

# **PROJECT APPRAISAL AND BUSINESS PLANNING IN TELECOMMUNICATIONS**

## **1.0 INTRODUCTION AND DESCRIPTION OF THE COURSE**

This course includes material from courses in economics, business, and strategic planning. A wide spectrum of material has been selected, with the purpose of introducing the participants to the different factors that go into the evaluation of a project and development of a business plan for a technology and/or telecommunications project. The course was tailored in such a way as to provide the participants with the fundamental analytical and business evaluation tools in order to develop feasibility studies for the development of a business in the telecommunications market.

## **2.0 OBJECTIVE OF THE COURSE**

The objectives of the course can be summarized as follows:

- a) To analyze the regulatory framework
- b) To provide an introduction to competition analysis for the development of a business plan
- c) To outline the steps in the making of a business plan
- d) To familiarize the participants with the most important analytical tools used in project appraisal and valuation.
- e) To introduce the participants to the factors that affect the development of telecommunications companies
- f) To conduct practical applications of regulation focused on real life situations.

## **3.0 AUDIENCE**

This course is directed to students, for personal of regulatory and antitrust agencies, international operators, consultants, manager and professionals involved with the industry of telecommunications.

## **4.0 REQUIREMENTS**

Basic knowledge of some microeconomics and calculus is highly advisable.

## **5.0 DURATION**

The length of this course is 16 hours of classes. It is offered in 2 o 3 consecutive days of classes.

## **6.0 COURSE OUTLINE (PROGRAM)**

### **1.0 Introduction**

- 1.1 Course Description
- 1.2 Topics
- 1.3 Overview of the Industry
- 1.4 Markets Tendency
- 1.5 Regulatory frameworks evolution

### **2.0 Regulatory Framework Evaluation**

- 2.1 Evaluating Regulatory Framework for Different Services
- 2.2 Pricing and Competition Rules Evaluation

### **3.0 Data Collection**

- 3.1 Project Assessment Data Requirement
- 3.2 Databases and Information
- 3.3 Data Collection Strategy
- 3.4 Others Issues

### **4.0 Competition Analysis**

- 4.1 Defining the Market and Product
- 4.2 Price Analysis for Different Services
- 4.3 Defining Pricing Policies
- 4.4 Strategic Planning and Market Penetration Strategy

### **5.0 Products (Services) and Demand Estimation**

- 5.1 Estimating Actual Market Size for Services
  - 5.2 International Carriers
  - 5.3 Data Transmission
  - 5.4 Public Telephony
  - 5.5 Cellular-PCS
  - 5.6 Value Added Services
  - 5.7 Broadband services
  - 5.8 Others services
- 5.9 Elasticity of Demand and Demand Forecasting
- 5.10 Competition Analysis and Forecasting
- 5.11 Building a Demand Model
- 5.12 Creating a Business Case

### **6.0 Prices, Competition and Revenues Forecasting**

- 6.1 Review of Different Pricing Policies Applied in Telecommunications
- 6.2 Evaluating Competitors Pricing Policy
- 6.3 Pricing Strategy and Risk Analysis
- 6.4 Others Topics

### **7.0 Business Plan Development**

- 7.1 Discount Rate

- 7.2 Financial Model
- 7.3 Cash Flow Analysis
- 7.4 Risk Analysis and Project Valuation Analysis

## **8.0 Summary and Conclusions**

- 8.1 Summary
- 8.2 Conclusions