You have been introduced to three categories of capital investment decisions. Please answer the following questions completely.

1. From a capital investment point of view, what are the goals of a health care facility?
2. Describe what strategic decisions are within capital investments and give two health care related examples.
3. Describe what expansion decisions are within capital investments and give two health care related examples.
4. Describe what replacement decisions are within capital investments and give two health care related examples.

You also explored 3 different methods of analyzing capital investments (Payback, Net Present Value, and Internal Rate of Return). Please answer the following questions completely and cite all sources. Be sure to use your own words!

1. What are the primary drawbacks of the payback method as a capital budgeting technique?
2. Describe briefly how NPV works and how it helps professionals make capital investment decisions. Why would one project be chosen over another? How does it show that a project isn't worth the investment?
3. Describe briefly how IRR works and how it helps professionals make capital investment decisions. How does it rank potential projects or give support to a single project?