

ABSTRACT

Tukijo's Pottery UKM is a small business that operated in the craft field Pottery. Developing business needs to have a proper and correct study of the feasibility as consideration factor of the feasibility to run. The main problem that ll be discussed in this research is the feasibility of developing a business to find out how much the result of the feasibility as consideration to run this business.

Study of the feasibility based on aspects of market aspect, technical aspect, and financial aspect. The function is knowing the interest rate that is used as a basic of decision making, calculation of Net Present Value (NPV), calculation of Internal Rate Of Return (IRR), calculation of Profitability Index (PI), and calculation of Payback Period (PP).

The market aspect is the availability of promising market share and sales volume that increasing with value of F is 375.124. Technical aspect contains the technique of making pottery and cost of the equipment which is used can be covered with the profit based on cash flow that is received. Financial aspect in the form of assessment criteria obtained by the Net Presen Value (NPV) method which is Rp. 294,182,892 (NPV >0), Internal Rate of Return (IRR) method >4% which is 19.79%, Profitability Index (PI) method 1.61, payback period method (PP) which is one period or 1 year 4 months. The conclusion is this business is feasible to be run.

Keywords : feasibility of developing a business, pottery