

A Forrester Total Economic Impact™  
Study Commissioned By WEBCON  
June 2020

# The Total Economic Impact™ Of WEBCON BPS

Cost Savings And Business Benefits  
Enabled By WEBCON BPS

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**Project Director:**  
Yi Qin Teow

**Project Contributor:**  
Zhi Tao Ng

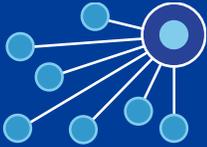
## ABOUT FORRESTER CONSULTING

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# Executive Summary

## Benefits And Costs



Improvement in internal process handling time:

**87%**



Improvement in complex external process handling time:

**67%**



Improvement in non-complex external process handling time:

**67%**

Business process management (BPM) tools, termed today as digital process automation (DPA) tools, address businesses' need to innovate, standardize, modernize, and continuously improve processes.<sup>1</sup> Enterprise development teams are adopting BPM tools to address these needs and even infuse automation and AI for smarter processes that save time and improve productivity.

WEBCON offers a fresh approach to empowering business experts to automate processes in collaboration with developers. The design and development of applications, once a realm governed by IT teams, are now possible through the close collaboration between IT and business users. An agile and iterative working model is thus enabled, significantly reducing the application development cycle time, as well as allowing changes to be made to existing applications more swiftly.

WEBCON commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study examining the potential return on investment (ROI) enterprises may realize by deploying its platform. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of WEBCON BPS on their organizations.

To understand the benefits, costs, and risks associated with this investment, Forrester interviewed one customer in the financial services industry with years of experience using WEBCON BPS. Prior to adopting WEBCON BPS, this organization did not have a BPM solution. Many internally and externally facing business processes were carried out using pen and paper, spreadsheets, and email exchanges. As a result, the organization was both inundated with manual and tedious processes and unable to offer digital solutions to its clients. With WEBCON BPS, the organization was able to reduce time spent on internal manual processes (e.g., vacation application, employee onboarding) and even implement new solutions (e.g., customer risk assessment) to delight its clients. This was achieved all while standardizing its processes, providing a modern user-friendly interface, and quickly adapting to process changes.

## Key Findings

**Quantified benefits.** The interviewed organization experienced the following risk-adjusted present value (PV) quantified benefits:

- › **Improved internal process productivity (\$115,255).** This benefit focuses on the time saved by employees due to the digitization of previously manual internal processes. Processes that were once paper-based have been transformed to a digital form. Employees no longer need to perform tedious, manual tasks. Coupled with the use of optical character recognition (OCR) and AI, the organization achieved an average 87% improvement in internal process handling time (i.e., time spent by employees on carrying out the process). This freed employees from menial and repetitive tasks, allowing them to put the time saved into higher value work.



**ROI**  
**113%**



**Benefits PV**  
**\$605,230**



**NPV**  
**\$321,055**



**Payback**  
**25 months**

› **Improved complex external process productivity (\$107,450).** This benefit focuses on time saved by employees due to digitization of complex processes that are often customer-facing in nature. These processes are complex because they coordinate activities among multiple stakeholders. Through the use of WEBCON BPS, the company is empowered to build new products, such as automated credit decisioning, which achieved a reduction of four FTEs required to support the process.

› **Improved non-complex external process productivity (\$382,525).** This benefit focuses on the time saved by employees due to the digitization of non-complex processes that are either customer-facing or non-customer-facing (e.g., procurement of office supplies or IT equipment) in nature. These processes tend to have fewer activities and stakeholders. WEBCON BPS automation resulted in a 67% improvement in employee-handling time for these processes.

**Unquantified benefits.** The interviewed organization experienced the following additional benefits, which are not quantified for this study:

› **Rapid prototyping capability.** WEBCON understands that business processes change regularly in a volatile business environment; and the platform is thus built with change in mind. With its trademarked InstantChange technology, the underlying architecture allows for quick and non-destructive changes to business applications even while they are already in use. This empowers the organization to prototype new solutions iteratively and to test them out in practice with minimal obstruction to ongoing processes, significantly reducing the time-to-market for new products and services offered.

› **Improved cross-team collaboration.** WEBCON BPS enabled the IT and business teams to work together in a way previously not possible. Process flows may be complex, but WEBCON allows business users to see processes as sets of tasks. Developers and business users each have appropriate views and are able to work together to design the ideal process flow. Also, its InstantChange technology enables quick and easy implementation of process modifications suggested by business users, improving not just communication but also making sure the process works as desired.

› **Increased transparency and visibility of business processes.** WEBCON compiles audit trails for all processes. This holds users accountable for any changes, and it thereby makes business continuity and maintenance of the system a breeze in the long run.

**Costs.** The interviewed organization experienced the following risk-adjusted PV costs:

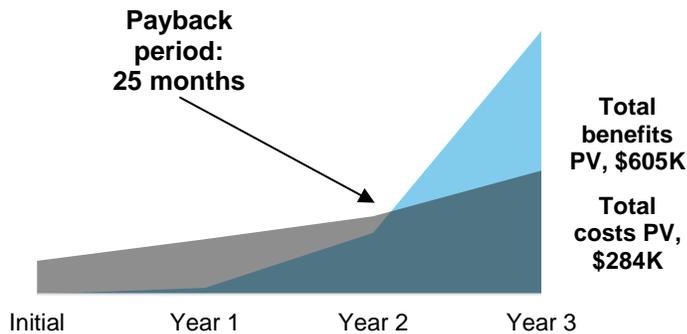
› **WEBCON BPS license cost (\$48,228).** The license costs for this study are based on an on-premises deployment, and they include the one-time enterprise server license, user licenses, and additional optional licenses for power users such as WEBCON BPS's OCR and AI frameworks. A 15% software assurance charge that covers installation of version updates is also incurred on the annual total license cost.

› **Initial setup and pilot project cost (\$50,418).** This item mainly accounts for costs associated with the installation of the on-premises platform, and the implementation of a single process digitalization project. This includes internal labor costs, professional services costs, and training costs for one IT user.

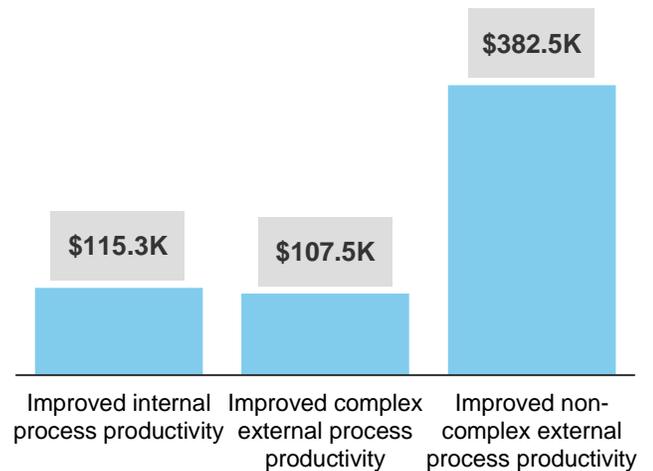
- › **Ongoing resource and training cost (\$185,529).** In the first two years, one employee worked full time to operate and maintain WEBCON BPS. This includes leveraging WEBCON BPS to evolve existing processes, develop new process-centric applications, and provide user support. The organization deployed a second employee during Year 3 to provide additional support to meet increased demand for new applications. The organization also engaged WEBCON in Year 3 to conduct training for its users.

Forrester’s interview with this WEBCON BPS customer and subsequent financial analysis found that the interviewed organization experienced benefits of \$605,230 over three years versus costs of \$284,175, a net present value (NPV) of \$321,055 and an ROI of 113%.

### Financial Summary



### Benefits (Three-Year)



The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

## TEI Framework And Methodology

From the information provided in the interview, Forrester has constructed a Total Economic Impact™ (TEI) framework for those organizations considering implementing WEBCON BPS.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that WEBCON BPS can have on an organization:



### **DUE DILIGENCE**

Interviewed WEBCON stakeholders and Forrester analysts to gather data relative to WEBCON BPS.



### **CUSTOMER INTERVIEW**

Interviewed one organization using WEBCON BPS to obtain data with respect to costs, benefits, and risks.



### **FINANCIAL MODEL FRAMEWORK**

Constructed a financial model representative of the interview using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewed organization.



### **CASE STUDY**

Employed four fundamental elements of TEI in modeling WEBCON BPS's impact: benefits, costs, flexibility, and risks. Given the increasing sophistication that enterprises have regarding ROI analyses related to IT investments, Forrester's TEI methodology serves to provide a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

## DISCLOSURES

Readers should be aware of the following:

This study is commissioned by WEBCON and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in WEBCON BPS.

WEBCON reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

WEBCON provided the customer names for the interviews but did not participate in the interviews.

# The WEBCON BPS Customer Journey

## BEFORE AND AFTER THE WEBCON BPS INVESTMENT

### Interviewed Organization

For this study, Forrester interviewed the IT team Leader of a financial services firm, which is a subsidiary of a global conglomerate with more than 300,000 employees globally. While the interviewed organization has offices across the world, the implementation of WEBCON BPS was pioneered by the Polish team based in Warsaw.

Figures and information gathered by the interviewed organization were used to build the financial model for this case study as appropriate. However, various components such as licenses costs, professional services costs, and the fully loaded salary of the average employee have been adjusted for the North America market.

### Key Challenges

The interviewed organization experienced the following key challenges before deploying WEBCON BPS:

- › **Cumbersome and manual processes.** Many business processes across the organization were often carried out manually, involving the use of pen and paper, spreadsheets, and email exchanges. This inefficiency applied to both internal-facing and external-facing processes such as vacation handling and customer credit decisioning, respectively. Such tedious practices thus lengthened the process cycle time, impacting both employee and customer experiences.
- › **Poor visibility and control over business processes.** The heavy use of paper and spreadsheets meant that there was no one single view of processes across the entire organization. Employees may store information on their individual desktop or in printed documents. Also, clarity over who was handling what processes and the progress of different processes were often limited. This poor transparency and visibility over the various processes happening across the organization thus resulted in potential missed deadlines and compliance risk.
- › **High cost of ready-made solutions.** Alternative solutions on the market, while ready-made, are high in cost with inflexible pricing structures. An evaluation and comparison of these ready-made solutions takes time and may result in prioritization of certain business use cases over others.

“When business users saw that application changes can be completed within a day, more requests came in.”

*IT team leader,  
financial services*



### Solution Requirements

The interviewed organization searched for a solution that could:

- › Increase efficiency and transparency of business processes.
- › Improve measurement of process performance and progress against business metrics.
- › Avail greater speed and flexibility in application development and optimization cycles, such that the IT team does not become the bottleneck.
- › Provide higher cost effectiveness than ready-made solutions.

“Audit reports can now be generated faster and in a more structured manner than before.”

*IT team leader,  
financial services*



- › Integrate seamlessly with the current IT core system.

After an extensive business case process evaluating multiple vendors, the interviewed organization chose WEBCON BPS and began deployment.

## Key Results

The interview revealed that key results from the WEBCON BPS investment include:

- › **Greater business innovation, standardization, and optimization.** With a more agile working model enabled by WEBCON BPS' InstantChange technology, the IT team is able to work more collaboratively with business users to develop new applications within a shorter turnaround time. Also, the strong integrability of the WEBCON BPS platform allows the IT team to easily come up with new applications that support core processes running in the legacy system. Over a span of just three years, the IT team was able to develop a total of 26 applications across the organization in just one single platform. Not only does this allow for more effective management and standardization of business processes but the ability to monitor KPI performance also allows bottlenecks to be quickly identified and addressed. Notifications of outstanding action items and impending deadlines are enabled as well.
- › **Employee productivity gains.** The implementation of WEBCON BPS has brought about productivity gains throughout the organization. Automation of various processes across the organization means that employees are able to save time on manual handling and reduce the occurrences of human error or delays in business processes. Also, the user-friendliness and easy-to-learn platform means that employees are able to ramp up on the usage of the platform swiftly. For instance, employees were able to gain an average of 87% improvement in productivity on internal processes such as vacation handling. As for external processes such as credit decisioning, lease approvals, and customer request handling, an average handling time improvement of 67% across both complex and non-complex cases is achieved. Time saved from the productivity gains thus allow employees to take on other tasks that are more creative and less menial, creating a digital workplace of improved employee morale.
- › **Improved operational control and auditability.** The development of business applications and optimization of processes in one single platform provides an oversight of the different processes running in the organization and ensures that policies and best practices are stored, managed, and automatically propagated. All workflows, forms, reports, dashboards, and data are captured in the platform as well. Furthermore, the stringent documentation of all activities that took place within the platform creates an audit trail that makes it easy to retrospectively inspect what went wrong. As such, there is greater transparency and visibility over end-to-end processes, enhancing operational control and minimizing operational risks.

"In many cases, developing new applications internally with the use of WEBCON BPS was much faster than what other external vendors offered."

*CIO,  
financial services*



"The implementation of WEBCON BPS has enabled us to avoid spending an estimated \$1.17M in purchasing, implementing and maintaining alternative ready-to-use solutions in the market."

*CIO,  
financial services*



# Analysis Of Benefits

## QUANTIFIED BENEFIT DATA

Total Benefits						
REF.	BENEFIT	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Atr	Improved internal process productivity	\$15,978	\$37,401	\$92,930	\$146,309	\$115,255
Btr	Improved complex external process productivity	\$0	\$27,949	\$112,271	\$140,220	\$107,450
Ctr	Improved non-complex external process productivity	\$0	\$87,988	\$412,355	\$500,342	\$382,525
Total benefits (risk-adjusted)		\$15,978	\$153,338	\$617,556	\$786,871	\$605,230

### Improved Internal Process Productivity

The organization started with four applications running on WEBCON BPS in Year 1 of the deployment, focusing mainly on internal processes. With the speed and scalability of the platform, it was able to develop and run a total of 26 processes that stretched to include both complex and non-complex external processes by the end of Year 3.

Internal processes carried out in the organization are defined as employee support processes that are typically administrative and repetitive in nature, such as vacation handling, IT ticket handling, and new hire onboarding. Due to the non-complex nature of these processes, there are usually few steps in the workflows and often involve single task forms in the process.

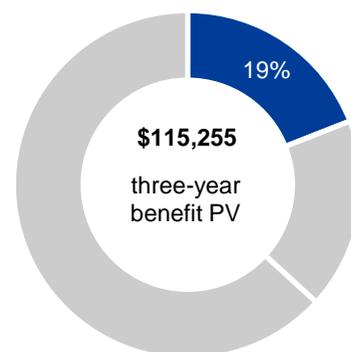
Prior to using WEBCON BPS to automate these internal processes, the tasks involved are manual and spreadsheet- or paper-based. For instance, the legacy process for vacation application requires employees to search online for the application form, print, and fill them out, before physically passing it to various approvers (e.g., line managers, performance managers) for signatures. The process ends with submitting the application form to HR for final review. On the side of the reviewer (i.e., HR), vacation applications are then manually handled and documented on spreadsheets. As such, the average handling time per instance for employees and reviewers summed up to about 30 minutes and 9 minutes, respectively.

Since deploying WEBCON BPS, the end-to-end process for vacation handling is digitized. Employees and reviewers no longer have to manually handle paper-based documents or perform tedious documentation on spreadsheets. This has resulted in an average 87% improvement in handling time per instance, saving all employees hours per year that were previously spent on performing these menial and repetitive tasks.

Forrester adjusts productivity formulas with a productivity conversion ratio to be realistic and conservative in modeling. Productivity conversion considers that not every minute gained in productivity is put directly back into productive work: Employees could use the time to take a longer break, leave work on time, etc. The productivity conversion ratio for this study is 50%.

Companies should also consider the potential impact of productivity and

The table above shows the total of all benefits across the areas listed below, as well as present values (PVs) discounted at 10%. Over three years, the interviewed organization expects risk-adjusted total benefits to be a PV of more than \$600K.



**Improved internal process productivity: 19% of total benefits**

what it could allow employees to achieve (e.g., review one more vacation application form). Forrester does not suggest speculating on the values of these potential actions and incorporating them into an ROI model, but companies should consider these as potential flexibility factors.

To estimate the associated productivity gains, Forrester assumes that all internal processes are non-complex in nature. Readers should discern and adjust productivity ratios as appropriate in cases where there are complex internal processes running in the organization.

The model also accounts for risks that could impact the value of benefits:

- › Variance in salaries by role.
- › Variance in handling time of employees and reviewers.
- › Variance in volume of instances per internal process.

To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$115,255.

Impact risk is the risk that the business or technology needs of the organization may not be met by the investment, resulting in lower overall total benefits. The greater the uncertainty, the wider the potential range of outcomes for benefit estimates.

### Improved Internal Process Productivity: Calculation Table

REF.	METRIC	CALCULATION	YEAR 1	YEAR 2	YEAR 3
A1	Total number of processes running on WEBCON	Provided by customer	4	10	26
A2	Proportion of internal processes	Provided by customer	100%	70%	50%
A3	Number of internal processes running on WEBCON	$A1 \times A2$	4	7	13
A4	Number of employees onboarded onto WEBCON	Year 1: Provided by customer Years 2 and 3: $A4_{py} \times 130\%$	65	85	110
A5	Number of reviewers per internal process	Provided by customer	1	1	1
A6	Average annual volume of process instances per employee	Provided by customer	13	13	13
A7	Pre-WEBCON handling time per employee (minutes)	Assumption	30	30	30
A8	Pre-WEBCON handling time per reviewer (minutes)	Provided by customer	9	9	9
A9	Pre-WEBCON total handling time per internal process (hours)	$((A4 \times A7) + (A5 \times A8)) \times A6 / 60$	424	551	716
A10	Post-WEBCON handling time improvement per internal process	Provided by customer	87%	87%	87%
A11	Post-WEBCON total handling time per internal process (hours)	$A9 \times (1 - A10)$	55	72	93
A12	Average employee fully loaded salary	Year 1: Assumption Years 2 and 3: $A12_{py} \times 103\%$	\$50,000	\$51,500	\$53,045
A13	Productivity conversion	Assumption	50%	50%	50%
At	Improved internal process productivity	$A3 \times (A9 - A11) \times (A12 / 2,080) \times A13$	\$17,753	\$41,557	\$103,255
	Risk adjustment	↓10%			
Atr	Improved internal process productivity (risk-adjusted)		\$15,978	\$37,401	\$92,930

## Improved Complex External Process Productivity

With the success garnered from the development of applications for internal processes in Year 1, the organization thereafter expanded the usage of the platform to developing applications for external processes that are often customer-facing in nature. For complex external processes, the organization started with a single use case in Year 2, before scaling up to a total of four use cases by Year 3.

Complex external processes in the organization are defined as typically customer-facing processes that relate to product offerings. Examples include automated credit decisioning and lease and loan approvals. There are multiple steps in the workflows with multiple stakeholders involved, which thus require multiple task forms. As such, the development timeframe for these applications are longer, ranging from a few months up to a year. Also, these processes are typically higher risk in nature since a misstep (e.g., incorrect approval of loan amounts to customers) may have an impact on the organization's profitability.

Before the development of applications for these complex external processes on WEBCON BPS, they were again highly manual in nature and were subjected to operational risk caused by human error. For instance, the credit decisioning process performed by the risk department was done on spreadsheets that are usually stored within the employees' desktop. Not only was there poor oversight in the risk assessment and credit approval processes but the process turnaround and employee handling time were also time intensive. A total of six employees were required to support this process, for 30% of their time in a year.

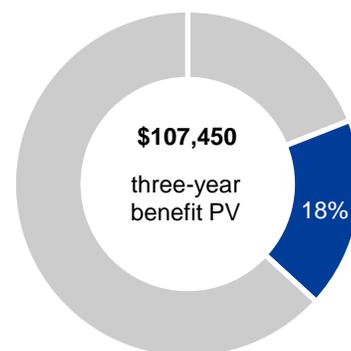
With the use of WEBCON BPS to build a new customer-facing product that enables automated credit decisioning, a productivity gain of 67% was achieved. The organization was able to reduce the number of employees to support the same volume of process instances down to two. The involvement of these two employees remained at 30% of their full-year capacity. The other four employees were thus reallocated to focus on other business areas to drive greater business growth.

A productivity conversion ratio of 50% is also applied in the calculation of this benefit, with the assumption that only 50% of the time saved will actually be converted into productive output.

The model also accounts for risks that could impact the value of benefits:

- › Variance in salaries by role.
- › Variance in handling time of employees.
- › Variance in volume of instances per complex external process.

To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$107,450.



Improved complex external process productivity: 18% of total benefits

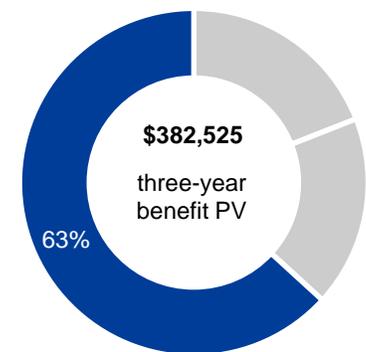
## Improved Complex External Process Productivity: Calculation Table

REF.	METRIC	CALCULATION	YEAR 1	YEAR 2	YEAR 3
B1	Proportion of complex external processes	Assumption	0%	10%	15%
B2	Number of complex external processes running on WEBCON	$A1*B1$	0	1	4
B3	Average annual volume of instances per complex external process	Provided by customer	3,120	3,120	3,120
B4	Pre-WEBCON handling time per instance (minutes)	Provided by customer	72	72	72
B5	Pre-WEBCON total handling time per complex external process (hours)	$B3*(B4/60)$	3,744	3,744	3,744
B6	Post-WEBCON handling time improvement per complex external process	Provided by customer	67%	67%	67%
B7	Post-WEBCON handling time per instance (hours)	$B5*(1-B6)$	1,236	1,236	1,236
B8	Average employee fully loaded salary	A12	\$50,000	\$51,500	\$53,045
B9	Productivity conversion	Assumption	50%	50%	50%
Bt	Improved complex external process productivity	$B2*(B5-B7)* (B8/2,080)*B9$	\$0	\$31,055	\$124,746
	Risk adjustment	↓10%			
Btr	Improved complex external process productivity (risk-adjusted)		\$0	\$27,949	\$112,271

## Improved Non-Complex External Process Productivity

Applications for external processes that were non-complex in nature were subsequently developed on WEBCON BPS from Year 2 onwards as well. Non-complex external processes in the organization are defined as external processes that do not relate to product offerings, and thus could be both customer-facing and non-customer-facing (e.g., procurement of office supplies or IT equipment) in nature. Compared to complex external processes, these non-complex processes have fewer steps in the workflows and involve fewer number of stakeholders. Only a single or a few task forms are required in the process. Examples include handling of procurement processes or customer requests such as reclamations. With a relatively lower impact on revenue and costs, these non-complex processes have inherently lower risk. The development of applications for these processes are faster, and they can typically be completed within a few weeks. Due to the non-complex nature of these external processes, it is estimated that these processes occur more frequently in the organization, at four times that of complex external processes, based on the Pareto Principle.<sup>2</sup>

Prior to the use of WEBCON BPS in managing these processes, communication with the external party is either done via email or over the phone, with poor documentation of the exchanges that took place. For instance, in the case of customer ticket handling, a customer service team member is responsible for receiving and addressing the customer requests or issues. In situations where the customer service team member is not able to resolve the issue in the first instance, a manual process of transferring the request to other team members or departments take place before it is looped back to the customer service



Improved non-complex external process productivity: 63% of total benefits

team member. Not only is the handling process for employees tedious but the turnaround time to the customer is also long and may negatively impact the customer experience. The pre-WEBCON handling time per instance is thus estimated to be around 30 minutes.

With the deployment of WEBCON BPS to handle these non-complex external processes, a customer ticket submitted online is routed automatically to the appropriate team and all exchanges are well-recorded on the platform. A handling time improvement of 67%, similar to that of complex external processes, is thus achieved.

Similarly, a productivity conversion ratio of 50% is applied in the calculation of this benefit, with the assumption that only 50% of the time saved will actually be converted into productive output.

The model also accounts for risks that could impact the value of benefits:

- › Variance in salaries by role.
- › Variance in handling time of employees.
- › Variance in ratio between complex and non-complex external process instances.

To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV of \$382,525.

#### Improved Non-Complex External Process Productivity: Calculation Table

REF.	METRIC	CALCULATION	YEAR 1	YEAR 2	YEAR 3
C1	Proportion of non-complex external processes	Assumption	0%	20%	35%
C2	Number of non-complex external processes running on WEBCON	$A1 * C1$	0	2	9
C3	Average annual volume of instances per non-complex external process	Assumption	12,480	12,480	12,480
C4	Pre-WEBCON handling time per instance (minutes)	Assumption	30	30	30
C5	Pre-WEBCON total handling time per non-complex external process (hours)	$C3 * (C4 / 60)$	6,240	6,240	6,240
C6	Post-WEBCON handling time improvement per non-complex external process	Provided by customer	67%	67%	67%
C7	Post-WEBCON handling time per instance (hours)	$C5 * (1 - C6)$	2,059	2,059	2,059
C8	Average employee fully loaded salary	A12	\$50,000	\$51,500	\$53,045
C9	Productivity conversion	Assumption	50%	50%	50%
Ct	Improved non-complex external process productivity	$C2 * (C5 - C7) * (C8 / 2,080) * C9$	\$0	\$103,515	\$485,123
	Risk adjustment	↓15%			
Ctr	Improved non-complex external process productivity (risk-adjusted)		\$0	\$87,988	\$412,355

## Flexibility

The value of flexibility is clearly unique to each customer, and the measure of its value varies from organization to organization. There are multiple scenarios in which a customer might choose to implement WEBCON BPS and later realize additional uses and business opportunities, including:

- › **Developing greater volume of applications across more business functions.** With the low-code requirement, stability, and scalability of the WEBCON BPS platform, the IT team can work on developing a greater volume of processes that would further drive business efficiency. The IT team does not have to scan the market for additional products since the WEBCON BPS platform carries a ton of out-of-the-box features such as OCR and digital signatures.
- › **Extending the deployment of WEBCON BPS to other subsidiaries within the conglomerate.** The strong return of investment gained by the financial services firm over the past three years warrants greater confidence and a compelling business case for other subsidiaries within the conglomerate, to experiment with the deployment of WEBCON BPS for developing new business applications and optimizing business processes.

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

Flexibility, as defined by TEI, represents an investment in additional capacity or capability that could be turned into business benefit for a future additional investment. This provides an organization with the “right” or the ability to engage in future initiatives but not the obligation to do so.

# Analysis Of Costs

## QUANTIFIED COST DATA

Total Costs							
REF.	COST	INITIAL	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Dtr	WEBCON BPS licenses cost	\$26,249	\$0	\$7,219	\$21,313	\$54,781	\$48,228
Etr	Initial setup and pilot project cost	\$50,418	\$0	\$0	\$0	\$50,418	\$50,418
Ftr	Ongoing resource and training cost	\$0	\$55,000	\$56,650	\$118,074	\$229,724	\$185,529
	Total costs (risk-adjusted)	\$76,667	\$55,000	\$63,869	\$139,387	\$334,923	\$284,175

## WEBCON BPS Licenses Cost

The WEBCON BPS licenses cost is based on an on-premises enterprise solution offering. The total license cost will differ based on the organization's deployment needs (SaaS, IaaS, or on-premises), choice of license type (user- or process-based), and other required features.<sup>3</sup> To find out more information about the pricing for the WEBCON BPS enterprise solution, readers are encouraged to reach out to WEBCON for a more tailored quote.

In this study, the composite organization leveraged a user-based license model at a per-user cost of \$150. This study is modeled with a user base of 65 employees in Year 1, and a 30% year-on-year growth in the user base in subsequent years as WEBCON BPS is deployed to more use cases and the number of users increases.

In addition to the initial enterprise server license cost and user license cost, the total licenses cost also factored in the organization's purchase of additional optional licenses such as power user, OCR, and AI frameworks. The OCR and AI capabilities further enhance process optimization by providing efficient document indexation and automated information recognition across various document types. These capabilities are implemented in Year 3.

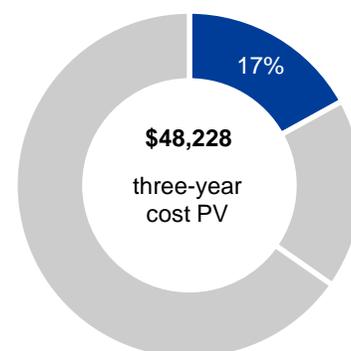
Lastly, for enterprise solution users, there is an annual 15% software assurance charge incurred on the total license costs. The software assurance costs cover the installation of version updates to the WEBCON BPS platform.

The model accounts for risks that could impact the value of costs:

- › Variance in deployment model and organizational needs for WEBCON BPS.
- › Variances in additional optional license costs.

To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$48,228.

The table above shows the total of all costs across the areas listed below, as well as present values (PVs) discounted at 10%. Over three years, the interviewed organization expects risk-adjusted total costs to be a PV of less than \$285K.



**WEBCON BPS licenses cost: 17% of total costs**

## WEBCON BPS Licenses Cost: Calculation Table

REF.	METRIC	CALCULATION	INITIAL	YEAR 1	YEAR 2	YEAR 3
D1	WEBCON BPS enterprise server license cost	Provided by WEBCON	\$8,000			
D2	Number of employees onboarded onto WEBCON	Initial: Provided by customer Years 2 and 3: $D2_{py} * 130\%$	65		85	110
D3	WEBCON BPS cost per user	Provided by WEBCON	\$150		\$150	\$150
D4	WEBCON BPS user license cost	Initial: $D2 * D3$ Years 2 and 3: $(D2_{cy} - D2_{py}) * D3$	\$9,750		\$3,000	\$3,750
D5	WEBCON BPS Power user license cost	Provided by WEBCON	\$3,000			
D6	WEBCON BPS OCR license cost	Provided by WEBCON				\$5,000
D7	WEBCON BPS AI license cost	Provided by WEBCON				\$5,000
D8	Total WEBCON BPS license costs	$D1 + D4 + D5 + D6 + D7$	\$20,750		\$3,000	\$13,750
D9	WEBCON BPS enterprise software assurance charge	Provided by WEBCON	15%		15%	15%
D10	WEBCON BPS enterprise software assurance cost	Initial: $D8 * D9$ Years 2 and 3: $(D8_{cy} + D8_{py}) * D9$	\$3,113		\$3,563	\$5,625
Dt	WEBCON BPS licenses cost	$D8 + D10$	\$23,863	\$0	\$6,563	\$19,375
	Risk adjustment	↑10%				
Dtr	WEBCON BPS licenses cost (risk-adjusted)		\$26,249	\$0	\$7,219	\$21,313

## Initial Setup And Pilot Project Cost

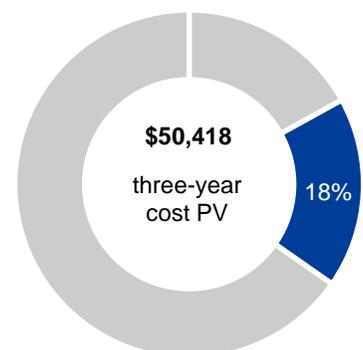
This item mainly accounts for costs associated with the installation and deployment of the on-premises WEBCON BPS platform, as well as the implementation of a single process digitalization pilot project. This comprises the internal labor costs, the professional services cost, and training hours required for one IT user responsible for process development.

The implementation of WEBCON BPS, prior to the IT team using the platform for process development, was fairly straightforward. One IT staff member spent 16 hours supporting the installation and configuration of the platform.

The user-friendly and intuitive features of WEBCON BPS allows users to quickly familiarize themselves and get started on developing applications within the platform with minimal learning curve and/or professional services support. However, for this interviewed organization, a professional services firm was engaged to help the organization in the development of its first application on the platform. The interviewed organization sought the objectives of proving the platform capabilities and ensuring that the IT employee is well-equipped to develop future processes in accordance with best practices. This first pilot project lasted 4 to 6 months and involved an iterative and agile process of rapid prototyping, user testing, modification, and evaluation. Training was also conducted by WEBCON for the IT staff over two days.

The model accounts for risks that could impact the value of costs:

Implementation risk is the risk that a proposed investment may deviate from the original or expected requirements, resulting in higher costs than anticipated. The greater the uncertainty, the wider the potential range of outcomes for cost estimates.



**Initial setup and pilot project cost: 18% of total costs**

- › Complexity of environment and deployment.
- › Variance in training requirements.
- › Variance in salaries by role.
- › Variances in professional services requirements.

To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$50,418.

#### Initial Setup And Pilot Project Cost: Calculation Table

REF.	METRIC	CALCULATION	INITIAL	YEAR 1	YEAR 2	YEAR 3
E1	Cost of initial training by WEBCON	Provided by customer	\$1,250			
E2	Total deployment planning and readiness hours	Provided by customer	16			
E3	Average employee fully loaded salary	Year 1: Assumption Years 2 and 3: E3py*103%	\$50,000			
E4	Internal deployment cost	$E2*(E3/2,080)$	\$385			
E5	Professional services cost, installation, and deployment cost	Provided by WEBCON	\$1,300			
E6	Professional services cost, pilot project implementation	Provided by WEBCON	\$42,900			
Et	Initial setup and pilot project cost	$E1+E4+E5+E6$	\$45,835	\$0	\$0	\$0
	Risk adjustment	↑10%				
Etr	Initial setup and pilot project cost (risk-adjusted)		\$50,418	\$0	\$0	\$0

## Ongoing Resource And Training Cost

In the first two years of deployment, one internal full-time resource was responsible for operating and maintaining the WEBCON BPS platform, developing applications, and providing user support. As the organization scaled the use of WEBCON BPS in developing new applications and optimizing business processes, a second resource was deployed in Year 3 to provide additional support.

To ensure employees are adept at WEBCON BPS, and fully utilizing the new software features, training was recommended once every two years. The organization engaged WEBCON to conduct training for its users in Year 3. In addition to in-person training, online training materials were available to users at no additional cost.

The model accounts for risks that could impact the value of ongoing resource cost:

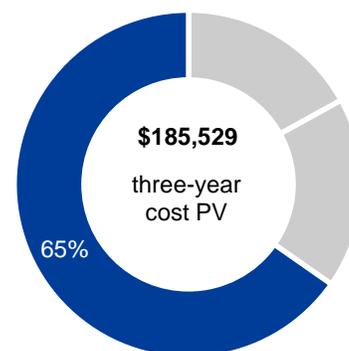
- › Variance in salaries by roles.
- › Variance in training requirements.

To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$185,529.



### One FTE

spends 100% of its time building applications and managing WEBCON BPS in Year 1.



Ongoing resource and training cost: 65% of total costs

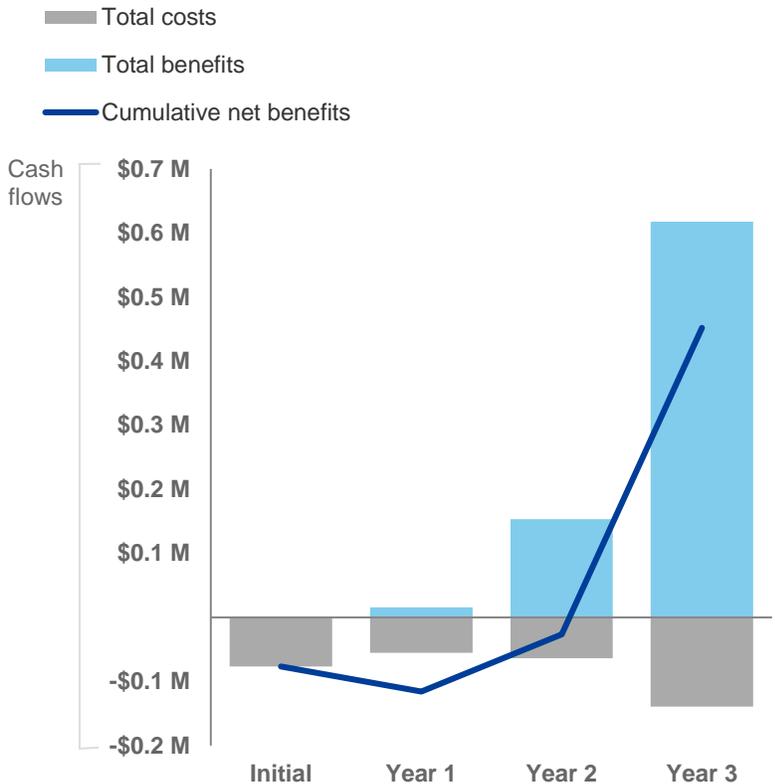
**Ongoing Resource And Training Cost: Calculation Table**

REF.	METRIC	CALCULATION	INITIAL	YEAR 1	YEAR 2	YEAR 3
F1	Number of internal FTEs	Provided by customer		1	1	2
F2	Average employee fully loaded salary	Year 1: Assumption Years 2 and 3: F2py*103%		\$50,000	\$51,500	\$53,045
F3	Cost of training by WEBCON	Provided by customer		\$0	\$0	\$1,250
Ft	Ongoing resource and training cost	(F1*F2)+F3		\$50,000	\$51,500	\$107,340
	Risk adjustment	↑10%				
Ftr	Ongoing resource and training cost (risk-adjusted)			\$55,000	\$56,650	\$118,074

# Financial Summary

## CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

### Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the interviewed organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.



These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

### Cash Flow Analysis (Risk-Adjusted)

	INITIAL	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Total costs	(\$76,667)	(\$55,000)	(\$63,869)	(\$139,387)	(\$334,923)	(\$284,175)
Total benefits	\$0	\$15,978	\$153,338	\$617,556	\$786,871	\$605,230
Net benefits	(\$76,667)	(\$39,022)	\$89,469	\$478,169	\$451,949	\$321,055
ROI						113%
Payback period						25.0 months

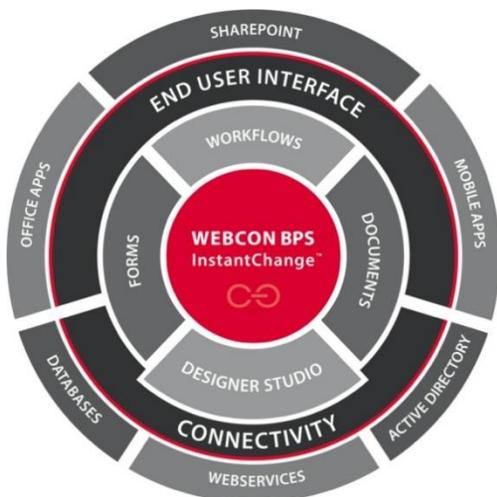
# WEBCON BPS: Overview

The following information is provided by WEBCON. Forrester has not validated any claims and does not endorse WEBCON or its offerings.

## The WEBCON BPS Solution

At WEBCON, digital transformation isn't a buzzword — it's a way of life; it's about reducing steps, eliminating mistakes, ensuring compliance, connecting assets, and encouraging continuous improvement. Applications made with WEBCON BPS are scalable, process-centric, low-to-no-code, equally at home online or on-premises, and happily used on both desktops and mobile devices.

WEBCON clients around the globe use WEBCON BPS to empower their organizations to automate business processes, introduce standardization and best practices, and optimize workflows across boundaries and borders.



WEBCON's unique InstantChange technology lets customers adapt/evolve processes to address changing needs immediately and painlessly — even after going live. Project teams can deal with mid-project change requests as natural necessities rather than “scope creep.” WEBCON processes are clearly understood and easily governed, and they can be connected to line of business systems, documents, forms, messages, and collaboration workspaces.

**WEBCON BPS enables IT departments and business process teams with citizen assisted development — an iterative process that engages both IT and business stakeholders into collaborative prototyping, and continuous improvement, of business applications.**

# Appendix A: Total Economic Impact

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

## Total Economic Impact Approach



**Benefits** represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.



**Costs** consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.



**Flexibility** represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.



**Risks** measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.



### Present value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.



### Net present value (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made, unless other projects have higher NPVs.



### Return on investment (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.



### Discount rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.



### Payback period

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

# Appendix B: Supplemental Material

## *Related Forrester Research*

“RPA, DPA, BPM, And DCM Platforms: The Differences You Need To Know,” Forrester Research, Inc., March 1, 2019

“The Forrester Wave™: Low-Code Development Platforms For AD&D Professionals, Q1 2019,” Forrester Research, Inc., March 13, 2019

# Appendix C: Endnotes

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<sup>1</sup> Source: “RPA, DPA, BPM, And DCM Platforms: The Differences You Need To Know,” Forrester Research, Inc., March 1, 2019.

<sup>2</sup> Source: Investopedia (<https://www.investopedia.com/terms/p/paretoprinciple.asp>)

<sup>3</sup> Organizations’ deployment needs are categorized as being software-as-a-service (SaaS), infrastructure-as-a-service (IaaS), and on-premises.