**Business case for the system.**

Almost every company and organization in 21st century has its own system no matter if its open source or custom made to meet all the necessary requirements in order to profit financially and to gain efficiency on daily operations. System that is proposed to “Kad zebras deg” will succeed in many ways. As it doesn’t have any system at this particular time it will be custom made and will cover all of the required operations. This company is not rich and can’t afford a lot of staff so this proposal is vital to increase its efficiency by letting students to build it.

The system will be built as part of student project and will cost nothing except that the company will have to buy its own computers and acquire licenses for the necessary software. In this case it will require as a minimum of 4 computers in order to meet the minimum requirements for the system. 1 computer in the kitchen, 1 for the waiters, 1 for the cashier and one in the office. It might be expensive at first but in the long run it will profit much more than now. Considering that the company is still young and there is a lot of competition going on in this type of business, this system will help the company to be more organized and efficient as most of its competitors don’t have any system. Resistance from staff is not expected as they are tired of doing everything in the old way of registering orders and booking the tables. This will save them a lot of time, they will avoid misunderstandings and dissatisfied customers because of the long waiting time before receiving their orders.

The kitchen and the waiters will be up to date with courses and their serving order. Table bookings will be organized manually by the staff or the system if it’s a standard request, plus customers will be able to preorder courses that the chef will begin to cook as soon as they arrive to the restaurant and check in. In summary this system will gain satisfied customers and staff members to the company and will benefit in many ways. In the long run it might lead the company to grow and expand as the efficiency will rise.

**Payback projection**

Table below describes payback projection [Cadle and Yeates]. Research shows that the company will profit after the first year. Calculation of prices showed that company does not require high end PCs to operate with software proposed and as a minimum it requires 4 PCs and 1 external hard drive which will allow to back up data in case of accidents. Total amount for hardware is 2540 Euros. Hardware maintenance will cost 1000 Euros a year as there will be only 4 PCs. Only software that they need to acquire is antivirus (we chose Avast) to protect PCs from viruses and malwares that could harm data on PCs. Avast license cost 150 Euros a year for all computers and requires renewal every year. Another software that will be required is MS SQL Express for data base which is free. Staff savings per year will be at least 12000 Euros which means two extra employees. As described before Bar / Restaurant can’t afford more employees so our software can save some money and increase efficiency. By paying extra 4690 Euros first year the efficiency will increase as there would be 2 more employees and save on those salaries 7310 Euros. Next year and in the future the profit will increase even more as the Bar / Restaurant won’t need to buy hardware anymore. Only costs that will be required are hardware maintenance, software support and antivirus license renewal which sums up to 2150 Euros a year. The prices and salaries where examined based on the average wages and prices in Latvia [Trading economics], [X Net].

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| --- | --- | --- | --- | --- | --- |
| **Item** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** |
| **Hardware purchase** | 2540 |  |  |  |  |
| **Hardware maintenance** | 1000 | 1000 | 1000 | 1000 | 1000 |
| **Software purchase** | 150 |  |  |  |  |
| **Software support** | 1000 | 1150 | 1150 | 1150 | 1150 |
| **Cumulative total costs** | **4690** | **6840** | **8990** | **11140** | **13290** |
| **Staff savings per year** | 12000 | 12000 | 12000 | 12000 | 12000 |
| **Cumulative savings** | **12000** | **24000** | **36000** | **48000** | **60000** |
| **Cumulative savings less costs** | **7310** | **17160** | **27010** | **36860** | **46710** |

**References**

[Cadle and Yeates] Project Management for information systems Chp3, Cadle and Yeates (2008)

[Trading economics] <http://www.tradingeconomics.com/latvia/wages> (22.04.2015)

[X Net] <http://www.xnet.lv/index.php?menuid=11&mini=7&kas=Galda+datori> (22.04.2015)