The computer Feasibility Study is essential to managers for making sound decisions. We must be proficient in its use to fulfill our role as business advisors and consultants. Studies can become increasingly complex as technology expands and applications broaden. This article restates fundamentals and suggests a workable approach in non-technical terms. While the example used is a department store, the method is applicable to any industry.

A RETAIL CASE STUDY

Feasibility Studies for EDP

by William D. Power

William D. Power has been associated in a consulting capacity with the retail industry for the past eleven years. Admitted as principal in the firm September 1, 1965 he is director of retail services.

Mr. Power has written and lectured extensively for retail groups, most notably in connection with the activities of the National Retail Merchants' Association. He is a member of the Electronics Committee of the Retail Research Institute of NRMA and chairman of the Manufacturers Liaison Subcommittee of the group which deals with developments in electronic systems for the retail industry. He is also a charter member of the Retail Research Society and an editor of its bi-monthly publication.

Mr. Power majored in economics at the University of Oklahoma Business School from which he received a BBA degree cum laude. He is a member of Beta Gamma Sigma.

Introduction

In the early days of electronic data processing — only a few years ago really — we heard and read a great deal about the feasibility study. Nowadays we hear considerably less. This does not mean that its importance has diminished in any respect; nor does it mean that a good feasibility study is any easier to perform than it ever was — particularly for those who are dealing with computers for the first time. The opposite is probably true, and perhaps it is good to start with a cautionary note. Because the consequences of the feasibility study will have a significant and lasting effect, the time and effort spent in making a comprehensive study will be rewarded many times over.

Before a computer-based system can be installed effectively, there are three major aspects of feasibility which must be determined: