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UDC 332

FEASIBILITY STUDY OF INVESTMENT DEVELOPMENT AT STMIK PRIMAKARA

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ABSTRACT
This study aims to determine the feasibility of developing STMIK Primakara's investment in terms of market and financial aspects. Market aspects were analyzed by analyzing market potential, competition intensity and market share, where financial aspects were analyzed by using payback period, probability index, net present value, and Internal Rate of return methods. The results of this study indicate that based on the market aspect, STMIK Primakara has an immense opportunity because the projection of new student admissions trends is increasing along with the increase in the rate of high school graduates. Judging from the financial aspect in three scenarios, namely base, optimistic, and pessimistic. The optimistic scenario has the best result which has a positive NPV value of 32,226,071, an IRR of 39.45%, a Payback Period of 4 years and 9 months and a profitability index of 3.70. It can be concluded that the greater the acquisition of new students with adequate capacity or capacity will increase the NPV value, reduce the payback period, and increase the profitability index. So, from the two aspects that have been described, namely the market and financial aspects, the development of investment in STMIK Primakara is feasible.

KEY WORDS
Feasibility study, STMIK Primakara, investment, development.

The rapid development of technology and information is very influential on the development of the industrial world. The rapid advancement of information technology has changed many ways people do business and run their business, and the presence of the industrial revolution 4.0 has triggered major changes in society. This phenomenon needs attention and anticipation from all stakeholders, especially in universities. Universities must be able to produce human resources in accordance with the demands of today's era. This opportunity was responded quickly by one of the private universities in Bali, namely the Primakara College of Information and Computer Management (STMIK). STMIK Primakara is one of the 8-year-old private IT campuses in Bali. STMIK Primakara is based on the idea that the developments that occur in society are so rapid, that there needs to be an institution that prepares the golden generation of Indonesia to welcome globalization and enter the creative era through education.

At its early age of establishment, STMIK Primakara has made various achievements at the national and international levels, so it is not surprising that from year to year new student admissions continue to increase every year. In 2017 there was an increase of 25% from the previous year, while in 2018 the number of students increased by 36% until in 2020 when the Covid-19 pandemic conditions and the economy experienced a sluggishness, STMIK Primakara remained the university of choice. This is evidenced by an increase in the number of students by 10% from the previous year. Likewise, the number of high school and vocational high school graduates in Bali from 2015 to 2019 has increased every year, quoted from the Ministry of Education and Culture's 2019 data publication. The total graduates in 2019/2019 reached 59,040 people. With the increase in students every year, it is necessary to anticipate the provision of infrastructure so that students who are accepted can be accommodated properly. Therefore, STMIK Primakara needs to prepare itself to compete with other universities by adding buildings and supporting facilities so that it can accommodate the number of high school graduates of the equivalent which is increasing every year.

Based on these reasons, STMIK Primakara plans to invest in the construction of

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buildings and campus supporting facilities. Investment in buildings and supporting facilities of a university is different from other types of investment in that after that it can be sold, rented out on a monthly or yearly basis, and is usually managed by the owner himself. While in private universities, owners or foundations hand over management to private universities for social activities in the field of higher education for the sake of the intelligence of the nation and state. Investment will always be faced with the risk of uncertainty because the expenses made at the present time, the benefits can only be received in the future. The future will always be faced with various changes, such as changes in exchange rates, inflation rates, interest rates, political, economic, social and security conditions. The greater the ignorance of the rate of change regarding these factors in the future, the greater the risk faced.

An investment development plan in order to improve the quality of education, private universities, needs to start with a feasibility study on the plan to minimize investment risk. Sutika et al, (2017) stated that the feasibility study was carried out with the aim of avoiding too large an investment for activities that turned out to be unprofitable. This is also in line with what Ulfa & Prasetyo (2020) stated that a business feasibility study aims to decide whether a business idea is feasible or not or whether the investment or business to be carried out will provide more benefits than the costs incurred. This is in line with what was stated by Naresywari et al (2018) and Merzi & Daryanto (2018), which is very important considering the need for a basis that can be used as a reference to assess whether a project is feasible or not to be implemented. Several reasons why it is important to conduct a feasibility study include; (1) The required investment funds are usually in large amounts, so a proper study is needed to ensure that there is no potential loss and to reduce risk, (2) Business continuity is carried out in the long term, (3) Future returns for business continuity (Arwati & Sedana, 2016).

Based on these reasons, STMIK Primakara, which plans to develop investment in the form of building and supporting campus facilities, really needs to conduct a feasibility study to evaluate the feasibility of STMIK Primakara's investment. Husnan & Muhammad (2014), stated that the feasibility study was carried out with the aim of avoiding too large an investment for activities that turned out to be unprofitable. According to Kasmir & Jakfar (2016), states that a feasibility study is an activity that studies in depth about a business or business to be run, in order to determine whether or not the business is feasible to run.

Fajarika, et al (2019) stated that in order to conduct a feasibility study, it is necessary to first determine what aspects will be studied. The determination of these aspects also depends on the size of the funds involved in the investment. Aspects in the feasibility study include market aspects, technical aspects, management aspects, economic and environmental aspects, legal and financial aspects (Kasmir & Jakfar, 2016). Based on various aspects of this feasibility study, the study conducted by the author emphasizes research on market aspects and financial aspects. The market aspect is related to whether this investment has market potential so that it is feasible to be developed and the financial aspect is related to whether this investment will provide a reasonable investment return for STMIK Primakara. Based on the above background, the researcher is interested in raising the title "Feasibility Study of Investment Development at the Primakara College of Informatics and Computer Management (STMIK).

METHODS OF RESEARCH

The type of research used in this research is quantitative research with a descriptive approach. This study aims to analyze the feasibility of investment development in terms of market and financial aspects. Data collection techniques in this study also used the observation method by conducting direct observations on object activities and management processes at STMIK Primakara and interviews, by communicating directly with the Chair of the Foundation and the Chair of STMIK Primakara as the campus manager. The variables to be analyzed in this study include:

1) Market Aspect:

The variables analyzed in the market aspect are future market demand (forecasting).

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To forecast demand in the future, it is done in the following way; (1) Using the linear trend forecasting method. This method is used to predict the level of acquisition of sales or demand and costs in the future. (2) Market share to determine market share.

2) Financial aspect:

Analysis of the financial aspect is carried out to determine the amount of costs to be incurred and the benefits received in connection with the investment to be made by STMIK Primakara. The analysis that can be used in assessing investment feasibility is capital budgeting to identify all projects that add value to the company (Brigham, 2016). The investment eligibility criteria use the following methods: Payback Period (PP), Net Present Value (NPV), Internal Rate of Return (IRR) and Profitability Index (PI).

RESULTS AND DISCUSSION

Market and Marketing Aspect Analysis

Market and marketing aspects can be analyzed by analyzing market potential, intensity of competition, market share that can be achieved, as well as analyzing marketing strategies that can be used to achieve the expected market share. The following is a further analysis of the components of the market aspect.

To see opportunities in the future, it is necessary to forecast demand to find out whether in the next 10 years there is still an opportunity for STMIK Primakara. The following is a forecast for the acquisition of new students from 2021 to 2030 using the linear trend method (least square) with the equation Y= a+bx as shown in table 1 below.

Table 1 – New Student Projections

Year	Projections
2021	259
2022	293
2023	327
2024	361
2025	395
2026	429
2027	464
2028	498
2029	532
2030	566

Source: Data processed.

Based on table 1 above, it can be predicted that the number of new students will increase from year to year in line with the increasing need for graduates in the IT field. The projected increase in the acquisition of new students can be achieved or can be obtained if marketing efforts and marketing strategies are carried out.

Assessing market share is essentially an indicator of how well STMIK Primakara is doing compared to competitors. Competitors are companies that produce or sell goods or services that are the same or similar to the products we offer. From the results of the analysis in the field, the following is presented data on competitors and market share gains from each competitor.

Table 2 – Competitor Data

Information	Competitor Data	Number of Students	*Market Share*
STMIK Primakara	2013	637	5,30%
STMIK Bandung Bali	2002	250	2,08%
STMIK STIKOM Indonesia (STIKI)	2008	5232	43,56%
Institut Teknologi Dan Bisnis *STIKOM Bali*.	2002	5893	49,06%
Total		12.012	100%

Source: Data processed.

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From table 2 above, the position of STMIK Primakara is in third place out of four similar universities. As one of the youngest IT universities in Bali in Bali, STMIK Primakara is able to gain a market share of more than 5% and surpass STMIK Bandung Bali. The current market leader position is occupied by ITB STIKOM.

Marketing strategy is the main thing in winning market share. To win the competition, STMIK Primakara must be able to determine market share and competitors so that they can apply different promotions from competitors. Therefore, universities must have a good "branding" to continue to exist in the face of competition between universities, especially foreign universities are also increasingly aggressively promoting to attract prospective new students in Indonesia. The branding strategy that has been carried out by STMIK Primakara is to re-accredit and implement ISO (International Standardization for Organizations) towards superior universities. Branding strategies, promotions are also being carried out. Promotional activities are closely related to the dissemination of information to be conveyed to prospective new students. In the delivery of this information strategy, there are several ways, such as making campus brochures, and utilizing advertisements on social media, providing scholarships and alumni and students themselves as marketers from universities.

Financial Aspect Analysis

The investment appraisal criteria used in determining the feasibility of a business or investment include:

1) *payback period*

Calculation or determination of the time period needed to cover the initial investment of a project using the cash inflow generated by the project (Dillivan, 2012).

2) *probability index methods* /*Benefit Cost Ratio* (*B/C ratio*)

The method (B/C Ratio) is also known as the "profitability index", this approach is almost the same as the NPV method, only (B/C Ratio) measures the present value for every rupiah invested (Gitman & Zutter, 2015).

3) *net present value*

The net present value (NPV) of a project is the difference between the present value of proceeds and the PV of initial investment as long as its economic life is at a certain discount rate (Munshi, 2014).

4) Internal rate of return (IRR) method

IRR is a method that calculates the interest rate (discount rate) which makes the present value of all estimated cash inflows equal to the present value of expected cash outflows (S Husnan, 2013).

Before carrying out the four analytical methods above, what needs to be done first is to work on cash flow. Cash flow is cash flow or cash flow in the company in a certain period. In cash flow, all income data received and costs incurred, both types and amounts are estimated in such a way, so as to describe the conditions of future income and expenses. Estimated revenue and costs is an estimate of how much costs must be incurred in a certain period. Then the types of income and what costs are incurred and how much income is earned and the costs incurred for each post, in the end the cash flow will show the final cash received by the company. In this feasibility study, there are several assumptions that are used and are based on the rules in the current economic system and conditions.

1) The project life is calculated as 10 years.

2) STMIK Primakara interior and exterior equipment and supplies are calculated based on an economic life of 10 years.

3) The depreciation method for fixed assets uses the straight-line method.

4) The amount of loan capital costs is calculated at the Bank's loan rate of 13% per year.

5) The capital structure for investment is 49% of Bank loans, which is Rp. 6,000,000,000,- and 51% is Equity (Foundation) of Rp. 6,331,650,000,- so the total investment development funding is Rp. 12,331,650,000.

6) The amount of WACC for own capital is 1.91% and bank loan is 9.78% so the total WACC is 11.68%.

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7) The total capital consists of:
Pre Operation Rp 383,000,000,-
Fixed Assets Rp 11,948,650,-

8) There are 3 main scenarios for sensitivity analysis, namely:

a) Base scenario is a scenario that assumes the number of new student admissions each year can be calculated using the trend liner method. The student study period is 8 (eight) semesters, and the student resignation rate is set at 5% annually. There is an increase in the cost of education by 5% every year.

b) Optimistic Scenario, which is a scenario that assumes the number of new student admissions annually increases by 25% from the number of new student admissions in the base scenario. The student study period is 8 (eight) semesters, and the student resignation rate is set at 5% annually. There is an increase in the cost of education by 5% every year.

c) Pessimistic Scenario is a scenario that assumes the number of new student admissions each year decreases by 25% from the number of new student admissions in the base scenario. The student study period is 8 (eight) semesters, and the student resignation rate is set at 5% annually. There is an increase in the cost of education by 5% every year.

d) The basic, operational and other costs are determined based on a certain percentage based on the attachment of cost assumptions and the increase in costs occurs in line with the increase in income.

Profit and Loss Projection

The profit/loss report is the result of the company's operational activities in a certain period of time. It contains information on asset inflow (revenue), asset outflow (expenses), and the increase or decrease generated by all these activities. It can be seen that the net profit of STMIK Primakara has a value that continues to increase. This is because the increase in income is still greater than the increase in operating costs and interest expenses.

Table 3 – Projected Profit and Loss Scenario Base

Information	Year				
	2021	2022	2023	2024	2025
Total income	6.010.275	11.483.798	13.334.518	15.467.994	17.982.374
Cost	1.983.391	4.126.117	4.814.150	5.581.852	6.492.429
Gross profit	4.026.884	7.357.681	8.520.368	9.886.142	11.489.945
Total Operating Cost	2.826.523	4.995.275	5.766.672	6.653.022	7.692.866
Operating profit	1.200.361	2.362.406	2.753.696	3.233.120	3.797.079
Amount of miscellaneous expenses	262.775	778.635	723.986	646.053	551.192
Earnings Before Depreciation	937.586	1.583.772	2.029.710	2.587.068	3.245.887
Depreciation & Amortization	663.399	663.399	663.399	663.399	663.399
Profit and Loss before Tax	274.187	920.373	1.366.311	1.923.669	2.582.488
Income Tax (25%)	68.547	230.093	341.578	480.917	645.622
Net Profit and Loss after Tax	205.640	690.280	1.024.733	1.442.752	1.936.866

Source: Data processed.

Table 4 – Profit and Loss Projection for Optimistic Scenario

Information			Year		
	2021	2022	2023	2024	2025
Income	6.866.594	13.091.973	15.787.655	18.869.506	22.476.041
Cost	2.265.976	4.656.814	5.623.685	6.704.351	8.114.270
Gross profit	4.600.618	8.435.158	10.163.970	12.165.155	14.361.771
Total Operating Cost	3.157.997	5.617.785	6.716.260	7.969.716	9.432.324
Operating profit	1.442.621	2.817.373	3.447.711	4.195.439	4.929.448
Amount of miscellaneous expenses	262.775	778.635	723.986	646.053	551.192
Earnings Before Depreciation	1.179.846	2.038.739	2.723.725	3.549.386	4.378.255
depreciation	663.399	663.399	663.399	663.399	663.399
Profit and Loss before Tax	516.447	1.375.340	2.060.326	2.885.987	3.714.856
PPh	129.112	343.835	515.081	721.497	928.714
Net Profit and Loss after Tax	387.335	1.031.505	1.545.244	2.164.490	2.786.142

Source: Data processed.

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Table 5 – Profit and Loss Projection for Pessimistic Scenario

Information	Year				
	2021	2022	2023	2024	2025
Income	5.153.956	9.870.924	10.867.046	12.042.278	13.469.642
Cost	1.700.806	3.593.868	3.999.884	4.451.366	4.861.772
Gross profit	3.453.151	6.277.056	6.867.162	7.590.912	8.607.870
Total Operating Cost	2.495.050	4.370.946	4.811.536	5.326.958	5.946.027
Operating profit	958.100	1.906.110	2.055.626	2.263.954	2.661.843
Amount of miscellaneous expenses	262.775	778.635	723.986	646.053	551.192
Earnings Before Depreciation	695.325	1.127.475	1.331.640	1.617.902	2.110.650
Depreciation & Amortization	663.399	663.399	663.399	663.399	663.399
Profit and Loss before Tax	31.926	464.076	668.241	954.503	1.447.251
PPh	7.982	116.019	167.060	238.626	361.813
Net Profit and Loss after Tax	23.945	348.057	501.181	715.877	1.085.438

Source: Data processed.

Cash Flow Projection

Making capital budgeting (capital budgeting) is making estimates of cash flows in the future which includes cash inflows and outflows. Cash flow is central to investment analysis. This is because net cash flow shows the company's ability to pay back the investments that have been issued, pay dividends to shareholders, or expand the business. The following is the calculation of the cash flow projections (proceeds) of the three scenarios.

Table 6 – Projected Cash Flow (cash flow) Base Scenario

Net Cash Flow (Proceeds)	2021	2022	2023	2024	2025
Profit After Tax	205.640	690.280	1.024.733	1.442.752	1.936.866
Depreciation and Amortization	663.399	663.399	663.399	663.399	663.399
Interest Fee (1-tax)	148.322	577.397	536.081	477.286	405.778
Total Proceeds	1.017.361	1.931.075	2.224.214	2.583.437	3.006.043

Source: Data processed.

Table 7 – Projected Cash Flow (cash flow) Optimistic scenario

Net Cash Flow (Proceeds)	2021	2022	2023	2024	2025
Profit After Tax	387.335	1.031.505	1.545.244	2.164.490	2.786.142
Depreciation and Amortization	663.399	663.399	663.399	663.399	663.399
Interest Fee (1-tax)	148.322	577.397	536.081	477.286	405.778
Total Proceeds	1.199.056	2.272.301	2.744.725	3.305.175	3.855.319

Source: Data processed.

Table 8 – Projected Cash Flow (cash flow) Pessimistic scenario

Net Cash Flow (Proceeds)	2021	2022	2023	2024	2025
Laba Setelah Pajak	23.945	348.057	501.181	715.877	1.085.438
Depresiasi dan Amortisasi	663.399	663.399	663.399	663.399	663.399
Biaya Bunga (1-tax)	148.322	577.397	536.081	477.286	405.778
Total Proceeds	835.666	1.588.853	1.700.661	1.856.562	2.154.616

Source: Data processed.

Table 9 – Financial Analysis Results

Base	NPV	IRR	Payback Period	Profitability Index	Conclusion
Scenario	22.451.232	32,84%	5,5	2,82	Proper
Optimist	32.471.571	39,34%	4,9	3,63	Proper
Pesimist	12.410.353	25,16%	6,7	2,01	Proper

Source: Data processed.

Based on the projected profit and loss and cash flow using the 3 (three) scenarios previously discussed, then a financial feasibility analysis can be carried out based on the cash flow value in the 3 (three) scenarios above, in order to determine the feasibility/ whether

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or not the investment decisions are appropriate in each of these scenarios. The following is a brief summary of the results of the financial feasibility for the 3 (three) scenarios.

Details of the financial analysis of the 3 (three) scenarios can be described as follows.

1) Base Scenario

Based on the results of the analysis of the base scenario using the assumption of income with the acquisition of new students every year using the trend liner method. While the cost assumption is based on the percentage in the attachment of the cost assumption. The calculation and results of the financial analysis are as follows:

Table 10 – Financial Analysis –Base Scenario

n-th year	Projection Year	Cash Flow	Factor Discount (11,68%)	Present Value	Payback Period
0		-12.331.650			
1	2021	1.017.361	1,00	1.017.361	-11.314.289
2	2022	1.931.075	0,90	1.729.115	-9.383.214
3	2023	2.224.214	0,80	1.783.305	-7.159.000
4	2024	2.583.437	0,72	1.854.691	-4.575.563
5	2025	3.006.043	0,64	1.932.385	-1.569.521
6	2026	3.475.232	0,58	2.000.354	1.905.711
7	2027	3.966.351	0,52	2.044.272	5.872.062
8	2028	4.522.551	0,46	2.087.159	10.394.613
9	2029	5.122.072	0,41	2.116.618	15.516.685
10	2030	49.234.593	0,37	18.217.623	64.751.278
	IRR	32,84%	PV	34.782.882	
	DF	11,68%	Investment	12.331.650	
	IRR	>DF	NPV	22.451.232	>0
			PP	5,5	< 10 Year
			PI	2,82	>1

Source: Data processed.

Based on the data in table 10 above, it can be described as follows.

Tabel 11 – *Payback Period Scenario Base*

Payback Period	5,5	< 10 Year	Proper

Source: Data processed.

Based on the data in table 11 above, the payback period figure is 5.5, meaning that the period required to return the investment value of Rp -12,331,650 is 5 years and 5 months.

Table 12 – Net Present Value Scenario Base

Net Present Value (NPV)	22.451.232	+	Proper

Source: Data processed.

Based on the data in table 12 above, the value of the NPV is 22,451,232. These results mean that the benefits received are higher than the costs incurred so that the results of this study indicate that the project is feasible to be realized.

Table 13 – Base Scenario IRR

Internal Rate of Return (IRR)	32,84%	>11,68%	Proper

Source: Data processed.

Based on the data in table 13 above, the Interal Rate of Return (IRR) value is 32.84%, which means it is greater than the minimum interest rate (discount factor) of the investment of 11.68%. This shows the project is feasible to be actualized.

Table 14 – Profitability Index Skenario Base

Profitability Index	2,82	>1	Proper

Source: Data processed.

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Based on the data in table 14 above, a Profitability Index of 2.82 is obtained and the figure is greater than 1, this means that the project is feasible to be realized.

Based on the results of the analysis of the optimistic scenario that uses the assumption of income with an increase of 25% from the base scenario and the assumption of costs based on the percentage in the attachment of the cost assumption. The calculation and results of the financial analysis are as follows.

Table 15 – Financial Analysis – Optimistic Scenario

n-th Year	Project Yeari	Cash Flow	Factor Discount (11,68%)	Present Value	Payback Period
0		-12.331.650			
1	2021	1.199.056	1,00	1.199.056	-11.132.594
2	2022	2.272.301	0,90	2.034.653	-8.860.293
3	2023	2.744.725	0,80	2.200.635	-6.115.569
4	2024	3.305.175	0,72	2.372.839	-2.810.394
5	2025	3.855.319	0,64	2.478.328	1.044.926
6	2026	4.458.314	0,58	2.566.218	5.503.240
7	2027	5.087.923	0,52	2.622.334	10.591.163
8	2028	5.798.603	0,46	2.676.058	16.389.766
9	2029	6.567.182	0,41	2.713.787	22.956.948
10	2030	64.697.918	0,37	23.939.312	87.654.866
	IRR	39,34%	PV	44.803.221	
	DF	11,68%	Investment	12.331.650	
	IRR	>DF	NPV	32.471.571	>0
			PP	4,9	>10 Year
			PI	3,63	>1

Source: Data processed.

Based on the data in table 15 above, it can be described as follows.

Table 16 – Payback Period Optimistic Scenario

Payback Period	4,9	< 10 Year	Proper

Source: Data processed.

Based on the data in table 16, the payback period figure is 4.9, meaning that the time required to return the investment value of Rp. 12,331,650 is 4 years and 9 months.

Table 17 – Optimistic Scenario Net Present Value

Net Present Value (NPV)	32.471.571	+	Proper

Source: Data processed.

Based on the data in table 17 above, the value of the NPV is 32,471,571. This result means that the benefits received are higher than the costs incurred so that the results of this study indicate that the project is feasible to be realized.

Table 18 – IRR Optimistic Scenario

Internal Rate of Return (IRR)	39,34%	>11,68%	Proper

Source: Data processed.

Based on the data in table 18 above, the Internal Rate of Return (IRR) value is 39.34% which means it is greater than the minimum interest rate (discount factor) of the investment of 11.68%. This means that the project deserves to be actualized.

d) *Profitability Index* (PI)

Table 19 – Optimistic Scenario Profitability Index

Profitability Index	3,63	>1	Proper

Source: Data processed.

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Based on the data in table 19, a Profitability Index of 3.63 is obtained and the figure is greater than 1, this means that the project is feasible to be realized.

Based on the results of the analysis of the pessimistic scenario using the income assumption, there is a 25% decrease from the base scenario and the cost assumption is based on the percentage in the attachment of the cost assumption. The calculation and results of the financial analysis are as follows.

Table 20 – Financial Analysis –Pessimistic Scenario

n-th Year	Projection Year	*Cash Flow*	*Factor* (11,68%)	*Discount*	*Present Value*		*Payback Period*
0		-12.331.650					
1	2021	835.666	1,00		835.666		-11.495.984
2	2022	1.588.853	0,90		1.422.683		-9.907.131
3	2023	1.700.661	0,80		1.363.537		-8.206.470
4	2024	1.856.562	0,72		1.332.856		-6.349.908
5	2025	2.154.616	0,64		1.385.059		-4.195.292
6	2026	2.495.399	0,58		1.436.359		-1.699.894
7	2027	2.848.184	0,52		1.467.964		1.148.290
8	2028	3.244.673	0,46		1.497.418		4.392.963
9	2029	3.676.306	0,41		1.519.177		8.069.269
10	2030	33.731.675	0,37		12.481.284		41.800.944
	IRR	25,16%	PV		24.742.003		
	DF	11,68%	Investmen		12.331.650		
	IRR	>DF	NPV		12.410.353		>0
			PP		6,7		>10 Year
			PI			2,01	>1

Source: Data processed.

Based on the data in table 20 above, it can be described as follows.

Table 21 – Pessimistic Scenario Payback Period

Payback Period	6,7	< 10 Tahun	Proper

Source: Data processed.

Based on the data in table 21 above, the payback period figure is 6.7, meaning that the period required to return the investment value of Rp. 12,331,650 is 6 years 7 months.

Table 22 – Net Present Value of Pessimist Scenario

Net Present Value (NPV)	12.410.353	+	Proper

Source: Data processed.

Based on the data in table 22 above, the NPV value is 12,410,353. These results mean that the benefits received are higher than the costs incurred so that the results of this study indicate that the project is feasible to be realized.

Table 23 – Pessimistic Scenario IRR

Internal Rate of Return (IRR)	25,16%	>11,68%	Proper

Source: Data processed.

Based on the data in table 23 above, the Internal Rate of Return (IRR) value is 25.16% which means it is greater than the minimum interest rate (discount factor) of the investment of 11.68%. This means that the project deserves to be actualized.

Table 24 – Profitability Index Pessimistic Scenario

Profitability Index	2,07	>1	Proper

Source: Data processed.

Based on the data in table 24 above, a Profitability Index of 2.07 is obtained and the figure is greater than 1, this means that the project is feasible to be realized.

Limitation and Implication

This study has limitations, namely this research was only conducted in one university institution, so it was not able to represent other universities. This research has implications for companies regarding the feasibility of a university in the present and in the future. This can help STIMIK Primakara in making future strategies.

CONCLUSION AND SUGGESTION

Based on the results of the analysis and discussion that has been carried out on the feasibility of developing investment in STMIK Primakara, it can be concluded that if viewed from the market aspect, STMIK Primakara has a very high opportunity because the projection of new student admissions is increasing year by year along with the increase in the high school graduates. Competitors who have the potential to influence the acceptance target are ITB STIKOM Bali, but various efforts will be made by STMIK Primakara to strengthen campus branding and achievements so that they are increasingly known in the community and become a favorite in the IT field. Judging from the financial aspect in three scenarios, namely base, optimistic, and pessimistic. The optimistic scenario has the best result which has a positive NPV value of 32,226,071, an IRR of 39.45%, a Payback Period of 4 years and 9 months and a profitability index of 3.70. It can be concluded that the greater the acquisition of new students with adequate capacity or capacity will increase the NPV value, reduce the payback period, and increase the profitability index. So from the two aspects that have been described, namely the market and financial aspects, the development of investment in STMIK Primakara is feasible.

Based on the results obtained in this study, suggestions that can be given are (1) For the management of STMIK Primakara it is better to use a feasibility standard for investment development to get certainty about market aspects and financial aspects that are currently being researched, the results are feasible so that it is feasible to do, (2) For further researchers add several other aspects of the feasibility study such as: operational and technical aspects, aspects of human resources, socio-cultural aspects.

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