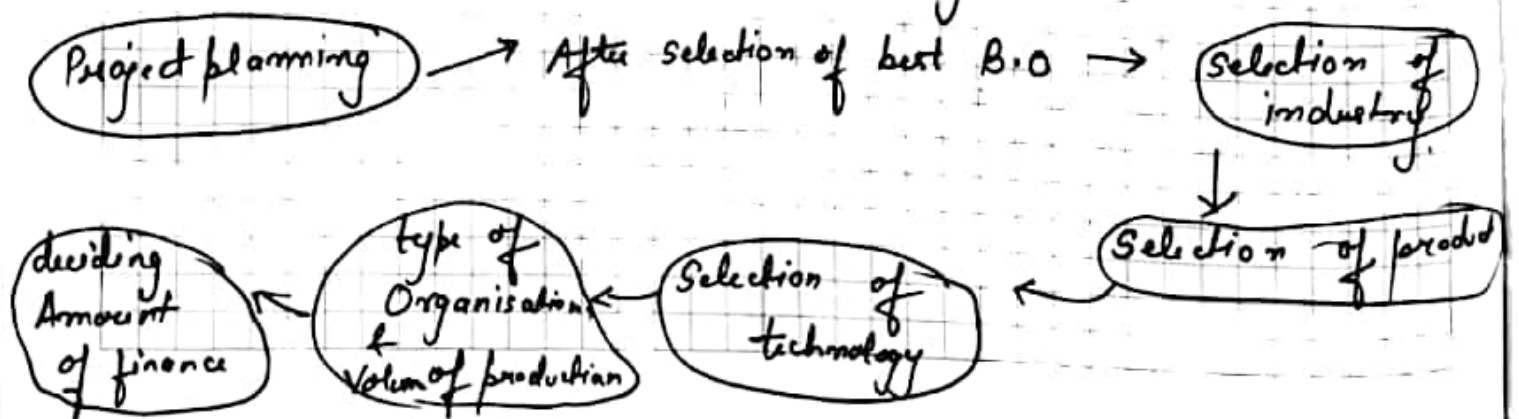


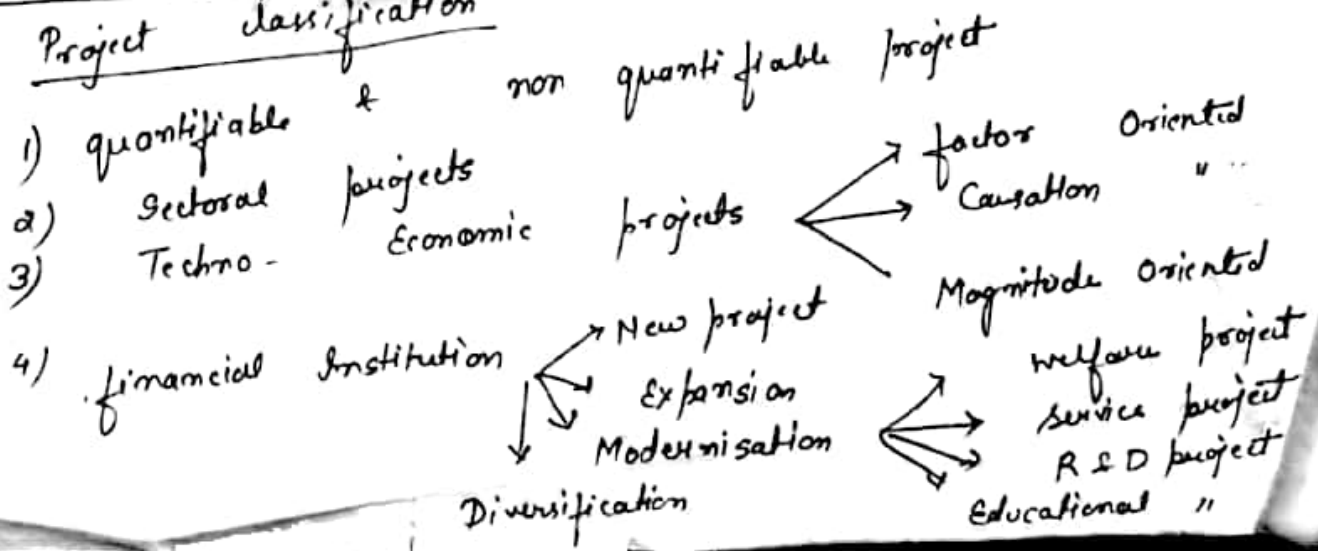
PROJECT Stages



project → pre-supposes commitment to tasks to be performed with well defined objectives. Schedules Budget

- * project can differ in size, nature, objectives & complexity.
- * proposal involving capital investment for the purpose of developing facilities to provide goods & services.
- * Allocation & consumption of resources, generation of resources, goods & services.
- * project can be defined as non routine, non repetitive and as a combination of inter-related activities to achieve a specific objective.
- * project may be defined as systematically & scientifically evolved work plan devised to achieve a specific objective within a specified period of time.
- * objective is to create, expand & develop certain facilities in order to increase the production of goods & services.

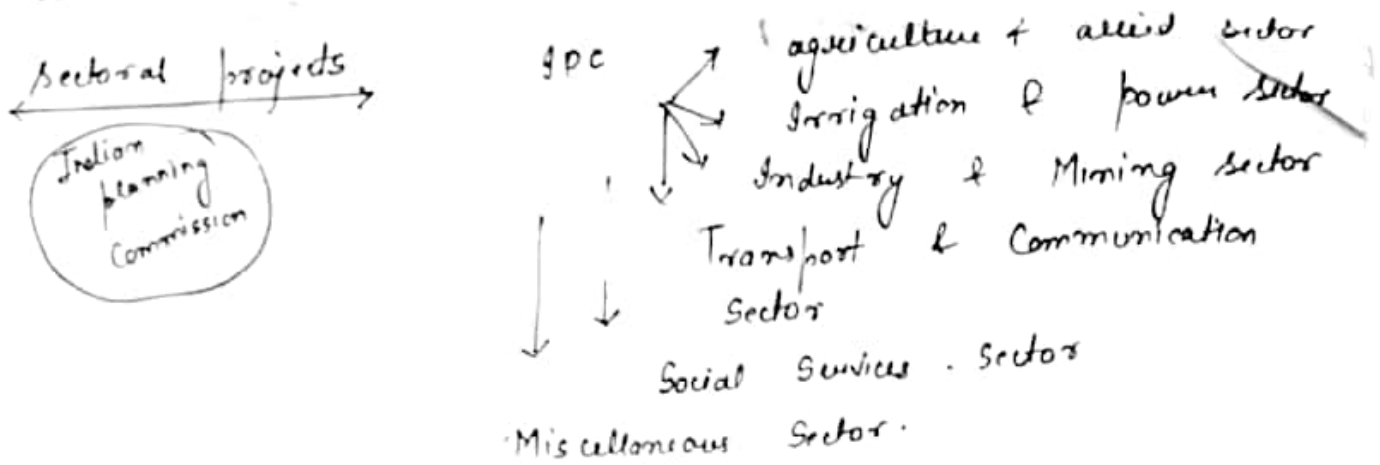
Project Classification



quantifiable project & Non quantifiable project →

a quantitative assessment of benefits can be made. (health, education & defence).

* [Industrial development, power generation, mineral development]



Techno Economic Projects

factor intensity oriented based on



depends upon large scale investment in talent & Machinery or human resources.

generally Useful for the process of feasibility studies appraisal

Causation Oriented classification

determined based on its cause, demand based, raw material based,

non availability of resources of certain goods & services & consequent demand for such good & services,

reason for starting the project

Magnitude Oriented

size of investment forms

Large Medium Small Scale project.

Economic Activities - 10 division

Division	0 Agriculture, forestry, Hunting & fishing	5 Electricity, gas, Water & Sanitary services
1	Mining & Quarrying.	6 Commerce
2 & 3	Manufacturing	7 Transport, storage & Communication services.
4	Construction	8
	9 → Activities not adequately described.	

Project Identification

- Screening of idea
- Preliminary Evaluation
- Selecting most feasible & promising project

ensuring success of an enterprise by finding out optimum investment opportunities for

Additive opportunities

(utilizing resources without doing any change)

Complementary opportunities

(introducing new idea in existing structures)

Break through

(change is very drastic & greater risk)

- Conceiving project idea & shape into realistic form
- choose right line of business with opportunity seeking through
 - Environment / technology / idea Exploration
 - present Business exploration
- decision making (Selection of project)

Tools

- Environmental Analysis
- SWOT Analysis
- Resource Analysis
- Opportunity Analysis

SWOT Analysis

Project Selection

Strength / Weakness

Inside Organisation

Opportunities / Threat

Outside Organization

Strength

→ what positive aspects Company enjoy in its Current time?

Weakness

→ which areas are causing concern.

Opportunities

→ How can be Company be more innovative? & what are new market & upcoming trends.

Threat

→ 1) are there any new Competitor emerging in industry.
2) Economical Condition / Unfavourable regulation

Selection of project

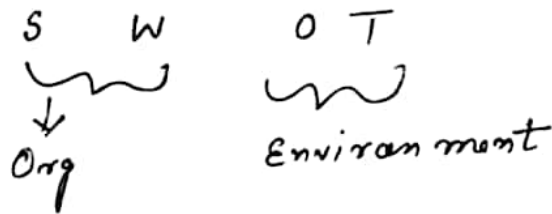
Internal factor

financial strength,
experience, personnel,
functional department

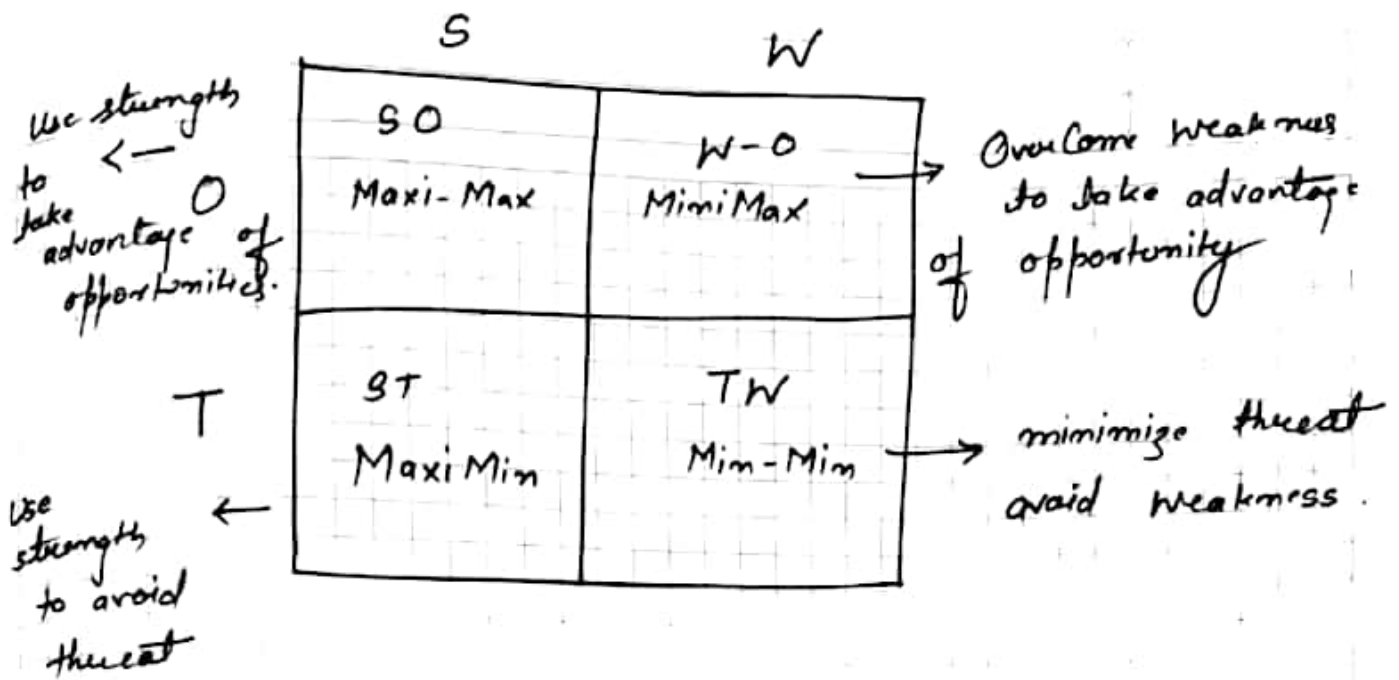
External factor

- * demand of Consumer,
- * Raw material
- * technological aspect
- * demographic factor
- * Socio-Culture, political legal factor

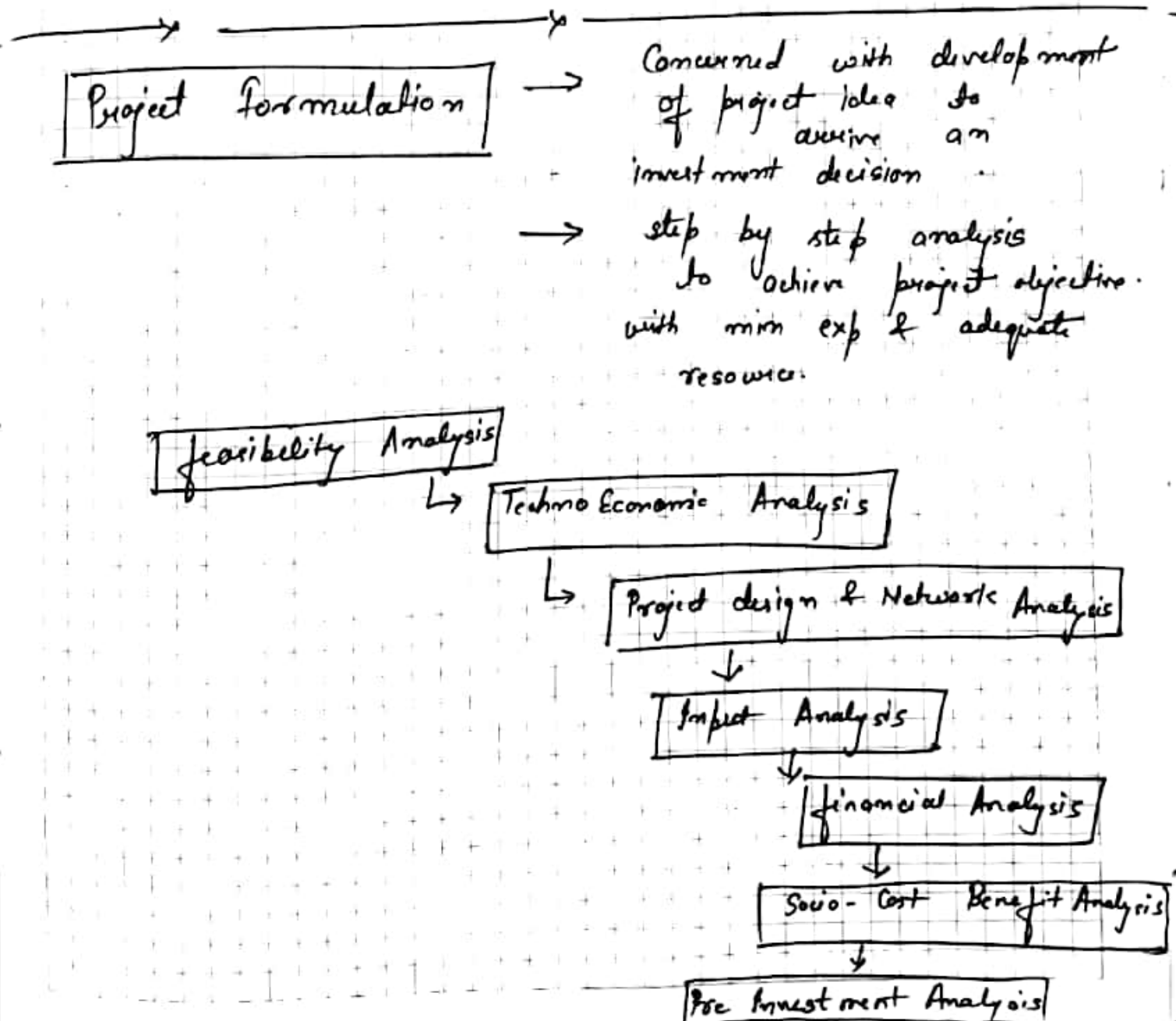
SWOT Analysis



Strength	Weakness	opportunities	threats.
<ul style="list-style-type: none"> ⇒ availability of infrastructure ⇒ skilled manpower ⇒ Good inventory ⇒ quality control. ⇒ Brand Image ⇒ efficient Mgmt 	<ul style="list-style-type: none"> Nonavailability of raw material Scarcity of Resource Low managerial expertise Inadequate training outdated technology Lack of delegation of authority Lack of trained personnel 	<ul style="list-style-type: none"> Good MKT population Availability of appropriate technology favourable gov policies Cultural Environment Good Relation with Supplier 	<ul style="list-style-type: none"> Recession. shortage of power, water, fuel. climate changes, Customer changes taste & preference, technological obsolescence. Political instability buys Competition Economic depression.



SWOT Matrix



Project formulation

Feasibility Analysis

first stage of project formulation

Screening of Internal & External Constraints

project idea seems to be feasible or not

Examination to see whether go for a detailed investment proposal or not.

Techno Economic Analysis

choice of optimal technology

define Economy of project idea.

Estimation of demand & Market potential

Market Size,
Products,
Competition, etc.

provide the platform for detailed project design

Project design & Network Analysis

involve detailed Work plan of project & its estimated time.

involve different activities & Sequence of events i.e. interrelated with each other.

Project design & Network Analysis

Time is allocated for each activity.

all activities & events are presented through network diagram (PERT & CPM)

↓
Programme Evaluation
Review technique

↓
Reveal the proper time to implement project with available resources.

↓
Critical path Method

Input Analysis

→ identification, quantification & evaluation of Input requirements.

↓ Define I/Ps required for all activities.

↓ Evaluate the feasibility of project with adequate supply of I/Ps.

Financial Analysis

→ estimation of project cost & funds required for project

↓ Analytical tools are used.

discounted cash flow.
Cost-Volume
Ratio Analysis

↓ find out whether the project will generate income.

Cost Benefit Analysis

- Analyze real contribution of project
- Overall Worth of a project is considered.
- enumeration & evaluation of all relevant cost.

Pre Investment Analysis

- * defined Analysis.
- final module of project proposal.
- involve investment decision whether to accept the project or reject.
- selection of project Appraisal, looking for project sponsoring body & implementing body & Consultants.