**Feasibility Analysis Worksheet**

For each item, select the most appropriate answer and make note of the score.

1. **Strength of Business Idea**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Low Potential (-1)** | **Moderate Potential (0)** | **High Potential (+1)** |
| Extent to which the idea:   * Takes advantage of a trend * Solves a problem * Addresses an unfilled gap in the marketplace | Weak | Moderate | Strong |
| Timeliness of entry to market | Not timely | Moderately timely | Very timely |
| Extent to which the idea “adds value” for its buyer or end user | Low | Medium | High |
| Extent to which the customer is satisfied by competing products that are already available | Very satisfied | Moderately satisfied | Not very satisfied or indifferent |
| Degree to which the idea requires customers to change their basic practices or behaviours | Substantial changes required | Moderate changes required | Small to no changes required |

1. **Industry-Related Issues**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Low Potential (-1)** | **Moderate Potential (0)** | **High Potential (+1)** |
| Number of competitors | Many | Few | None |
| Stage of industry life cycle | Maturity phase or decline phase | Growth phase | Emergence phase |
| Growth rate of industry | Little or no growth | Moderate growth | Strong growth |
| Importance of industry’s products and/or services to customers | “Ambivalence” | “Would like to have” | “Must have” |
| Industry operating margins | Low | Moderate | High |

1. **Target Market and Customer-Related Issues**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Low Potential (-1)** | **Moderate Potential (0)** | **High Potential (+1)** |
| Identification of target market for the proposed new venture | Difficult to identify | May be able to identify | Identified |
| Ability to create “barriers to entry” for potential competitors | Unable to create | May or may not be able to create | Can create |
| Ease of making customers aware of the new product or service | Low | Moderate | High |
| Purchasing power of customers | Low | Moderate | High |
| Growth potential of target market | Low | Moderate | High |

1. **Founder-Related Issues**

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

1. **Financial Issues**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Low Potential (-1)** | **Moderate Potential (0)** | **High Potential (+1)** |
| Startup costs | High | Moderate | Low |
| Number of revenue streams | One | Two or three | More than three |
| Time until break even | More than two years | One to two years | Less than one year |
| Financial performance of similar businesses | Weak | Modest | Strong |
| Ability to fund initial product or service development and startup costs from personal funds / bootstrapping | Low | Moderate | High |

**Overall Potential**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Score** | **Overall Potential** | **Suggestions for Improving Potential** |
| 1. Strength of Business Idea: |  | High  Moderate  Low |  |
| 1. Industry-Related Issues: |  | High  Moderate  Low |  |
| 1. Target Market and Customer Related Issues: |  | High  Moderate  Low |  |
| 1. Founder-Related Issues: |  | High  Moderate  Low |  |
| 1. Financial Issues: |  | High  Moderate  Low |  |