This is an investigation to decide whether a prospective project is worth starting. Information will be gathered about the general requirements of the proposed system.

If the feasibility study produces results that indicate that the prospective project appears viable, then planning of the project can take place. In fact, for a large project, we would not do all our detailed planning right at the beginning. We would formulate an outline plan for the whole project and a detailed one for the first stage. Sometimes an organization has a policy where a series of project is planned as a programme of development. This might refer to writing code in a procedural language such as C or Ada, or might refer to the use of a high level application builder. Even where software is not being built from scratch, some modification to the base application might be required to meet the needs of the new application. The performance offered by the software system should be adapted to the wishes of the user with the consideration given to extensibility; i.e., the functions should be limited to these in the specification.