

STARS Step Zero: Scope and Scale



The following analogies illustrate what why fully-considered projects are important to both the supply-side and the demand-side entities of a project. **STARS Step Zero: Scope and Scale** ensures comprehensive consideration of the scope and scale of prospective projects. The analogies highlight the potential for harm or loss for unconsidered possible impacts. There are usually unseen and/or unaddressed challenges, barriers, perils, and pitfalls when supply-side entities such as providers, project owners, financial stakeholders attempt to limit the scope or scale of projects without full consideration of the impacts on the demand-side entities such as clients, customers, or constituents.

Self-imposed project limitations or solo solutions often cause and/or result in indirect or correlated failures, service voids, oversights, shortfalls, and/or shortages.

Medical Analogy

A patient has five illnesses with active symptoms and consequences verified by treatment history and tests. The illnesses are serious, such as cancer, diabetes, chronic kidney disease, heart disease and respiratory failure

Question: Which disease could/would you chose to ignore without harm to the patient?

This is an example of **demand-side** project scope and scale. The impact on patient health is obvious.

Mining Analogy

Mines: Gold, Silver, Diamond, Coal, Rare Earth Elements, Copper, etc.

The area is geologically potent for the elements as verified or confirmed by the US Geological Survey.

Question: Which element would you ignore if present in the same mine?

This is an example of **supply-side** project scope and scale. The missed opportunity is apparent.

Just as the medical and mining analogies show the proper project supply and demand scope and scale, there are indicators and indexes to show fully consider supply and demand baselining and benchmarking for the project market and/or service area.

Key Performance Indicators (KPI)

Key Performance Indicators (KPIs) are the primary baseline and benchmark metrics for the success of any goods and services deliverables. Regardless of the industry or sector there KPIs and they must be considered for each project and sub project.

Categorical KPIs: Production, Cost of Production, Sales/Delivery, Cost of Sales/Delivery, Margins.

Key Consideration: Failure to fully consider each KPI can cause the project failures listed above.

KPIs are **demand-side** considerations and vary considerably by provider/supplier. KPIs are indicators of economic health.

Essential Services Indexing (ESI)

Essential services are the goods and services that critical for quality of life, regardless of socio-economic status, the client, or constituent or the project service area or market.

Essential Services (Categorically): Food, housing, transportation, access to systems, access to services.

Key Consideration: Failure to fully consider each essential can lead to correlated, indirect failures.

Essential Services are both **supply-side and demand-side** considerations and vary considerably by community and project service areas. ESIs are indicators of community health.

Macroeconomic Considerations

The KPI and ESI considerations above are microeconomic considerations affecting a specific geographical area, population, or base. The returns on investment (KPI) and the results, outcomes, and impacts (ESI) are particular to the local project. There are macroeconomic indicators that universally impact all project regardless of area.

Gross Domestic Product (GDP)

The GDP is the primary indicator used by agencies at all levels to determine program parameters, funding levels, guidelines, etc. The GDP is the total value of all goods and services produced by a country, county, or other jurisdiction. The GDP for the US is currently at the **\$23 Trillion** level with minor fluctuations. Contributions to the GDP are tracked and reported by industry. **The GDP is a supply-side indicator.**

Gross Domestic Income (GDI)

The GDI is the primary indicator for estimating the disposable income for consumer and business spending. The GDI is the total wages, profits, interest, etc. for a country, county or other jurisdiction. The GDI for the US is also currently at the **\$23 Trillion** level with minor fluctuations. Compensation accounts for 50% of the GDI. Business profits accounts for 25%. **The GDI is a demand-side indicator.**

Consumer Price Index (CPI)

The CPI is the primary tool used by economists to determine the inflation rate and when and where to make interest-rate changes that drive spending and savings. The CPI is also used as the baseline and benchmark for many federal programs in the areas of funding, target participants, means testing, etc.

REPRESENTATIVE KPI/ESI INDEX AND POTENTIAL PROJECTS LISTING FOR ACTUAL CLIENTS.

Key Performance Indicators and Essential Services Index Impact					
Key Performance Indicator	Baseline / Benchmark	Current Attainment	Projected Attainment	Projected Impact / Value	Measure or Metric*
Yield Productivity	48	38.4	42.24	3.84	Bushels/Acre (445 acres)
Sales Revenue	\$ 331,080	\$ 264,864	\$ 291,350	\$ 26,486	Price = \$15.5
Cost (Overhead)	\$ 83,763	\$ 67,011	\$ 73,712	\$ 6,701	Operating = 25.3%
Farm Income	\$ 247,317	\$ 197,853	\$ 217,639	\$ 19,785	Minus Cost
Field Productivity	\$ 157,046	\$ 125,637	\$ 138,201	\$ 12,564	Input = 36.5%
*Operation Description	Soybean farm using US average for 2022 performance year.				
Values Are Representative Only. Actual Values Will Vary According To Market and Segment					
Essential Services Index (Scale 1-10)	Comparable Community	Current Attainment	Projected Attainment	Projected Impact / Value	Community / Area* Notes
Food	6.0	5.0	7.0	2.0	Food Desert
Housing	7.0	7.0	8.0	1.0	No Public or Affordable
Transportation	6.0	4.0	6.0	2.0	No Public Transit
Access to Systems	5.0	3.0	5.0	2.0	No Hospital <30 miles
Access to Services	7.0	7.0	7.0	0.0	Public Utilities
Composite Score	6.2	5.2	6.6	1.4	
*Community	Typical Rural or Remote Community				
Scores Are Representative Only. Actual Scores Will Vary By Community and Comparables.					

Program / Project Type	Project Contact	Base Size	Percent Impacted	Adoption Rate	Program Unit Cost	Platform Cost	Monthly Program Revenue	Funding Solution	Funding Range \$\$
Community Scale Solar	Provider	100	70%	70%	\$5,000	\$145,000	\$9,800	Bond	\$250-\$1Million
Solar Energy Installation	Lead Entity	500	50%	50%	\$1,000	\$125,000	\$25,000	Bond	\$50K to \$250K
Affordable Housing	Project Owner	500	50%	50%	\$5,000	\$625,000	\$25,000	Bond	\$250-\$1Million
Affordable Housing	Project Owner	500	50%	50%	\$5,000	\$625,000	\$25,000	Bond	\$250-\$1Million
Affordable Housing	Lead Entity	500	50%	50%	\$5,000	\$625,000	\$25,000	Bond	\$250-\$1Million
Senior Living / Housing	Sponsor	500	30%	50%	\$5,000	\$975,000	\$15,000	Bond	\$250-\$1Million
Vacant & Abandoned Property	Project Owner	100	50%	50%	\$5,000	\$125,000	\$5,000	Bond	\$250-\$1Million
Neighborhood Revitalization	Project Owner	100	50%	50%	\$1,000	\$50,000	\$5,000	Bond	\$50K to \$250K
Career Technical Education	Lead Entity	500	20%	50%	\$500	\$25,000	\$10,000	Bond	Less Than \$50K
Connectivity / Broadband	Project Owner	1000	20%	50%	\$2,000	\$200,000	\$20,000	Bond	\$50K to \$250K
Community Healthcare Access	Sponsor	2000	20%	50%	\$1,000	\$200,000	\$40,000	Bond	\$50K to \$250K
Sister Cities-Lowndes County	Project Owner	2000	20%	50%	\$2,000	\$400,000	\$40,000	Bond	\$250-\$1Million
Sewer and Solid Waste	Project Owner	500	50%	30%	\$5,000	\$375,000	\$15,000	Bond	\$250-\$1Million

START AT START: STARS STEP ZERO