

## **FEASIBILITY STUDY**

The objective of a feasibility study is to test the technical, social and economic feasibility of developing a computer system. This is done by investigating the existing system and generating ideas about a new system. The computer system must be evaluated from a technical viewpoint first, and if technically feasible, their impact on the organization and the staff must be accessed. If a compatible, social and technical system can be devised, then it must be tested for economic feasibility. The 3 important tests for feasibility are studied and described below

- ❖ Operational feasibility
- ❖ Technical feasibility
- ❖ Economic feasibility

### **Operational Feasibility**

Proposed projects are beneficial only if they can be turned into information systems that will meet the operating requirements of the organization. The test of feasibility asks if the system will work when it is developed and installed. Some of the important questions that are useful to test the operational feasibility of a project are given below

- ❖ Is there sufficient support for the project from the management? From users? If the present system is well liked and used to the extent that people would not be able to see reasons for a change, there may be a resistance
- ❖ Are current methods acceptable to the users? If they are not, users may welcome a change that will bring about a more operational and useful system.

- ❖ Have the users been involved in the planning and development of the project, and then the changes of resistance can be possibly reduced.
- ❖ Issues that appear to be quite minor at the early stage can grow into major problems after implementation.

### **Technical feasibility**

The assessment of technical feasibility must be based on the outline of the system requirements in terms of inputs, outputs, files, programs, procedures and staff. This can be quantified in terms of volumes of data, trends, frequency of updating, etc. Having identified an outline system, the investigator must go on to suggest the type of equipment required, methods of developing the system and methods of running the system.

With regard to the processing facilities, the feasibility study will need to consider the possibility of using a bureau or, if in-house equipment is available, the nature of the hardware to be used for data collection, storage, output and processing.

There are number of technical issues, which are generally raised during the feasibility stage of the investigation. They are as follows

- ❖ Does a necessary technology exist to do what is suggested?
- ❖ Does the proposed equipment have the capacity to hold the data required to use the new system?
- ❖ Can the system be upgraded if developed?
- ❖ Are there technical guarantees of accuracy, reliability, ease of access and security?

### **Economic feasibility**

A system that can be developed technically and that will be used if installed must still be profitable for the organization. Financial benefits must equal or exceed the costs. Justification for any outlay is that it will increase profit and reduce expenditure.