

Chanpim Sompong 2011: A Feasibility Analysis of Investment on Process Improvement and Cost Reduction by Toyota Production System of and Automotive Part Company in Eastern Seaboard Industrial Estate Changwat Rayong. Master of Economics (Business Economics), Major Field: Business Economics, Faculty of Economics at Si Racha. Thesis Advisor: Associate Professor Somsak Priebprom, Ph.D. 151 pages.

The objectives of this study were to assess a technical feasibility of Toyota Production System launched in the ABC company and to assess a financial feasibility of investment on Toyota Production System launched in the ABC company and risk analysis of investment on Toyota Production System launched in the ABC company. Primary data use in the study came from the interviews of some chosen persons related to the Toyota Production System, while the secondary data was collected from various documents associated with the Toyota Production System. Descriptive analysis and project analysis focusing on both technical and financial feasibility were employed as major analytical tools to achieved the study objectives.

The study results indicated that it was technically feasible to launch the Toyota Production System in the ABC company. For the financial analysis of the 10 years investment project on the Toyota Production System launched in the company it was found that the investment project was financially feasible as the net present value (NPV) was positive (7,362,806.39 baht), net benefit investment ratio (N/K) was greater than 1(1.34), and the interest rate of return (IRR) was 35.26% which was higher than the opportunity cost of capital (12%), respectively. Moreover the payback period was 0.15 years.

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Thesis Advisor's signature