

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.