



Identification and Calculation Method of the Financial Benefits of IT Projects for Better Financial Evaluation

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ABSTRACT

To financially evaluate an IT projects is to assess its financial feasibility, while the financial benefits are the core parameters of financial evaluation of IT projects. Therefore, correctly identifying the financial benefits of IT projects is the precondition to ensure the validity of the financial evaluation. Essentially, IT projects can be divided into productive IT projects and supportive IT projects. The paper analyzes the importance of identifying the financial benefits and introduces the meaning, characteristics and classification of financial benefits of IT projects. On this basis, the paper identifies the financial benefits of both productive IT projects and supportive IT projects and emphasizes the formation and specific calculation method of the two types of IT projects. For productive IT projects and supportive IT projects, the calculation of financial benefits should employ different methods.

KEYWORDS

Productive IT Projects, Supportive IT Projects, Financial Evaluation, Financial Benefits, Benefit Identification

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