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Technical Analysis

Technical analysis is mainly concerned with:

1. Material inputs and utilities
2. Manufacturing processes
3. Product mixes
4. Plant capacities
5. Locations and sites
6. Machinery and equipment
7. Structures and civil work
8. Project charts
9. Layouts & work schedules

When a project is undertaken, the analysis of technical and engineering aspects becomes a continuous process. Technical analysis defines the materials and inputs required, their properties and the supply program. It classifies material inputs into four categories:

1. Raw materials
2. Processed industrial materials
3. Auxiliaries materials and factory supplies
4. Utilities

Evaluation of Technological Options

The evaluation of technological options provided by suppliers should be based on the following considerations. The technology should be:

- Proven and tested - preference could be given to the technology used by the market leader
- Up-to-date - otherwise, the risk of obsolescence is high
- Cost effective

Choice of technology

The choice of technology is influenced by many factors, such as:

- Plant capacity
- Principal inputs
- Investment outlay and production cost
- Use by other units



TenStep Supplemental Paper

- Product mix
- Latest developments
- Ease of integration

Elements of technology transfer

The process of technology transfer consists of three elements:

1. **Transfer of Documentation.** All of the information essential for the execution of all phases of the project should be passed on during the technology transfer.
2. **Assistance in Implementation.** During implementation, skills required for the modification of technology should be provided for the transition to be smooth.
3. **Upgrading of Technology.** As technology is updated on a timely basis, it is necessary for the buyer to ensure that the seller is providing the latest version of the technology.