

Financial Analysis for Project Name						
Created by:		Date:				
Note: Change the inputs, shown in green below (i.e. interest rate, number of years, costs, and benefits). Be sure to double-check the formulas based on the inputs.						
Discount rate	9.00%					
Assume the project is completed in Year 0			Year			
	0	1	2	3	Total	
Costs	200,000	30,000	30,000	30,000		
Discount factor	1.00	0.92	0.84	0.77		
Discounted costs	200,000	27,600	25,200	23,100	275,900	
Benefits	0	100,000	100,000	100,000		
Discount factor	1.00	0.92	0.84	0.77		
Discounted benefits	0	92,000	84,000	77,000	253,000	
Discounted benefits - costs	(200,000)	64,400	58,800	53,900	(22,900)	← NPV
Cumulative benefits - costs	(200,000)	(135,600)	(76,800)	(22,900)		
ROI →	-8%	↑				
	Payback in Year 1					
Assumptions						
Enter assumptions here						

A.)

a. Why did Global Green Books Publishing struggle? Global green books struggled because they weren't using any of the project management tools they should have been using while taking on a larger project. They also hired on new people specifically for the project. They did not have a schedule in place making them late to deliver their product to the university putting their biggest project thus far in a position to be unhappy because classes are going on and starting on a predetermined date.

b. What were the specific PM solutions that were introduced by Samantha that worked? She made sure people were putting forth quality work because they were trained correctly and had a manual to go off of. Samantha also created a process for the project to follow so they can make deliveries on time.

c. What kind of suggestions would you give to Brad and Jim if you were the PM? Creating daily tasks, and goals for workers as well as creating a schedule of due dates that everyone needs to follow so we are getting the ebooks in on time for classes. I'd also recommend focusing more time and finances on this project versus the first smaller two.

d. Are you aware of other similar start-up businesses that struggle in a similar manner? How did they overcome the challenges? A lot of start-up businesses make the jump from a small project to a large project and struggle with time management and finances. Ways to avoid these problems would be doing something similar to what Samantha did and create a proactive risk analysis and proper training to the additional people hired on to take on the larger project.

e. Global Green Books Publishing is a technology intensive business, but Samantha is not technically knowledgeable, will she continue to be a successful project manager? If Samantha continues to create the proper training manuals and possibly gets more educated on the specifics of what technology green books offers then she has the potential to be a great project manager because she's using the tools a PM is supposed to be an expert in.

B.) After doing the calculations for this project I would not recommend taking on this project. The ROI on this project is in the negatives and the NPV isn't very high and over the years is declining. This project would be a risk to take on.