

## PROJECTS

1. A startup Internet company has generated the following cash balance for the first six years of its IS projects: –\$250,000, –\$180,000, \$225,000, \$340,000, \$410,000, and \$425,000. Using the NPV function in Excel, calculate the net present value of this project at an 8.5 percent interest rate. What is the IRR of this project? If a bank is willing to give the company a loan at 15 percent to implement these projects, should the company accept the loan (assuming there are no other conditions)? Why or why not?
2. The CTO of the company mentioned in Project 1 has decided to acquire a CASE tool to help expedite and better document the Web site that is being designed for his company's e-commerce operations. The CTO has narrowed these choices to CA ERwin Process Modeler and Oracle Designer. Based on the information provided in this chapter and other sources, which tool would you recommend? What are the three major factors behind your recommendation?
3. The CTO of the company mentioned in Project 1 also wants to invest in project management software. The choices have been narrowed to Microsoft Project and Micro Planning International's Micro Planner. Based on the information provided in this chapter and other sources, which software would you recommend? What are the three major factors behind your recommendation? What are three tasks performed by a typical project management software?
4. After reading the information presented in this chapter and other sources, write a one-page paper that identifies two companies (in addition to those mentioned in this book) that have been using SOA as a systems development methodology. What specific advantages has SOA offered these companies?
5. After reading the information presented in this chapter and other sources, write a one-page paper that identifies two companies (in addition to those mentioned in this book) that have been using crowdsourcing as an alternative to a traditional systems development approach. What are two advantages of using crowdsourcing for developing a system or application? What are two disadvantages?
6. After reading the information presented in this chapter and other sources, write a one-page paper describing three countries that are prime candidates for offshore outsourcing for systems development projects. What are the three main criteria that should be considered in choosing a suitable candidate? Why has India become a top choice for IT outsourcing?