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Contemporary Model for Project Selection in Changing World

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Abstract

The proper choice of investment in projects is crucial to the long-run survival of all companies especially now when the financial crisis is going worst by every single day. The project selection primarily focuses on identification of most profitable, feasible and least risky business areas by incorporating predefined process for the selection of project in order to align it with the organizational strategy and objectives. If projects are not selected by due diligence, it is for sure that the effort required to get out of the contract will be more than to acquire it. In today's changing world, the process of selection of project has totally altered with the change in today's strategic, financial and political systems. To make a project almost certain to be a profitable and by looking into the issues of today's project, a project filtration model is conceived which inherits the properties of water filtration process with an outcome of filtered water ready to use meaning by, a most feasible and profitable project ready to bid. The "Project Filtration Model" uses a layered approach for the selection by analyzing the project strategically, technically, financially and politically. The model advocates the organization wide consent on the project to be undertaken with the involvement of top management at strategical layer, domain experts at technical layer, CFO at financial layer and BOD/domain expert at political layer along with project in-charge acting as facilitator and advisor in all levels. It gives a comprehensive "what to do" checklist for all the layers and their qualifying criteria. The proposed model supports that the project undertaken after due diligence in changing world, fruits more and remain more predictable throughout the project life cycle.