

## **Categorization of Software Projects**

In project management, there are many categories that need to plan as well while planning the project. You will see each category in detail that how we can define the categories of the project. You will see categories like scope and significance, type of the project, level of technology, size, and scale of operations, ownership, and control, implementations, and purpose of the project are generally used categories.

If you're planning a project and want to implement then you can consider these categories. Projects are often categorized on the basis of their scope, size, speed of implementation, location, type, and technology. The project can be classified on the grounds of the following.



### **Scope and Significance :**

The projects are generally classified on the basis of coverage and magnitude of their operations. So on the basis of scope projects can be National or International.

National Projects –

There are also projects which are undertaken either by the government itself or assigned to private entrepreneurs in a country. In a country like India Public and Private sectors coexist to undertake major and minor projects. Government projects and private projects operate in vastly different environments, associated with different advantages and disadvantages. The only purpose of the National Project is the growth and development of the economy and maintenance of existing standards of living.

International Projects –

The projects which are embarked on by “Foreign investors” either by establishing a solitary or a branch of their unit or by mere participation in the equity of any domestic company are called International Projects. These can be in the form of joint ventures, MNC’s, and collaborations between two companies.

### **Type :**

According to the type, projects can be industrial and non-industrial.

Industrial –These are those projects which are undertaken with a view to developing the economy.

Non-Industrial –These projects can be related to welfare and maintenance of a standard of living in an economy.

### **Level of Technology :**

Technology plays a significant role in managing projects. Projects can be sub-divided into four categories on the basis of technology. These are as follows.

Conventional Technology Projects – These are the projects which use acquainted and known technology in the continuous process. e.g. steel, cement, sugar, chemicals, and fertilizers, etc.

Non-Conventional Technology –Such kinds of projects apply if not the latest at least contemporary mode technology e.g. projects using cranes i.e. a mechanical way of lifting.

High-Tech Project – Huge investments are made in technology in these types of projects, e.g., space projects, nuclear power projects, etc.

Low Investment Projects – These types of projects demand low investment in technology e.g., cosmetics and household utilities, etc.

### **Size and Scale of Operations :**

On the basis of size and scale of operations, projects can be large scale, medium scale, and small scale.

Small Scale Projects –These are the projects which can be completed within a time period of 1-2 years and with investment below Rs. 5 crores.

Medium Scale Projects –These are the projects which can be completed within a time period of 2-5 years and with investment between Rs. 5 to Rs. 10 crores.

Large Scale Projects –These are the projects which can be completed within a time period of 5-10 years and with investment over and above Rs. 100 crores.

### **Ownership and Control :**

Projects can be divided into 3 categories according to their governance.

Public Sector Projects –These are fully owned and controlled by the government e.g., generating power and extracting minerals, etc.

Private Sector Projects –These are fully owned by individuals and companies e.g., newspapers and magazines, etc.

Joint Sector Projects –These projects are run and controlled by both government and private individuals are under this category.

### **Speed of Implementation :**

According to the speed of implementation, projects can be normal, crash, and disaster projects.

Normal Projects –In this category, an adequate time is allowed for implementation. It requires minimal capital costs.

Crash Projects –In this category, additional capital is incurred to save time.

Disaster Projects –In this category, naturally capital cost will go up, but project time will get drastically reduced. Failure of quality is accepted.

### **Purpose :**

There is always a purpose for everything. So, the projects are classified according to purpose as follows.

Rehabilitation Projects – These projects are undertaken by financially sound investing groups to service sick units. It is very risk and success are very less in such projects.

Balancing Projects – These are undertaken to cope with changes in the supply side of economies of factors of production, to eliminate the underutilization of the actual capacities, and enhance efficiency and effectiveness.

Maintenance Projects – These projects involve overhauling the machinery, repairs, and patching up activities at regular intervals.

Modernization Projects – Modernization of old plants is required to cope with the dynamic environment.

### **Others :**

Some other types of projects are as follows.

Capacity Expansion Projects – This involves enlarging the existing capacity of the products.

Employees Welfare Project – The objective of such projects is to install infrastructural facilities for improving working conditions and labor relations as well as to develop the skills of the staff.