THE IMPACT OF FEASIBILITY STUDY ON PALESTINIAN SMALL INVESTMENT PROJECTS

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ABSTRACT

The study is intended to find out the impact of the economic feasibility study on small Palestinian investment projects. A descriptive analytical methodology has been adopted using a questionnaire to achieve the various objectives of the study. The sample size of the study includes (163 persons) representing small entrepreneurs located in the Governorate of Tulkarm. The most important result of the study shows that many respondents believe that the feasibility consultancy offices do not have the required expertise and experience and are mostly unaware of the importance of the feasibility study as well as its high costs. One of the most important recommendations of the study relates to the need for training the staff of consultancy offices to be fully capable of preparing economic feasibility studies, showing their importance, and working hard to reduce the cost of preparing these studies.

Keywords*: economic feasibility, investment, Palestine, small enterprises.*

1. INTRODUCTION

The deteriorating political situation in Palestine and the growing unrest have a direct impact on the Palestinian economy. The current Palestinian economy is ranked low among the world's economies and is highly vulnerable to instability despite the high availability of human, natural and productive resources for the Palestinian society and its members. According to the World Bank, the Palestinian economy falls into the category of low-income countries. The weakness and instability of the Palestinian economy have several causes; some of them are political; other causes are security and the rest are economic.

Investment and economic projects are considered as one of the most important economic development policies in developing countries locally and nationally as they create job opportunities that help support the economy and development. Small enterprises and medium-sized companies are an example of investment projects that contribute to innovation, social cohesion and productivity; they support the development of new forms of organizational work and increase competitiveness.

However, there are some challenges in some Arab countries, especially Palestine, in terms of inefficiency of investment projects, commodities, low technological level and innovation. (Alzaghal and Mukhtar, 2017; 2018).

The GoRich.IO website (2019) has recently outlined a set of reasons that lead to the failure of investment projects, especially in the early stages of their life cycle; these reasons include but not limited to: excess capital, insufficient liquidity for investment, negligence of the marketing feasibility studies, and the absence of a clear vision.

A feasibility study is among the most significant studies that help determine the validity of an idea or project in several legal, technical and economic aspects as well as the possibility of carrying out a project. Feasibility studies can be divided into several categories including the technical, the economic, the legal, the operational as well as the tabular.

These studies mostly provide a good historical background and information about the project such as accounting data, marketing research and management policies, in addition to the financial, legal and tax statements (Simplilearn, 2019).

Based on the above, this study is intended to try to improve the Palestinian economic situation, in general, and the economy of Tulkarm Governorate, in particular. The city of Tulkarm is located in the center of the west of Palestine to the north of the West Bank. The lands of Tulkarm constitute a separation between the Palestinian National Authority (PNA) territories occupied by Israel in 1967 and the Palestinian territories occupied by Israel in 1948 (http://info.wafa.ps).

Within these circumstances, it can be realized that the owners of small investment projects are not aware of the importance of preparing the economic feasibility study and its impact on the success of these investment projects as will be shown in the study problem.

The feasibility study is valid for all types of projects, whether real estates, restaurants, hotels, hospitals and other projects, whether the project is small or large despite the bad economic situation. However, the feasibility study paves the way for the investor to better understand things.

2. STATEMENT OF THE PROBLEM:

The problem lies in the lack of awareness of the owners of small investment projects with respect to the importance of preparing an economic feasibility study and its impact on the success of those investment projects.

People have noticed that the projects in Tulkarm governorate have been very common and frequent and that they have exceeded the need of the governorate and this, in turn, is considered as a loss of investment that is directed to the real needs of this province.

Hence the idea of the importance of the economic feasibility study and the extent of its relevance to the investment reality of this province arises. Therefore, the main question the current study tries to answer is:

What is the impact of economic feasibility in small investment projects in the governorate of Tulkarm?

3. OBJECTIVES OF THE STUDY

The researcher of the current study aims at:

3.1. Analyzing the opinions of the study sample in terms of the extent of their conviction regarding the impact of economic feasibility on the profits of small enterprises.

3.2. Studying the efficiency of consultancy offices to prepare economic feasibility and the views of the study sample in these offices.

3.3. Identifying the views of businessmen and respondents who have practical expertise in preparing economic feasibility and its impact on the evaluation of projects.

3.4. Identifying the views of the study sample on the different economic activities of this sample by preparing economic feasibility.

3.5. Knowing the opinion of the study sample with respect to the different sources of funds that are available for projects.

4. IMPORTANCE OF THE STUDY

This study sheds light on the impact of the feasibility study on investment in Palestine, in general, and in the city of Tulkarm in particular. Owners of future entrepreneurs can get access to organizational resources properly in terms of both time and budget.

Conducting a feasibility study is always useful as it gives the owner a clear picture of the opportunities available especially when we know that the investment opportunities are multiple and diverse and that they will definitely narrow options and alternatives.

Furthermore, through feasibility studies interested people may realize when to start a project and when it is time not to do so.

Also, the project needs to study technical and technological matters, study the environment and the laws and know the competitors; all these things are provided by the feasibility study if it has already been prepared.

5. STUDY HYPOTHESIS

There are no statistically significant differences at the level of ($\alpha = 0.05$) in the role of economic feasibility in evaluating small investment projects in Tulkarm governorate attributed to the following variables: gender, age, educational qualification, work experience, type of economic activity, as well as sources of access to finance.

6. LITERATURE REVIEW

Dikareva and Voytolovskiy (2016) have conducted a study to investigate the efficiency and financial feasibility of the underground infrastructure construction assessment methods. The efficiency types, performance criteria, basic assessment principles for project efficiency throughout the accounting period are considered.

An assessment algorithm of the project efficiency has been worked out. The researchers have found that in order to successfully implement the investment project, business organizations must arrange the financing process correctly. For example, they should use not only their own sources and bank funds, but also raise funds by selling shares on the stock market. Construction companies should also use investment resources through the issue of liabilities and take advantage of leasing more actively.

Hallingberg et al. (2018) have carried out an intensive review to address the need for stand-alone guidance for public health researchers on designing and conducting exploratory studies. The review objectives were to identify and examine existing recommendations concerning when such studies should be undertaken, questions they should answer, suitable methods, criteria for deciding whether to progress to an effectiveness study and appropriate reporting.

The researchers have considered published and unpublished guidance reported between January 2000 and November 2016 via bibliographic databases, websites, citation tracking and expert recommendations. The study results show that the existing recommendations are inconsistent concerning the aims, designs and conduct of exploratory studies, and that guidance is lacking on the evidence needed to inform when to proceed to an effectiveness study.

Abou-Zeid et al. (2007) have also conducted a study in an attempt to presents an overview of the feasibility study procedures used in the public sector in different Arab countries alongside with their advantages, disadvantages, and items of inconsistency.

The researchers have done a pilot study of 91 highway public projects, in Egypt, to gain a better understanding of the Egyptian public sector as a sample study of the Arab countries. The study concluded the existence of inconsistency in the used feasibility study procedures and the researchers have stressed the need for developing standard feasibility study procedures that eliminate this inconsistency.

Yoon (2018) has done an article about the efficient improvement plans and policies applied in preliminary feasibility studies for the government research and development (R&D) innovation strategy using a questionnaire. The survey results have been subjected to influence factor analysis. The study findings are expected to significantly contribute to improving the government's public investment and science and technology policies.

Another study has been conducted by Alhaji Audu M. (2014) to examine the impact of feasibility study in enhancing growth and development of business organizations in Nigeria.

The study has proven that well planned feasibility studies enable the business owner to understand the schematics of the venture and boost confidence in facing challenges that may arise in the business life circle because the target through feasibility study has been attained; howbeit abstract. The study results show that feasibility study will significantly affect the growth of a business and it may reduce the level of exposure to risk and ensure success.

Jo et al. (2015) have recently carried out a study that show that the public sector investment projects face a dynamic environment that incorporates both macroscopic system and microscopic individuals. Prior attempts to analyze the feasibility of those projects, however, have been subjected to limitations in accommodating such environmental changes.

As a remedial measure, the combination of system dynamics (SD) and agent-based modeling (ABM) is proposed due to their complementary strengths. Consequently, this paper suggests a new approach to dynamic feasibility analysis for public investment projects through an integrated simulation model using SD and ABM. The study findings show that the proposed approach can provide a valuable and flexible framework for analyzing project feasibility in a dynamic environment.

7. METHOD AND PROCEDURES:

It includes a description of the methods and procedures used by researchers in determining and describing the study population and sample in addition to a detailed explanation of the practical steps and procedures followed by the researchers in building the study tool and describing it.

It also includes the procedures used to maintain the validity and reliability of the study tool and then explain the outline of the design of the study, its variables as well as a reference to the types of statistical tests used in the current article to study the role of economic feasibility in the evaluation of small investment projects in Tulkarm Governorate.

7.1. The study sample

The sample of the current study includes (163) owners of small enterprises and workers out of a total population (2692) of the study coming from Tulkarm Governorate as shown in the data obtained from Tulkarm Chamber of Commerce.

All the data are valid for scientific analysis simply because the researchers have taken into account respondents gender, age, educational qualification, practical experience, type of economic activity, sources of access to finance.

The sample has been chosen using the intended sample technique and it is distributed across all categories in order to achieve the objectives of the study. Table (1) below describes the study sample based on its independent variables.

Table (1) Distribution of study sample based on its basic variables

Variable	Category	Frequency	Percentage
Gender	Male	144	88.3
	Female	19	11.7
	Total	163	100.0
Age	Less than 30 years	47	28.8
	Between 30 to 50 years	79	48.5
	More than 5o years	37	22.7
	Total	163	100.0
Scientific qualification	High school or below	60	36.8
	Diploma	39	23.9
	Bachelor degree	61	37.4
	High degrees	3	1.8
	Total	163	100.0
Practical experience	Less than 5 years	43	26.4
	Between 5 to 10 years	54	33.1
	More than 10 years	66	40.5
	Total	163	100.0
Type of Economic activity of the project	Primary sector	5	3.1
	Commercial sector	85	52.1
	Industrial sector	26	16.0
	Service sector	47	28.8
	Total	163	100.0
Sources of access to finance	Shareholding company	1	.6
	Bank Financing	27	16.6
	Funding from partners	42	25.8
	Others	93	57.1
	Total	163	100.0

7.2. Study Tool

The researchers have developed a special questionnaire making use of the questionnaire prepared by the Algerian researchers Abdulsalam and Rawi (2017) to be applied in Palestine in order to study the role of economic feasibility in the evaluation of small investment projects in Tulkarm.

The study tool includes two main parts. First is the demographic variables and personal data including: gender, age and educational qualification, practical experience, type of economic activity, as well as the sources of access to finance. Second is all the (21) paragraphs of the questionnaire.

7.3. Reliability of the study tool: Reliability coefficient of questionnaire

Reliability refers to the extent to which the same answers can be obtained using the same instruments more than one time. In other words, reliability is defined as the accuracy in estimating the real mark of an individual on the attribute measured by the test.

The reliability of the study tool used by the researcher is measured using the Cronbach alpha equation; it is (0.68) for all of the questionnaire items/paragraphs.

This indicates problems in the formulation of some paragraphs and it is better to remove these paragraphs, but to some extent we can say that it is somewhat appropriate for statistical analysis and for the purposes of the study.

7.4. Study Procedures

The researchers have done the following list of steps to achieve their purposes:

7.4.1. Qualifying the final questionnaire.

7.4.2. Identifying the study population and sample.

7.4.3. Distributing the questionnaire among the participants of the study sample and after collecting the distributed questionnaires; the researchers have tabled data for processing.

7.5. Study design

The descriptive and analytical method has been used to study the relationship between the study variables and the collection of information using the SPSS for statistical analysis to examine the hypotheses in order to explain the study results; the study included the following variables:

7.5.1. Independent variables

7.5.1.1. The gender variable and it has two levels.

7.5.1.2. The age variable and it has three levels.

7.5.1.3. The qualification variable which has four levels.

7.5.1.4. The type of economic activity variable and it has four levels.

7.5.1.5. The sources of access to finance variable and it has four levels.

7.5.1.6. The practical experience variable and it has three levels.

7.5.2. Dependent variables

The dependent variables are considered in response to the questionnaire items which are related to the impact of an economic feasibility study on the evaluation of small investment projects in Tulkarm governorate.

In order for the researchers to process the data, the Statistical Package for Social Sciences (SPSS) program has been used and the following treatments are highlighted:

7.5.2.1. Frequences and percentages

7.5.2.2. Arithmetic averages (Means)

7.5.2.3. T-test for independent samples

7.5.2.4. One-way Analysis of Variance (ANOVA)

7.5.2.5. Alpha Cronbach coefficient to extract the reliability coefficient of study

8. RESULTS OF THE STUDY

This section is dedicated to answer the hypotheses of the study and examine them statistically using the Statistical Package for Social Sciences (SPSS) program. Results of the main study question:

Before we start with statistical analysis we would like to answer the main question of the study which is (What is the effect of economic feasibility on evaluating small investment projects in Tulkarm governorate?)

To answer this question, arithmetic averages (means) have been calculated as percentages and the results are shown in Table (2) below.

Table (2) Means and percentages of the extent to which the use of economic feasibility studies affect the success of the project

No.	Questionnaire Item	Means	Percentages
1	Feasibility studies lower production costs	3.7222	74.444
2	Feasibility studies lower investment risk	3.5583	71.166
3	Feasibility studies increase profits	3.4785	69.57
4	Economic feasibility studies ensure work continuity	3.6012	72.024
5	Feasibility studies address environmental challenges	3.3252	66.504
6	Feasibility studies reduce the likelihood of project failure	3.4908	69.816
	Total Degree	3.5276	70.552

The results of Table (2) above indicate that about 74% of respondents believe that feasibility studies work to reduce production costs and 66.5% of respondents believe that feasibility studies work to meet environmental challenges.

70% of the study respondents believe that feasibility studies reduce the probability of failure of the project as it works to increase profits.

In general, the researchers have found that 70.5% of respondents believe that feasibility studies have an impact on the success of the project.

Table (3) Means and percentages of the importance of the economic feasibility study for investment projects from the investor's point of view

No.	Questionnaire Item	Means	Percentages
1	The feasibility study contributes to determining the preference enjoyed by available investment opportunities.	3.7853	75.706
2	Economic feasibility studies are a practical means of persuading funding centers and agencies to provide appropriate funds.	3.6687	73.374
3	Feasibility studies help venture capitalists make the right decision on whether or not to invest.	3.8466	76.932
4	Feasibility studies are scientific and practical measures that are used to help the decision maker to correct and modify production and operation plans to suit the changing and emergency conditions.	3.5399	70.798
5	Feasibility studies are scientific tools for evaluating the proposed projects under study according to economic and financial criteria but far from personal and random evaluations.	3.5828	71.656
6	Feasibility studies show the expected returns compared to the expected costs of investment over the life span of the project.	3.5276	70.552
7	Feasibility studies help to identify the economic, political and legal problems that are expected to occur and affect during the life span of the project.	3.454	69.08
8	Feasibility studies contribute to the optimal use of economic resources at the macro level.	3.5706	71.412
	Total Degree	3.6219	72.438

The results of Table (3) indicate that about 76% of the respondents believe that the feasibility study contributes to determining the preference enjoyed by the available investment opportunities.

Furthermore, 69% of the study participants reckon that feasibility studies help to identify the economic, political and legal problems that are expected to occur and affect during the life span of the project.

About 77% of the respondents believe that feasibility studies help venture capitalists make the right decision on whether or not to invest while 72.4% of respondents argue that the feasibility study is significant and may have an effect on investment enterprises from a pure investor’s perspectives.

Table (4) Means and percentages of the reasons for not conducting feasibility studies

No.	Questionnaire Item	Means	Percentages
1	Conducting feasibility studies is cost effective and demanding.	3.7791	75.582
2	Many investors feel that their projects do not need all these feasibility studies.	3.5337	70.674
3	A large proportion of these studies often lose credibility and are replicated from previous studies.	3.3374	66.748
4	Some feasibility consultancy offices do not have enough expertise in this area.	3.2883	65.766
5	There is ignorance towards the importance of feasibility studies among interested people.	3.3067	66.134
6	Feasibility studies are useless and ineffective for the investment project.	2.9141	58.282
7	The project does not need feasibility studies due to the existence of similar successful investment projects.	3.4785	69.57
	Total Degree	3.3769	67.538

The results of table (4) indicate that about 75.6% of the respondents believe that the high cost of conducting feasibility studies is one of the reasons for not conducting feasibility studies. 58.28% of the respondents believe that one of the reasons for not carrying out the feasibility study is that these studies are useless and ineffective and they do not have any impact on the investment project.

The results also show that about 66% of the respondents believe that some feasibility studies consultancy offices do not have the expertise and experience in this area, and ignorance of the importance of feasibility studies is one of the reasons that prevent the conduct of economic feasibility studies.

In general, the researchers find that 67.5% of respondents believe that there are several reasons why small business owners do not conduct economic feasibility studies.

9. TEST HYPOTHESIS

9.1. There are no statistically significant differences at the level of significance ($\alpha = 0.05$) in the role of economic feasibility in evaluating small investment projects in Tulkarm governorate attributed to gender variable.

In order to test this hypothesis, arithmetic averages and standard deviations have been calculated and a T-test for independent samples has been used to determine the role of economic feasibility in evaluating small investment projects in Tulkarm governorate based on the respondent's gender.

Table (5) T - test for independent samples on the fields of study based on gender

Field/Domain	Male (n=144)		Female (n=19)		T-test	F (level of significance)
	Means	Standard Deviation	Means	Standard Deviation		
The impact of the use of feasibility studies on the success of the project.	3.5162	0.88594	3.6140	0.76589	0.459-	0.647
The importance of studying the economic feasibility of investment projects from the investor's point of view.	3.5859	0.80800	3.8947	0.52252	1.619-	0.107
Reasons for not conducting feasibility studies.	3.3462	0.89423	3.6090	0.77495	1.221-	0.224
Total field	3.4828	0.52382	3.7059	0.34716	1.803-	

It is clear from the results shown in table (5) above that there are statistical differences in the means between males and females in the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate attributed to gender variable. T-test has been used to identify the differences among the independent variables.

The results show that the differences are not statistically significant on all the fields of the study as well as the total field. The level of significance calculated on the fields of study and the total field is higher than the level of significance specified by the null hypothesis ($\alpha = 0.05$). This indicates no differences in views of the study respondents on the role of economic feasibility in evaluating small investment projects in Tulkarm governorate based on the gender variable.

9.2. There are no statistically significant differences at the level of significance ($\alpha = 0.05$) in the role of economic feasibility in evaluating small investment projects in Tulkarm governorate attributed to age variable.

In order to test this hypothesis, arithmetic averages and standard deviations have been calculated and a T-test for independent samples has been used to determine the role of economic feasibility in evaluating small investment projects in Tulkarm governorate based on the respondent’s age.

The results show that there are differences in the means of the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate according to the age variable.

To test whether these differences are statistically significant, the researchers have decided to use the One-Way Analysis of Variance (ANOVA) and the results are shown in Table (6) below.

Table (6) Results of One-Way Analysis of Variance for the significance of differences between Means related to the role of economic feasibility in evaluating small investment projects in Tulkarm Governorate attributed to age

Variable / Fields	Source of Variance	Degrees of freedom	Sum of squared deviations	Means of deviations	F	Sig.
The impact of the use of feasibility studies on the success of the project.	Between groups	2	5.826	2.913	3.979	.021
	Inside groups	160	117.133	.732		
	Total	162	122.959			
The importance of studying the economic feasibility of investment projects from the investor's point of view.	Between groups	2	5.317	2.658	4.498	.013
	Inside groups	160	94.557	.591		
	Total	162	99.873			
Reasons for not conducting feasibility studies.	Between groups	2	4.035	2.017	2.640	.074
	Inside groups	160	122.284	.764		
	Total	162	126.319			
Total fields	Between groups	2	3.995	1.998	8.356	.000
	Inside groups	160	38.248	.239		
	Total	162	42.243			

It is clear from table (6) that there are statistically significant differences at the level of significance (α= 0.05) in the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate attributed to the age variable on all fields of study as well as the total field; the level of significance calculated on all fields of study and the total field is less than the level of significance specified by the null hypothesis.

This indicates that there is a difference in viewpoints among the respondents attributed to the age of the respondents. However, the researchers have found that there are no statistically significant differences between the respondents based on the age variable on the field of reasons for not conducting economic feasibility studies.

It can be noticed from the table above that the level of significance calculated on this area is (0.074) and this value is higher than the level of significance specified by the null hypothesis which is (α= 0.05). This indicates the absence of differences in the views of the respondents on the reasons for not conducting economic feasibility studies according to the age of the respondent.

9.3. There are no statistically significant differences at the level of significance (α = 0.05) in the role of economic feasibility in evaluating small investment projects in Tulkarm governorate attributed to scientific qualification variable. In order to test this hypothesis, arithmetic averages and standard deviations have been calculated and a T-test for independent samples has been used to determine the role of economic feasibility in evaluating small investment projects in Tulkarm governorate based on the respondent's scientific qualification. The results show that there are differences in the means of the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate according to the scientific qualification variable. To test whether these differences are statistically significant, the researchers have decided to use the One-Way Analysis of Variance (ANOVA) and the results are shown in Table (7) below.

Table (7) Results of One-Way Analysis of Variance for the significance of differences between Means related to the role of economic feasibility in evaluating small investment projects in Tulkarm Governorate attributed to scientific qualification

Variable / Fields	Source of Variance	Degrees of freedom	Sum of squared deviations	Means of deviations	F	Sig.
The impact of the use of feasibility studies on the success of the project.	Between groups	3	14.464	4.821	7.066	.000
	Inside groups	159	108.495	.682		
	Total	162	122.959			
The importance of studying the economic feasibility of investment projects from the investor's point of view.	Between groups	3	12.144	4.048	7.336	.000
	Inside groups	159	87.730	.552		
	Total	162	99.873			
Reasons for not conducting feasibility studies.	Between groups	3	.311	.104	.131	.942
	Inside groups	159	126.008	.793		
	Total	162	126.319			
Total fields	Between groups	3	5.347	1.782		.000
	Inside groups	159	36.897	.232		
	Total	162	42.243			

It is clear from table (7) that there are statistically significant differences at the level of significance (α= 0.05) in the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate attributed to the scientific qualification variable on all fields of study as well as the total field; the level of significance calculated on all fields of study and the total field is less than the level of significance specified by the null hypothesis. This indicates that there is a difference in viewpoints among the respondents attributed to the age of the respondents.

However, the researchers have found that there are no statistically significant differences between the respondents based on the scientific qualification variable on the field of reasons for not conducting economic feasibility studies.

It can be noticed from the table above that the level of significance calculated on this area is (0.942) and this value is higher than the level of significance specified by the null hypothesis which is (α= 0.05).

This indicates the absence of differences in the views of the respondents on the reasons for not conducting economic feasibility studies according to the age of the respondent.

9.4. There are no statistically significant differences at the level of significance (α = 0.05) in the role of economic feasibility in evaluating small investment projects in Tulkarm governorate attributed to practical experience variable.

In order to test this hypothesis, arithmetic averages and standard deviations have been calculated and a T-test for independent samples has been used to determine the role of economic feasibility in evaluating small investment projects in Tulkarm governorate based on the respondent's practical experience.

The results show that there are differences in the means of the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate according to the practical experience.

To test whether these differences are statistically significant, the researchers have decided to use the One-Way Analysis of Variance (ANOVA) and the results are shown in Table (8) below.

Table (8) Results of One-Way Analysis of Variance for the significance of differences between Means related to the role of economic feasibility in evaluating small investment projects in Tulkarm Governorate attributed to scientific qualification

Variable / Fields	Source of Variance	Degrees of freedom	Sum of squared deviations	Means of deviations	F	Sig.
The impact of the use of feasibility studies on the success of the project.	Between groups	3	9.279	3.093	4.326	.006
	Inside groups	159	113.680	.715		
	Total	162	122.959			
The importance of studying the economic feasibility of investment projects from the investor's point of view.	Between groups	3	7.386	2.462	4.233	.007
	Inside groups	159	92.487	.582		
	Total	162	99.873			
Reasons for not conducting feasibility studies.	Between groups	3	1.891	.630	.805	.493
	Inside groups	159	124.428	.783		
	Total	162	126.319			
Total fields	Between groups	3	2.742	.914	3.679	.013
	Inside groups	159	39.501	.248		
	Total	162	42.243			

It is clear from table (8) that there are statistically significant differences at the level of significance (α= 0.05) in the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate attributed to the practical experience variable on all fields of study as well as the total field; the level of significance calculated on all fields of study and the total field is less than the level of significance specified by the null hypothesis. This indicates that there is a difference in viewpoints among the respondents attributed to the practical experience of the respondents. However, the researchers have found that there are no statistically significant differences between the respondents based on the practical experience variable on the field of reasons for not conducting economic feasibility studies. It can be noticed from the table above that the level of significance calculated on this area is (0.493) and this value is higher than the level of significance specified by the null hypothesis which is (α= 0.05). This indicates

the absence of differences in the views of the respondents on the reasons for not conducting economic feasibility studies according to the practical experience of the respondent.

9.5. There are no statistically significant differences at the level of significance (α = 0.05) in the role of economic feasibility in evaluating small investment projects in Tulkarm governorate attributed to the type of economic activity variable. In order to test this hypothesis, arithmetic averages and standard deviations have been calculated and a T-test for independent samples has been used to determine the role of economic feasibility in evaluating small investment projects in Tulkarm governorate based on the respondent's type of economic activity. The results show that there are differences in the means of the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate according to the type of economic activity variable. To test whether these differences are statistically significant, the researchers have decided to use the One-Way Analysis of Variance (ANOVA) and the results are shown in Table (9) below.

Table (9) Results of One-Way Analysis of Variance for the significance of differences between Means related to the role of economic feasibility in evaluating small investment projects in Tulkarm Governorate attributed to the type of economic activity

Variable / Fields	Source of Variance	Degrees of freedom	Sum of squared deviations	Means of deviations	F	Sig.
The impact of the use of feasibility studies on the success of the project.	Between groups	3	3.227	1.076	1.428	.237
	Inside groups	159	119.732	.753		
	Total	162	122.959			
The importance of studying the economic feasibility of investment projects from the investor's point of view.	Between groups	3	2.579	.860	1.405	.243
	Inside groups	159	97.295	.612		
	Total	162	99.873			
Reasons for not conducting feasibility studies.	Between groups	3	4.500	1.500	1.958	.123
	Inside groups	159	121.819	.766		
	Total	162	126.319			
Total fields	Between groups	3	.305	.102	.386	.763
	Inside groups	159	41.938	.264		
	Total	162	42.243			

It is clear from table (9) that there are statistically significant differences at the level of significance (α= 0.05) in the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate attributed to the type of economic activity variable on all fields of study as well as the total field; the level of significance calculated on all fields of study and the total field is less than the level of significance specified by the null hypothesis.

This indicates that there is a difference in viewpoints among the respondents attributed to the type of economic activity of the respondents.

However, the researchers have found that there are no statistically significant differences between the respondents based on the type of economic activity variable on the field of reasons for not conducting economic feasibility studies.

It can be noticed from the table above that the level of significance calculated on this area is (0.673) and this value is higher than the level of significance specified by the null hypothesis which is (α= 0.05).

This indicates the absence of differences in the views of the respondents on the reasons for not conducting economic feasibility studies according to the type of economic activity of the respondent.

9.6. There are no statistically significant differences at the level of significance (α = 0.05) in the role of economic feasibility in evaluating small investment projects in Tulkarm governorate attributed to the sources of access to finance variable.

In order to test this hypothesis, arithmetic averages and standard deviations have been calculated and a T-test for independent samples has been used to determine the role of economic feasibility in evaluating small investment projects in Tulkarm governorate based on the respondent's sources of access to finance.

The results show that there are differences in the means of the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate according to the sources of access to finance variable.

To test whether these differences are statistically significant, the researchers have decided to use the One-Way Analysis of Variance (ANOVA) and the results are shown in Table (10) below.

Table (10) Results of One-Way Analysis of Variance for the significance of differences between Means related to the role of economic feasibility in evaluating small investment projects in Tulkarm Governorate attributed to the sources of access to finance

Variable / Fields	Source of Variance	Degrees of freedom	Sum of squared deviations	Means of deviations	F	Sig.
The impact of the use of feasibility studies on the success of the project.	Between groups	3	3.227	1.076	1.428	.237
	Inside groups	159	119.732	.753		
	Total	162	122.959			
The importance of studying the economic feasibility of investment projects from the investor's point of view.	Between groups	3	2.579	.860	1.405	.243
	Inside groups	159	97.295	.612		
	Total	162	99.873			
Reasons for not conducting feasibility studies.	Between groups	3	4.500	1.500	1.958	.123
	Inside groups	159	121.819	.766		
	Total	162	126.319			
Total fields	Between groups	3	.305	.102	.386	.763
	Inside groups	159	41.938	.264		
	Total	162	42.243			

It is clear from table (9) that there are statistically significant differences at the level of significance (α= 0.05) in the role of economic feasibility in the evaluation of small investment projects in Tulkarm governorate attributed to the sources of access to finance variable on all fields of study as well as the total field; the level of significance calculated on all fields of study and the total field is less than the level of significance specified by the null hypothesis.

This indicates that there is a difference in viewpoints among the respondents attributed to the sources of access to finance of the respondents.

10. RESULTS

The researchers have concluded that:

10.1. 70% of respondents have reported that economic feasibility studies have an impact on the success of the project and increasing of its profits.

10.2. 66% of the respondents believe that the feasibility consultancy offices do not have the expertise and experience required in this field, and they are unaware of the importance of the feasibility study.

10.3. 76.6% of respondents believe that the high cost of conducting feasibility studies is one of most significant barriers and reasons for not carrying them out.

10.4. The study shows that there are differences in the means of the role of economic feasibility in evaluating projects based on the practical experience variable.

10.5. The study shows that there are no differences in the viewpoints of the study respondents attributed to the different type of economic activity of the respondents on the total field of the of the economic feasibility effect in evaluating projects.

10.6. The study showed that there is no difference in viewpoints among the respondents in the different sources of obtaining funding for the respondents on the total field of the study.

11. RECOMMENDATIONS

Based on the results the researchers recommend the following:

11.1. The necessity for the consultancy offices to train their staff on proper preparation of economic feasibility studies and how to demonstrate their importance.

11.2. The need for entrepreneurs to identify the donor institutions that support small projects and enterprises in Palestine.

11.3. The need to establish confidence between investors and advisory offices to study the economic feasibility and to strive to reduce its cost.

11.4. The need for the owner of the project to prepare an economic feasibility of the project before he/she starts to implement it.

11.5. The urge for studying the needs of the country (Palestine) for the goods that need feasibility studies; in other words, the need for studying the market before starting a feasibility study.

11.6. The necessity for cooperating with the local Chamber of Commerce to study and identify the various projects the country needs.

11.7. The researchers have notices that small projects in the city are constantly replicated without having to invest in them.

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