the attendance system, so there will be more familiar with the application and less risk

2. Familiarity with technology:

- most of firms have IT departments with high quality developers, so there will be more familiar with technology and less risk

3. Project size:

A- length: the project may take up to 4 months at maximum and 3 months at minimum.

B- number of developers: it will need 2 HR employees for providing developers with information needed and 4 IT developers **(2 for creating database and 2 for implementing).**

C- number of managers: we will need a project manager and some help from the HR manager and the IT manager.

4. Compatibility:

- attendance system should be easy for the employees and easy to adapt with

- But with technical maintenances in some firms it will be more risk

➢ ECONOMIC FEASIBILITY

Simple cash flow projection:

	Year 0	Year 1	Year 2	Year 3	Year 4	total
Total benefits	___	17500	19000	18700	16200	71400
Total costs	50000	3500	3000	4000	2500	63000
Net benefits (TB-TC)	(50000)	14000	16000	14700	13700	8400
Cumulative net cash flow	(50000)	(36000)	(20000)	(5300)	8400	___

ROI= total benefits – total costs/ total costs*100

ROI= 71400-63000/63000=13.33%

BEP= number of years of negative cash flow + (that year's net cash flow- that year's current value/ that year's net cash flow)

BEP=3+ ((13700-8400)/13700) = 3.39 years

Discounted cash flow projection:

(rate of return = 10%)

	Year 0	Year 1	Year 2	Year 3	Year 4	total
Total benefits	___	17500	19000	18700	16200	71400
PV of total benefits	___	15909	15702	14049	11064	56724
Total costs	50000	3500	3000	4000	2500	63000
PV of total costs	50000	3182	2479	3005	1708	60374

NPV=∑PV of total benefits - ∑PV of total costs

NPV=56724-60374 = (3650)

	Year0	Year1	Year2	Year3	Year4	total
Benefits						
Increased productivity		15000	18000	17300	16000	66300
Fines on employees		2500	1000	1400	200	5100
Total benefits		17500	19000	18700	16200	71400
Costs						
Development costs						
Server software	40000	0	0	0	0	40000
Server license	10000	0	0	0	0	10000
Total development cost	50000	0	0	0	0	50000
Operational costs						
System maintenance		2000	2000	2000	2000	8000
bonus to employees		1500	1000	2000	500	5000
Total operational costs		3500	3000	4000	2500	13000
Total costs	50000	3500	3000	4000	2500	63000
TB-TC=71400-63000=8400						

❑ Organizational Feasibility

- **HOW WILL THE GOALS OF THE PROJECT ALIGN WITH BUSINESS OBJECTIVES ?**

1- IT department must have connection with

Human resources financial department and employees

2-Project might fail if any department works alone in the project3. Project might fail if the employees didn't provide feedbacks

❑ STAKEHOLDER ANALYSIS

1- Champions: IT department and HR department

2- Organizational Management: Owners, Top managers and financial department

3- System users: Employees