

# Financial Impact Breakdown

## Project/Initiative:

Implementation of New Inventory Management System

### Summary

The following breakdown outlines the estimated financial impact associated with the project, including initial and recurring costs, as well as projected benefits and savings.

### Financial Breakdown

Item	Type	Year 1	Year 2	Year 3
Software Licenses	Cost	\$18,000	\$18,000	\$18,000
Hardware Upgrades	Cost	\$12,000	â€”	â€”
Training	Cost	\$5,000	\$1,000	\$1,000
Process Automation Savings	Benefit	-\$6,000	-\$10,000	-\$10,000
Reduced Inventory Shrinkage	Benefit	-\$4,500	-\$6,000	-\$6,000
Total Net Impact		\$24,500	\$3,000	\$3,000

### Assumptions

- Annual licensing fees remain constant over three years.
- Hardware upgrades are a one-time expense in Year 1.
- Process automation begins generating savings after setup is complete.
- All figures are estimates and subject to change.

### Important Notes

- This document provides estimated financial impacts and should be reviewed periodically.
- Actual results may vary due to unforeseen business or economic factors.
- All figures should be corroborated against actuals for accuracy over time.
- This breakdown should be used to inform but not solely determine project viability.
- Consult with the finance team for guidance on budget planning and impact analysis.