### **Cost-Benefit Analysis (CBA)**

Cost-Benefit Analysis is a great tool to help assess the cost associated with a project. CBA allows the user to incorporate costing into the ranking priority of a project. To perform a CBA, simply follow these steps.

* Compare the 2 values to see if benefits outweigh the costs.
* Other option is to calculate the payback period. That is determining how long it is projected to take before breaking even.
* The direct and indirect benefits are easy to assign value.
* For defining intangible and competitive benefits establish a standard for defining value.

Try to think of a monetary estimate for all of the costs associated with implementing.

* Make one list of costs (include indirect costs, intangible costs, and opportunity costs
* Make another list of benefits (include direct, indirect, intangible, and competitive)