

# Profitability analyses

**Economic feasibility studies involve the process of and associated methods for evaluating the financial appeal of competing projects, products or investment opportunities.**

Whether you are considering an investment, divestment, operations optimization, rehabilitation or some other business action, depending on the question being posed, different methods can be used to evaluate the intrinsic value of a particular measure.

At its core, a cost-effectiveness analysis is a financial model that translates and maps non-financial information (value drivers, cost drivers, exogenous factors, risks) to future financial figures. This financial model is usually constructed in Excel, and it serves as the basis for:

- Integrated balance sheets
- Income statements and cash flow statements
- KPI calculations, such as yield, net present value and EBIT margin

The goal of all financial models is to provide optimal support for management decision-making.

Creating an effective business model or financial model is complex and challenging. Our experienced team is happy to help you review, design and construct financial models and find answers to complex questions to enable you to make important decisions.