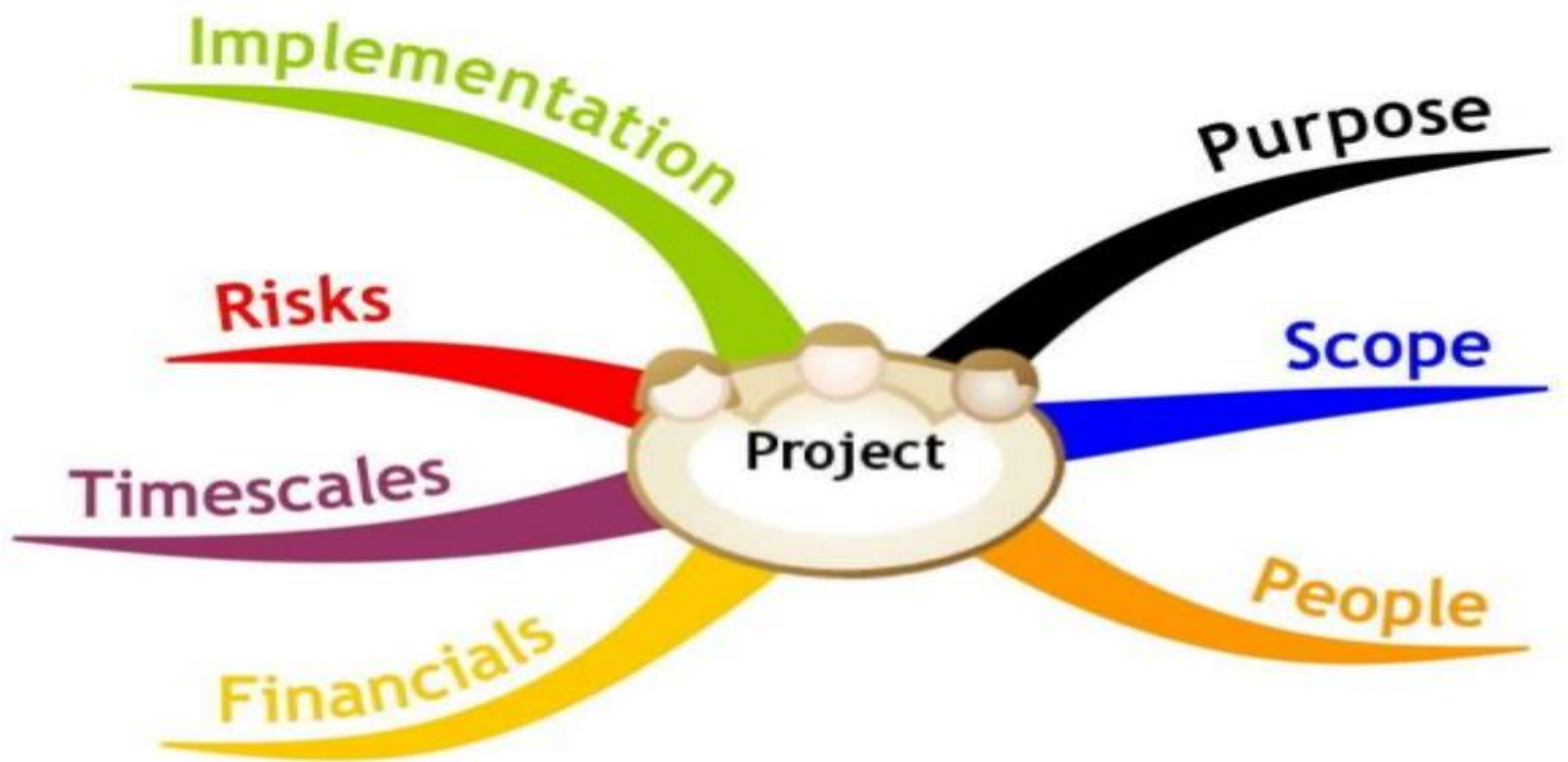


Preparation of a Project

- Introduction – Meaning,
- Identification,
- Selection.
- Project Report – Need, Significance,
- Contents and Formulation.
- Guidelines by planning commission for Report.
- Errors of Project Reports
- Project Appraisal.
- Identification of Business Opportunities.
- Feasibility Study – Market, Technical, Financial and Social

Meaning of Project :

- ‘Specifically Evolved Work Plan’ devised to achieve specific objective within a specified period of time.
- It is a scheme, design, a proposal of something intended to achieve.
- Each project differs in size, nature, objective & complexity.
- A project is a sequence of unique, complex and connected activities having one goal or purpose and that must be completed by a specific time, within budget, and according to specifications.
- “Projects are the Building Blocks of an Investment Plan



Attributes/Characteristics

- Complex Activities Not simple / Repetitive acts
- Connected Activities Some order/sequence in which the activities are executed
- One Goal Projects must have a single goal as compared to a program
- Specified Time Projects have a specified completion date
- Within Budget Projects also have resource limits (people, money, machines)

A successful Project has following three attributes :

- 1) A Course of Action.
- 2) Specific Objective.
- 3) Defined Time perspective (period).

So, we can say that every Project has a starting point , an end point with specific

Project Classification

- Quantifiable & Non-Quantifiable Projects
- Sectoral Projects
- Techno-Economic projects

Quantifiable & Non-Quantifiable Projects

- Projects for which a right quantitative assessment of benefits can be made are termed as quantifiable projects Ex: power generation, mineral, development, industrial development etc.,
- Projects for which quantitative assessment cannot be made are termed as non-quantifiable projects Ex: health, education, Defence etc.,

Sectoral Projects Classification of Projects

- Automobile sector
- Agricultural sectoral
- Power sector
- Health sector
- Education sector
- Transport sector
- Manufacturing sector
- Food processing sector
- Mining sector
- Irrigation sector

- Techno Economic Projects Classification of Projects
 - Factor intensity-oriented Classification
 - Large Capital Investment, Labor intensive
 - Causation classification
 - Demand/Raw material based
 - Magnitude-oriented classification
 - Size based, Large, Medium, Small

VARIOUS STAGES OF PROJECT



THINKING



PLANNING & SCHEDULING



DATA COLLECTION



STATUS UPDATING THROUGH
NETWORK AND
GIVING EARLY WARNINGS



PAVE A PATH
FOR
SUCCESSFUL COMPLETION

Project selection process consist of Two main Steps:

- Project Identification
- Project Selection
- Project Identification - Idea generation
- Selection process starts with the generation of a product idea.
- In order to select the most promising project, the entrepreneur needs to generate a few ideas about the possible projects he/she can undertake.
- Project identification is concerned with collection of economic data and analyzing it.

- Project Ideas - Ways or Sources: various internal and external sources
- Knowledge of potential customer needs.
- Watching emerging trends in demands for certain products.
- Scope for producing substitute / alternative product.
- Going through certain professional magazines.
- Success stories of known entrepreneur or friend or relatives.
- Making visit to trade fairs and exhibitions displaying new products and services.
- Meeting with government Agencies.
- Idea given by the knowledgeable person.
- A new product introduced by the competitor. Opportunity Scanning & Identification

- Project selection starts from where project identification ends.
- A tool generally used for this purpose is:
- SWOT/C analysis.
- The intending entrepreneur analysis his /her strength and weakness, opportunities /competitive advantages and threats / challenges offered by each of the project ideas.
- Finally project selected to converted into enterprise.
- The process involved in selecting a project out of some projects - zeroing in process.

Project Selection Parameters

- Technology
- Equipment
- Investment size
- Location
- Marketing

Project Report

- A project report or a business plan is a written statement of what an entrepreneur proposes to take up.
- Well evolved course of action devised to achieve the specified objectives within a specified period of time.
- Operating document / Roadmap / Guidelines.

Contents of Project Report General information

- Promoter , Location , Land and building
- Plant and machinery , Production process
- Utilities, Transport and communication , Raw material , Man power ,Products , Market Requirement of working capital , Requirement of funds , Cost of production and profitability of first ten years. , Break-even analysis. , Schedule of implementation

Formulation of Project Report General Information

- Bio data of promoter, Industry profile, constitution, organization and product details. Project Description
- Site/location, infrastructure, raw materials, skilled labours, Utilities, pollution control, communication and transportation, Production process, machineries and equipment, capacity of plant, technology and R&D. Market Potential
- Demand and supply, Marketing strategy, after sales service

- Network Analysis
- Network Analysis Network analysis is the general name given to certain specific techniques which can be used for the planning, management and control of projects.
- The network analysis methods are used in project management where the elements are key activities of the project in the mutual time relation.
- The network analysis methods focus on calculating or critical path optimizing between the elements.

- PROJECT FEASIBILITY STUDY Project feasibility analysis is carried out to ensure viability of project. The project feasibility study is
 - Market feasibility
 - Technical feasibility
 - Financial feasibility
 - Economic feasibility
 - Ecological feasibility

Project life cycle

- The project life cycle refers to logical sequence of activities to accomplish the projects goals or objectives
- Projects vary in size and complexity
- National / International
- For a project to be successful , the project team must :
 - Select the appropriate processes to meet project goals and objectives
 - Use a defined approach focused on meeting the requirements of the project
 - Clearly define and agree upon stakeholder/ Customer needs and expectations
 - Balance the competing demands of scope , time , cost , quality , resources ,and risk to produce the specified product , service , or result

