

# Cost of Failure Calculations

Proposed Action:

<b>Action or Inaction Cost</b>	<i>Dollars</i>
Labor	_____
Materials	_____
Equipment	_____
Overhead	_____
Rights-of-Way	_____
Business Costs	_____
Environmental Costs	_____
Aesthetic Costs	_____
Social Costs	_____
<b>Total Action Cost</b>	<b>\$0.00</b>

<b>Success Factors</b>	<i>Percentages</i>
Community Support	_____ 0%
Weather	_____ 0%
Terrain	_____ 0%
Environmental Issues	_____ 0%
Data Adequacy	_____ 0%
Resources Available	_____ 0%
<b>Failure Probability</b>	<b>100%</b>

<b>Failure Cost</b>	<i>Dollars</i>
Labor	_____
Materials	_____
Equipment	_____
Overhead	_____
Rights-of-Way	_____
Business Costs	_____
Environmental Costs	_____
Aesthetic Costs	_____
Social Costs	_____
<b>Total for Failure Cost</b>	<b>\$0.00</b>

**Risk Cost** **\$0.00**

**Benefit to Cost Ratio** **0.00**

Action appears to give a negative outcome.

## Instructions for Cost of Failure Calculations

<b>Action or Inaction Cost</b>	<i>Enter the Dollar Estimates for the Following:</i>
Labor	direct labor cost to carry out the selected activity
Materials	direct materials cost to carry out the selected activity
Equipment	direct costs of equipment used to carry out the selected activity
Overhead	fixed business expenses such as office and benefits
Rights-of-Way	costs of acquiring rights-of-way or easements, including displacement and relocation costs
Business Costs	costs to affected businesses, such as temporary relocation; reduction in customers due to limited access or other factors
Environmental Costs	re-vegetation and other mitigation costs, habitat loss, or other environmental costs
Aesthetic Costs	cost of landscaping replacement (as opposed to re-vegetation to preserve or replace natural areas), changes in property values, or other aesthetic costs
Social Costs	cost of accidents (property damage, injury or fatality), or other social costs
<b>Success Factors</b>	<i>Enter Your Estimate of the Probably Percentage of Success</i>
Community Support	estimate of percentage of the community that supports the project; be sure to include those who may not be directly impacted but have an interest in the project
Weather	if weather is a factor, using weather records, estimate the probability that it will cooperate
Terrain	if terrain is a factor, estimate how much will the terrain favor the successful outcome of the activity
Environmental Issues	estimate the probability that environmental perspectives will consider the activity positive. Clearly this can be affected by how the activity is designed and carried out
Data Adequacy	level of confidence you have in the available data you are basing the activity on
Resources Available	level of resources available, from funds to labor pool, to carry out the activity in the planned time frame
<b>Failure Cost</b>	<i>Enter the Dollar Estimates for the Following:</i>
Labor	direct labor cost to carry out the selected activity
Materials	direct materials cost to carry out the selected activity
Equipment	direct costs of equipment used to carry out the selected activity
Overhead	fixed business expenses such as office and benefits
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Social Costs	cost of accidents (property damage, injury or fatality), or other social costs
Risk Cost	Will be calculated by the formula in the spreadsheet
<b>Benefit to Cost Ratio</b>	Will be calculated by the formula in the spreadsheet

Automatic Message about Probable Positive or Negative Outcome