

## PROJECT FEASIBILITY STUDY CHECKLIST

This checklist enables you to produce a well-researched feasibility study that allows senior management, stakeholders and the project sponsor to give their approval or not for a project.

The purpose of this study is to evaluate alternatives, market potential, cost effectiveness and technical solutions. Preliminary cost and resources estimates are included in the study to aid decision-making. The study also provides an assessment of your organization's in-house capabilities and proposes the initial project objective.

Depending on your organization's approach to project management you may need to produce a feasibility study at the end of each project phase or just one study for the whole project.

**NOTE: The first section of your feasibility study will be the 'Executive Summary', but as this is usually written after all the other sections are completed, hence its is last of this checklist.**

### DESCRIPTION OF PRODUCTS & SERVICES

The purpose of this section is to define exactly what your organization proposes to do. It states at a high-level why this is important and what benefits it wants to attain internally and for its 'customers'. The detail contained in this section is then applied to the following sections of the feasibility study document.

It includes:

- High-level description of the current product or service.
- Details the key aspects of the product/service that need to be altered to achieve the desired objective.
- Define the benefits your organization wishes to attain
- Describe the benefits that your 'end user' or 'customer' will gain on completion of this project.

### TECHNOLOGY CONSIDERATIONS

New initiatives frequently require the use of technology to enable them to be realized in a cost efficient and profitable manner. This section outlines the technical considerations that are required to deliver this proposed project.

It includes:

- Description of the new technology or technique required for your project to succeed.
- Present a reasoned argument for developing the necessary skills internally or for contracting out this activity.
- Identify and quantify weaknesses and issues requiring further investigation.
- Outline high-level costs associated with technological aspects of your project.
- Detail the potential benefits this area would bring to your organization.
- Outline preliminary development plan

## **MARKET PLACE CHARACTERISTICS PRODUCT / SERVICE**

Within this section you describe the current market environment of your product or service. Whether your organization is diversifying into a new market niche, or planning to enter a new market, extensive research is required to ensure that any decisions are based on a sound knowledge base.

It includes:

- A description of the target market for your product or service.
- Competitor analysis and an assessment on their ability to respond to the impact on the market of the project.
- Review of consumer behavior and how your project will enable customers to buy your product.
- Outline of how project will improve or open up new distribution channels.

## **MARKETING STRATEGY**

This section builds on the previous one and outlines the strategy your organization should adopt as a result of the project. It also includes the high-level benefits your organization aims to achieve.

It includes:

- Describes how your organization will attain a stronger market position and enable it to differentiate it from its competitors.
- The different marketing techniques your organization will be able to utilize on the projects completion.
- Define the main target audience.
- Provide high-level figures to illustrate your project's return on investment.
- Estimate the length of time your organization will be able to maintain the marketing advantage your project will provide.
- How your project supports the growth strategy of the organization.

## **ORGANIZATION & HUMAN RESOURCES**

Any initiative within your organization will have an impact on its operations. This section details any aspect of its operations or functions that may need to be reorganized as a result of the project.

It has a particular focus on the impact on human resources both during the project and as it is implemented.

It includes:

- Describes which and how the project will impact operating functions.
- Outlines the human resources issues for both during and after the project.
- At a high-level outlines which processes and procedures will need to change as a result of the project.
- Financial implications of the proposed changes in operational and staffing needs.
- Detail any potential restructuring implications of the project.

## **SCHEDULE**

In this section of the feasibility study you will outline the implementation framework that best suits your project objective. The schedule that you produce is a high-level one that will be developed further during the planning part of the project once it has gain approval.

It includes:

- Describes phases of your project.
- Identify your projects major events and corresponding dates.
- High-level breakdown of required tasks, including proposed sequence and inter-relationships.
- Provides a list of targeted milestones that need to be met to ensure your projects success.
- Guidelines on the timeframes required for completion.

## **FINANCIAL PROJECTIONS**

This is a key part of any feasibility study and often requires input from financial experts to ensure that the data is presented in an appropriate format. This section outlines the anticipated additional costs and the expected yield of your project

It includes:

- Details financial projections in terms of costs and likely yields. These are usually for 3 or 5 years projections.
- Outlines the assumptions that have been used to produce the financial projections.
- Estimation of the level of risk the financial commitment of your project poses to your organization.

## **FINDINGS & RECOMMENDATIONS**

This section should not be too lengthy and enables you to present your main arguments and justifications for why the project should be approved or not.

It includes:

- Details the Pro's and Cons for why your project initiative should be considered.
- Outlines the assumptions that have been used to produce the financial projections.
- Defines and justifies your projects likelihood of success.

## **EXECUTIVE SUMMARY**

Provides a high-level assessment of why and how the project should proceed. It outlines the benefits your organization will attain on its completion and the key driving forces that have instigated the reason for the project.

Due to the purpose of the executive summary it is usually written once all other sections have been completed.