

## **Preparing a Feasibility Study**

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Sometimes before proceeding with a new project or a complex implementation, it is necessary to first conduct a Feasibility Study. This focused study will determine if it makes sense to start a new project or begin a complex implementation. The uncertainty of whether to proceed may be due to outside factors such as Finances, Organizational issues, Production Capacity, or Timing Issues.

An example that might require a Feasibility Study would be to determine if there will be enough time to complete a project prior to a major scheduled event such as a factory move to a new location, or a product line being discontinued. If there is not enough time to complete the project, or to gain enough benefits before the major change, the Feasibility Study would suggest that the project be cancelled, or at least postponed until after the scheduled change has taken place.

The essence of a Feasibility Study is to provide a detailed answer to the question: “Is it feasible to start a project or begin an implementation at this time, or are there factors that indicate it should be cancelled or postponed?” If there are concerns about starting a project or an implementation, it is important to do the analysis before continuing any further. This is far better than discovering during the project or during a complex implementation, that there are current factors making it undesirable to continue at this time.

Sometimes a Feasibility Study may involve an initial assessment of the potential cost of making a major change, such as a plan to replace expensive factory equipment like an Annealing Oven or a complete Paint Line. The company may not have the resources to consider an expensive equipment replacement, at this time.