FORRESTER®

The Total Economic Impact™ Of Simpplr Modern Intranet

Cost Savings And Business Benefits
Enabled By Simpplr

OCTOBER 2021

Table Of Contents

Consulting Team: Julia Fadzeyeva
Susan Funke

Executive Summary

Legacy on-premises intranets are the least-loved of all the applications companies provide to employees. Aging homegrown systems are poorly equipped to serve the modern workforce.[1] Companies need timely delivery of relevant content via users' preferred consumption channels. Simpplr allows organizations to eliminate the bottleneck of relying on IT to publish content, making internal communications and subject matter experts primary content creators to deliver up-to-date and relevant information at employees' fingertips.

Simpplr offers a modern intranet software-as-a-service (SaaS) platform that serves as a "virtual headquarters" for employee engagement, communications, and knowledge. Simpplr's platform has been built with emphases on out-of-the-box user experience, interoperability with workplace apps, ease of administration, and adaptive personalization.

Simpplr commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Simpplr.[2] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Simpplr intranet on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five decision-makers with experience using Simpplr. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization.

Prior to using Simpplr, these interviewees noted how their organizations primarily relied on homegrown, custom-built on-premises intranet solutions or used a combination of multiple tools to serve as intranet. However, these solutions were highly manual and expensive to manage. They required internal communications teams to rely heavily on IT to post and manage content, which in turn made it difficult to keep the information current. Employees struggled to find and then use the outdated and hard-to-navigate

KEY STATISTICS

Return on investment (ROI)
283%

Net present value (NPV)
$2.81M

information on their intranets, and finally, abandoned intranet as a resource.

After the investment in Simpplr, the interviewees could provide current and relevant company information to the employees while cutting the number of companywide emails, increasing employees' productive time, and creating a sense of belonging. The organizations reduced the number of support tickets by providing clear and easily discoverable answers to employee questions via intranet. Simpplr empowered internal communications professionals and subject matter experts in functions such as human resources to publish and manage content without relying on IT. Once they recognized the benefits of Simpplr, interviewed companies retired their former intranet solutions, thus eliminating significant software and labor costs associated with them.

KEY FINDINGS

Quantified benefits. Risk-adjusted present value (PV) quantified benefits include:

- **Productivity growth from improved information search enabled by Simpplr leads to $2.1 million savings in labor costs in three years.** Prior to Simpplr, employees could not rely on intranet search to quickly find work-related information, including policies, tools, files, people, or answers to specific questions. Not finding answers led to reaching out to colleagues for help or giving up on search entirely. With search federation and content governance, Simpplr enabled organizations to structure and present important information in a clear and easy-to-locate way, and Simpplr search transformed the search experience by delivering answers in fewer clicks.

Time saved across the organization due to fewer top-down emails

30.3K hours

- **Productivity growth from reduction in the number of emails leads to $1.2 million savings in labor costs in three years.** Employees at the interviewed organizations were overloaded with corporate emails, and the internal communications teams had no visibility into whether their announcements were read. With Simpplr as a centralized hub for company information, organization could post location-or group-specific communication only to affected individuals instead of sending emails to all, reducing the number of corporate emails by 20%.

> "I think the ability to foster conversations across offices, across teams, from leadership to the firm and vice versa, is a huge benefit of using Simpplr. Putting us all in touch with one another and making all employees aware of what's happening at the firm level, is a real positive. I think it helps us build a more inclusive environment."
>
> *VP of communications, professional services*

- **Improved ability to find answers reduces the number of certain support tickets and helps free one HR FTE.** Prior to Simpplr, employees frequently contacted help desk, HR, or other dedicated resources for guidance on simple tasks. Simpplr makes relevant answers easy to find, which helps save $161K over three years.

- **The new intranet helps eliminate the costs of legacy tools of $300,000.** Historically, organizations relied on an assortment of tools to manage internal communication. Supporting these tools was labor-intensive and yielded limited results. With the adoption of Simpplr, organizations stopped paying software licenses for former tools and reassigned the dedicated IT resources to their core functions.

Unquantified benefits. Benefits that are not quantified for this study include:

- **Increased employee engagement with company communications.** Interviewed companies are seeing an increase in

engagement with communications on Simpplr compared to previous intranets.

- **Improved analytics help drive adoption and engagement.** Access to content consumption analytics provided companies with a way to evaluate content, its usefulness, engagement, and take action as needed.

- **With IT no longer a bottleneck, content is easy to post, up-to-date and readily available.** Internal communications, leadership, and site managers now have Simpplr to manage content without IT involvement and long delays stemming from it. With Simpplr, urgent information can be posted immediately, and content owners find it easy to keep information fresh.

the intuitive nature of Simpplr's user interface for employee users, training costs are negligible for the broader organization.

- **Ongoing management cost totaling $31,000.** As a software-as-a-service (SaaS) solution, Simpplr requires minimal ongoing management from platform owners.

The decision-maker interviews and financial analysis found that a composite organization experiences benefits of $3.79 million over three years versus costs of $992,000, adding up to a net present value (NPV) of $2.79 million and an ROI of 282%.

Average time recaptured by each employee with Simpplr:

11.2 hours

Costs. Risk-adjusted PV costs include:

- **Simpplr subscription fees.** Organizations incur a yearly license fee based on the size and scope of the project. The composite organization pays a three-year PV of $836,000 for its Simpplr usage.

- **Implementation costs of $65,000.** Most interviewed organizations reported that the implementation process required involvement from several internal employees across communications and IT groups and took up to 4 months to complete.

- **Initial training costs totaling $60,000.** These costs include initial training for both site managers and the leadership team members who participate in content creation. Because of

ROI
283%

BENEFITS PV
$3.80M

NPV
$2.81M

Benefits (Three-Year)

Productivity savings from improved search for information with Simpplr
$2.1M

Productivity gains from reduced number of emails
$1.2M

HR labor cost savings from self-service enabled by Simpplr
$161.1K

Cost savings from eliminating legacy intranet
$299.9K

As a result of employee self-service enabled by Simpplr, the composite freed one HR FTE from answering employee questions.

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Simpplr.

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 Simpplr can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Simpplr 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 study to determine the appropriateness of an investment in Simpplr.

Simpplr 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.

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

DUE DILIGENCE
Interviewed Simpplr stakeholders and Forrester analysts to gather data relative to Simpplr.

DECISION-MAKER INTERVIEWS
Interviewed five decision-makers at organizations using Simpplr to obtain data with respect to costs, benefits, and risks.

COMPOSITE ORGANIZATION
Designed a composite organization based on characteristics of the interviewees' organizations.

FINANCIAL MODEL FRAMEWORK
Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the decision-makers.

CASE STUDY
Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

Interviewed Decision-Makers

Interviewee	Industry	Region	Employees
VP of communications and content marketing	Automotive	Global	10,000
VP, communications	Professional services	Global	2,000
Digital products and solutions engineering executive	Nonprofit foundation	Europe	1000
Senior manager, internal digital communications	Pharmaceuticals	Global	3,400
Digital marketing	Manufacturing	Global	9,000

KEY CHALLENGES

Prior to the investment in Simpplr, the interviewed organizations typically had a homegrown, custom-built intranet, relied on a combination of tools to serve as intranet (e.g., SharePoint plus Chatter), or had no previous tools or platforms.

The interviewees noted how their organizations struggled with common challenges, including:

- **Legacy intranets were highly customized and expensive to manage.** One interviewee stated that their intranet had a lot of issues and very costly to maintain. "We didn't have the in-house opportunities to grow and nurture that technology and maintain it in a way that would continue to modernize it. It was sort of a long-time investment, and [bringing in professional services] was very, very expensive for what we're going out it," said the VP of communications and content marketing at an automotive company.

- **Outdated content, limited search and navigation contributed to poor employee experience.** One interviewee said: "Employees don't trust the information because it's dated and stale." Similarly, another interviewee said: "It was honestly like every other intranet I've seen in terms of outdated. No one really went there."

- **Need for IT involvement in managing content created bottlenecks.** Legacy intranets required organizations to rely on their in-house IT department to handle all new postings and updates, so internal communications teams often experienced delays**:** "If you needed anything done you had to go through IT to get it done. So basically, stuff went up and it just sat there." Another interviewee stated: "We had to consult with our IT group to build any pages or embed videos."

> **"[With our legacy system], something like 30% of all the content posted was actually owned by people who left the organization."**
>
> *Digital products and solutions engineering executive, nonprofit*

INVESTMENT OBJECTIVES

The interviewees' organizations searched for a solution that could provide:

- **Unified communications that engage users.** All interviewed organizations mentioned this as a top priority. One interviewee said: "Enabling conversations across offices around the globe and across practices, that was really important." Similarly, another interviewee said: "You have certain things you have to do to help engage your people and I think placing that collaboration and conversation is critical."

> **"Ease of use was really high-priority, and from a budget perspective, it made sense: We wouldn't be paying any more than we were before and yet we'll be getting a whole lot more value because [Simpplr is] continually investing in the technology and the platform to make it better."**
>
> *VP of communications and content marketing, automotive*

- **Ease of use and self-service**. One interviewee said: "One of the reasons we like Simpplr is the fact that there's no technical-level expectations for people to create pages. It's just easy as an e-mail." Another interviewee stated:" One of the huge benefits is being able to create things that facilitates self-service and self-help by employees."

- **Mobile capability**. Several interviewed organizations noted mobile was a key driver for their dispersed workforce. One interviewee said: "Our consultants travel to clients quite a lot. So that's part of what made the mobile piece so important."

After a request for proposal (RFP) and business case process evaluating multiple vendors, the interviewees' organizations chose Simpplr and began deployment.

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and a ROI analysis that illustrates the areas financially affected. The composite organization is representative of the five decision-makers that Forrester interviewed and is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The global, 2-billion-dollar organization has a strong brand, global operations, and a geographically distributed workforce. The organization has a strong focus on creating a centralized place for the employees to come together for company information, events, policies, and culture.

Deployment characteristics. The organization rolled out Simpplr to the entire organization, post pilot period. The new intranet gained increasing traction from desk workers, followed by employees who primarily relied on mobile devices.

Once the implementation phase was completed, the organization assigned site managers within each team and area of expertise and thus transferred ownership of content to the business units. Site managers were closest to content and helped keep the quality and accuracy of content high.

The corporate communications teams leading Simpplr implementation also worked with organization's leadership to secure their engagement and commitment to new ways of communicating with employees via Simpplr to drive adoption.

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Benefits						
Ref.	Benefit	Year 1	Year 2	Year 3	Total	Present Value
Atr	Productivity savings from improved search for information with Simpplr	$635,040	$856,714	$1,088,418	$2,580,172	$2,103,082
Btr	Productivity gains from reduced number of emails	$492,750	$497,678	$502,704	$1,493,131	$1,236,947
Ctr	HR labor cost savings from self-service enabled by Simpplr	$64,800	$64,800	$64,800	$194,400	$161,148
Dtr	Cost savings from eliminating legacy intranet	$120,600	$120,600	$120,600	$361,800	$299,914
	Total benefits (risk-adjusted)	$1,313,190	$1,539,792	$1,776,521	$4,629,503	$3,801,091

PRODUCTIVITY SAVINGS FROM IMPROVED SEARCH FOR INFORMATION WITH SIMPPLR

Evidence and data. All of the interviewed organizations were looking to for ways to make it easier for employees to access the information they needed for work. Prior to Simpplr, employees could not rely on intranet search to quickly find work-related information, including policies, tools, files, people, or answers to specific questions. Typically, users would try searching the intranet, their old emails, or shared data repositories and give up if they could not find what they are looking for within the first few results. Not finding answers led to reaching out to colleagues for help or giving up on search entirely. With search federation (aggregating search across many file systems and knowledge bases) and content governance (managing freshness of documents through automating the process for author reviews), Simpplr enabled organizations to structure and present important and accurate information in a clear and easy-to-locate way. Simpplr search proved capable of delivering the answers in fewer clicks.

- The VP of communications and content marketing at an automotive company noted easier search with Simpplr: "Simpplr has built a much more robust search function, so it's easier to find what you need with natural language search. It gives the employees the ability to quickly find information they need. If they want to access policies or to learn more about what another business unit is doing or see org memos they can easily and quickly find that," said the VP.

> **"Simpplr search enables employees to become pretty self-reliant, so they're going to search for answers first before they go and ask for help."**
>
> *VP of communications and content marketing, automotive*

"What Simpplr enabled us to do is pull together links to a lot of important resources. [On our homepage], we now have links to our workforce management, our service desk, and other important tools like our expense management system or travel system. So there's a way for an

employee to get to all those places just by going to our intranet home screen, which I think is super-helpful and right upfront," said the VP of communications at a professional services company.

- A pharmaceutical organization also relied on Simpplr to make the main organizational news and policies easily available on their global intranet home page, making it easy for employees to find information and reducing time spent on search. The senior manager of internal digital communications said, "Simpplr definitely helped people find the information that they need."

Modeling and assumptions. For the composite organization, Forrester assumes:

- Seventy percent of the employees (including both desk and mobile workers) become regular Simpplr intranet users in the first year. Adoption grows to 85% in Year 2 and 98% in Year 3.

- An average employee spends 5.4% of their 8-hour workday looking for work-related information, which represents 2.2 hours per week.

- Using Simpplr helps reduce search time by 10% during the first year. As corporate communications, other teams, and individual users become more familiar with the new intranet and start using it more heavily, time saved on search goes up in the second and third year.

- An average employee's fully burdened hourly rate is $36.

- Fifty percent of the total time saved per user is applied directly back to revenue-generating tasks and is therefore included in the benefit Source in the table below. Individual users may apply additional time savings toward professional development, networking, and work-life activities, which are not included in the benefit.

Risks. Productivity savings from better search can vary based on:

- The organization's commitment to rolling out and maintaining the new intranet.

- Simpplr adoption by desk and mobile employees.

- Employees' average annual burdened salaries.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $2.1 million.

Productivity Savings From Improved Search For Information With Simpplr

Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Number of employees (includes 1% growth YoY)	Composite	5,000	5,050	5,101
A2	Simpplr adoption	Composite	70%	85%	98%
A3	Average number of work hours per day	TEI standard	8	8	8
A4	Percentage of time spent on search for relevant information during a workday	Forrester data	5.4%	5.4%	5.4%
A5	Hours spent on search per year by every employee (rounded)	A3*A4*260 days	112	112	112
A6	Reduction in time spent on search with Simpplr	Composite	10%	11%	12%
A7	Subtotal: hours saved per employee with Simpplr	A5*A6	11.2	12.3	13.4
A8	Average business user hourly burdened rate	$75,000/2,080	$36	$36	$36
A9	Productivity recapture	TEI standard	50%	50%	50%
At	Productivity savings from improved search for information with Simpplr	A1*A2*A7*A8*A9	$705,600	$951,905	$1,209,353
	Risk adjustment	↓10%			
Atr	Productivity savings from improved search for information with Simpplr (risk-adjusted)		$635,040	$856,714	$1,088,418
	Three-year total: $2,580,172		Three-year present value: $2,103,082		

PRODUCTIVITY GAINS FROM REDUCED NUMBER OF EMAILS

Evidence and data. Interviewees shared a common pain point for employees at their organizations, who were overloaded with corporate emails. Additionally, internal communications teams had no visibility into whether their announcements were read. The digital products and solutions engineering executive at a nonprofit described the situation: "The problem is that everybody is inundated with emails, and they often get lost. Somebody would say 'Hey, did you read it?' 'Nope, I didn't see it.' You know, the typical email problem." Some interviewees shared their organizations' efforts to send more targeted email communication to employees on certain distribution lists, but as distribution lists required manual updates, they quickly became inaccurate, and organizations abandoned the idea in favor of blasting messages to

everyone. With Simpplr as the centralized hub for company information, organizations could post location- or group-specific communication to affected individuals only, instead of sending emails to all. And for companywide messages, Simpplr became a more reliable vehicle for delivering and verifying readership.

- An automotive company saw a reduction in number of companywide emails due to using Simpplr for more targeted communication: "[With Simpplr], we can provide location-specific content, whether it's an update about our onsite cafeteria or parking, only to employees at the affected location and add it to their homepage carousel, and then only people at this location will see it," said the VP of communications and content marketing.

- Similarly, a professional services company reduced the number of emails sent to all employees, and instead relies on the intranet homepage to be the main source of relevant information and announcements. "Today it's a visit to [the Simpplr homepage] versus trying to search through your Outlook," said the VP of communications.

> **"We don't want to have to send [employees] an email every time there's an update about something at the physical office location. With [Simpplr] we can feature it very prominently for employees at a certain location, but employees for whom that is not relevant never see it. That's a huge benefit for us to be able to segment audiences that way through these private sites."**
>
> *VP of communications and content marketing, automotive*

- For a pharmaceutical company, Simpplr provided the means of ensuring a personalized approach to corporate communications. The senior manager of internal digital communications shared: "You should be seeing information that is relevant to you. Simpplr posts information from sites that you follow [and] that are related to your location or your department. You can pick and choose what you see, so you're not inundated with the things that you don't need to see. This is how we now personalize and streamline the experience for employees."

Modeling and assumptions. For the composite organization, Forrester assumes:

- Prior to using Simpplr, the organization sent seven companywide emails to all employees per week.

- On average, each employee spends 5 minutes to review an email.

- With more personalization enabled by Simpplr, the organization reduces the number of companywide emails sent to all employees by 20%.

- An average employee's hourly fully burdened rate is $36.

- Fifty percent of the total time saved per user is applied directly back to revenue-generating tasks. Individual users may apply additional time savings toward professional development, networking, and work-life activities, which are not included in the benefit.

Risks. Time savings from reducing the number of emails sent to employees will vary based on:

- The volume of companywide emails previously sent by an organization.

- The organization's focus on providing more personalized employee communication.

- Employees' average fully burdened annual salaries.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of $1.2 million.

Productivity Gains From Reduced Number Of Emails

Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Number of employees	Composite	5,000	5,050	5,101
B2	Number of distribution-list emails per year	Composite	364	364	364
B3	Time an employee spends to review an email (minutes)	Composite	5	5	5
B4	Employee time spent annually on reviewing distribution-list emails (hours)	(B1*B2*B3)/60	151,667	153,183	154,730
B5	Reduction in the number of distribution-list emails	Composite	20%	20%	20%
B6	Number of distribution-list emails per year with Simpplr	B3*(1-B5)	291	291	291
B7	Employee time spent annually on reviewing distribution-list emails with Simpplr (hours)	(B1*B3*B6)/60	121,250	122,463	123,699
B8	Time savings from reduced number of emails (hours)	B4-B7	30,417	30,721	31,031
B9	Average employee hourly salary	$75,000/2,080	$36	$36	$36
B10	Productivity recapture	TEI standard	50%	50%	50%
Bt	Productivity gains from reduced number of emails	B8*B9*B10	$547,500	$552,975	$558,560
	Risk adjustment	↓10%			
Btr	Productivity gains from reduced number of emails (risk-adjusted)		$492,750	$497,678	$502,704
	Three-year total: $1,493,131		**Three-year present value: $1,236,947**		

HR LABOR COST SAVINGS FROM SELF-SERVICE ENABLED BY SIMPPLR

Evidence and data. All interviewees saw an opportunity to improve the way they handled employee questions after they rolled out Simpplr to the organization. In most companies, employees had negative experiences with search on the legacy intranet to find answers to work-related questions, such as finding a corporate holiday calendar or guidance on how to fill out timecards. Instead, employees frequently emailed or called HR, the help desk, or other dedicated resources for answers. Simpplr enabled the organizations to provide critical information in one easy-to-navigate place and to encourage self-service.

- The VP of communications and content marketing at an automotive company found that answering HR-related questions prior to Simpplr was equivalent to a full-time job.

- A nonprofit organization reassigned two staff members because "there were just simply no more questions coming" after the Simpplr rollout, according to its digital products and solutions engineering executive.

- The senior manager of internal digital communications at a pharmaceutical organization told Forrester that they freed 20 hours per week for an employee in responding to HR-related questions once they introduced Simpplr.

Modeling and assumptions. For the composite organization, Forrester assumes:

- The organization enables self-service for its employees when it comes to HR-related questions, removing the HR team's burden of responding.

- One full-time employee can return to their direct responsibilities of bringing value to the HR team instead of responding to repetitive end-user requests.

- An HR specialist's fully burdened annual salary is $72,000.

Risks. HR labor cost savings from self-service enabled by Simpplr will differ based on:

- The number of employee questions coming in about HR-related topics.

- The organization's previous approach to handling employee requests.

- The organization's commitment to making the necessary resources available via Simpplr.

> **"A creative director on our team was constantly bombarded with requests for the most recent logos, PowerPoint templates, Word templates, brand guide, or brand toolbox. We published a few pieces of content with best practices on Simpplr and now the number of enquiries she gets has just completely tapered off. She gets one or two a week now instead of many a day."**
>
> *VP of communications and content marketing, automotive*

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of more than $161,000.

| HR Labor Cost Savings From Self-Service Enabled By Simpplr					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	HR time freed up from answering employee questions (FTE)		1	1	1
C2	HR professional annual burdened salary (fully burdened)		$72,000	$72,000	$72,000
Ct	HR labor cost savings from self-service enabled by Simpplr	C1*C2	$72,000	$72,000	$72,000
	Risk adjustment	↓10%			
Ctr	HR labor cost savings from self-service enabled by Simpplr (risk-adjusted)		$64,800	$64,800	$64,800
	Three-year total: $194,400		**Three-year present value: $161,148**		

COST SAVINGS FROM ELIMINATING LEGACY INTRANET

Evidence and data. None of the interviewed organizations were new to managing their intranets by the time they became familiar with Simpplr. Across industries, interviewees told Forrester that they struggled to provide a convenient way for employees to access the wealth of content that their organizations created, and internal communications teams had no easy way to update and manage the information on the intranet. They had to rely heavily on IT for support in posting to the intranet, which often meant that the intranet could not be updated as frequently as needed. Transitioning to Simpplr enabled the interviewed organizations to stop paying licensing fees on one or more tools that served to enable their intranet and to reassign engineering resources back to their core functions.

- At an automotive organization, full-time IT employees supported internal communications; with Simpplr, their involvement went down to 5% of an IT FTE. The organization retired several systems and saved "six figures of cash" in annual license fees.

- Similarly, in addition to sunsetting their former intranet, the nonprofit organization stopped using two technical FTE resources that were dedicated to supporting the internal communications team in running the intranet. "The fact that site managers can post and send notifications to their site members without any admin is the best use case that we found. Creating a page is super-simple, so it requires absolutely no technical knowledge whatsoever," said the nonprofit's

digital products and solutions engineering executive.

Modeling and assumptions. For the composite organization, Forrester assumes:

- The company fully retires and stops paying for the legacy intranet, saving $50,000 per year in license fees.

- The company assigns one IT FTE to manage the intranet, and with Simpplr their involvement is reduced by 70%.

- An IT FTE's fully burdened annual salary is $120,000.

IT FTE time savings from no longer posting and managing content — **70%**
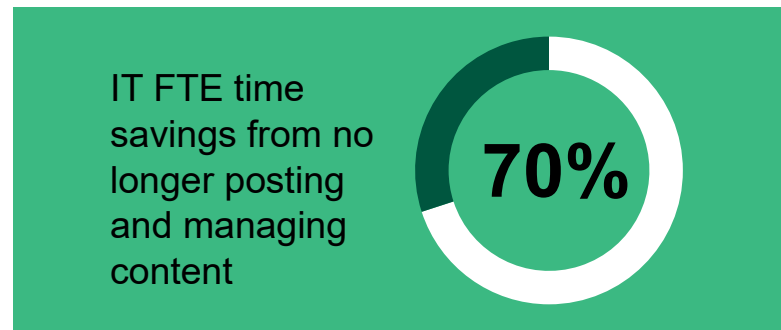
Risks. Cost savings from eliminating legacy intranet may vary based on:

- The cost of former solutions used for the intranet.

- The speed of Simpplr adoption.

- IT involvement in managing the intranet and supporting internal communications efforts.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of nearly $300,000.

Cost Savings From Eliminating Legacy Intranet

Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	IT resources dedicated to legacy intranet management	Composite	1	1	1
D2	IT involvement reduction with Simpplr	Composite	70%	70%	70%
D3	IT FTE fully burdened annual salary	Assumption	$120,000	$120,000	$120,000
D4	Legacy systems annual cost	Composite	$50,000	$50,000	$50,000
Dt	Cost savings from eliminating legacy intranet	D1*D2*D3+D4	$134,000	$134,000	$134,000
	Risk adjustment	↓10%			
Dtr	Cost savings from eliminating legacy intranet (risk-adjusted)		$120,600	$120,600	$120,600
	Three-year total: $361,800		Three-year present value: $299,914		

UNQUANTIFIED BENEFITS

Additional benefits that customers experienced but were not able to quantify include:

- **Increased employee engagement with company communications.** Interviewee's companies see an increase in engagement with communications on Simpplr compared to previous intranets. The senior manager of internal digital communications at a pharmaceutical organization stated, "I think we can see in a tangible way that people are being inspired by others, appreciate their colleagues, and appreciate other's dedication to our mission. They are inspired to work here or motivated to work harder."

- **Improved analytics help drive adoption and engagement.** Several interviewees mentioned their experience with previous intranets, where analytics either didn't exist or weren't trusted as accurate. Access to analytics enabled companies to evaluate content, its usefulness, and engagement and to take action as needed. "The beauty of Simpplr is that it provides you with

"[Before Simpplr] we had no visibility into how many people were reading something, what team they were on — we had no sense of any of that. Now we can look at how individual articles are performing, particularly around big leadership types of announcements. We pay careful attention to how many people read a particular article, what team they are from. It definitely gives you a sense of what people are particularly interested in, what resonates."

VP of communications, professional services

legitimate data," said the digital marketing manager at a manufacturing company.

Intranet In The COVID-19 Era

Preparation for a major global event like the COVID-19 pandemic and the rapid shift to work-from-home was not something that organizations using Simpplr could have foreseen. However, having a functional and engaging intranet to rapidly communicate major business updates and policies, as well as to promote the sense of belonging to the same culture, was critical to organizations' success in managing the transition to remote work and, where applicable, back-to-the-office or hybrid work environments.

• • •

"It would have been much more difficult with the old intranet. With Simpplr, we were able to set up a dedicated site that was the single source of truth for employees about everything tied to the pandemic. Anybody who is in doubt of the current status can quickly jump over to our pandemic site to find the latest information. It certainly is a benefit to have Simpplr at our fingertips."

VP of communications and content marketing, automotive

"We would not have been able to communicate so effectively with our old intranet. [With Simpplr] at one point, we had someone sharing weekly wellness tips and yoga tips and things to stay active at home, and I think there was just a level of personal connection that you just wouldn't get on our prior system. I think there was that level of personal connection that Simpplr enabled during this difficult time."

VP of communications, professional services

- **With IT no longer a bottleneck, content is up to date and readily available.** Internal communications teams, leadership, and site managers now have the tools to manage content without IT involvement and long delays associated with posting and approvals. With Simpplr, urgent information can be posted immediately, and content owners find it easy to keep information fresh. "Employees who have business critical information that needs to be readily accessible or available to other team members can share that information much more quickly," said the VP of communications and content marketing, automotive. And the digital products and solutions engineering executive at a nonprofit explained, "It's like cruise control for our site owners and managers."

> **"I think it brings us together. The way I see it is that not only are we all at the same company doing the same thing, but we're all human beings, especially during the last year or so. We all have the same human challenges. So there's the ability with this platform to bring us all together as people."**
>
> *Senior manager, internal digital communications, pharma*

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Simpplr and later realize additional uses and business opportunities, including:

- **Further developing the concept of virtual headquarters as organizations are facing hybrid work environments.** Forrester predicts that in the coming years, organizations will continue to adopt the office + anywhere hybrid work style.[3] With many employees not physically present in an office, organizations will rely on their intranet to foster organizational culture and enable employees to make personal connections, in addition to effectively communicating all work-related information.

- **Providing space for organizations to drive important conversations with employees.** Several interviewees' organizations used the new intranet as the forum for diversity and inclusion (D&I) conversations in the past few years and plan to utilize this space to continue and expand important conversations. "I think [having Simpplr] has been great for our D&I work. I think we've been able to share a lot of resources and have a lot of conversations that there wasn't a place for before," said the VP of communications and content marketing at an automotive company.

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

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs

Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	Simpplr subscription fees	$65,000	$310,000	$310,000	$310,000	$995,000	$835,924
Ftr	Implementation costs	$65,402	$0	$0	$0	$65,402	$65,402
Gtr	Initial training costs	$51,480	$3,168	$3,485	$3,833	$61,966	$60,120
Htr	Ongoing management costs	$0	$12,355	$12,355	$12,355	$37,066	$30,726
	Total costs (risk-adjusted)	$181,882	$325,523	$325,840	$326,188	$1,159,433	$992,172

SIMPPLR SUBSCRIPTION FEES

Evidence and data. The composite organization incurs software subscription fees for Simpplr. These are annual recurring subscription fees based on the size and structure of the organizations, the platform features deployed, and the breadth and scale of content being implemented and/or migrated, among other factors.

Modeling and assumptions. For the composite organization, Forrester assumes:

- Upon implementation, the organization incurs a one-time implementation fee of $65,000.

- Once implemented, the organization pays an annual license fee of $310,000 while its use remains fairly consistent.

Risks. Simpplr fees could vary based on:

- The need for Simpplr or third-party implementation and support services.

- The size of the Simpplr deployment.

Results. Simpplr provided realistic quotes, so Forrester did not risk-adjust this cost. Over three years, the total PV cost was $836,000.

Simpplr Subscription Fees

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Implementation fee	Composite	$65,000			
E2	Annual license	Composite		$310,000	$310,000	$310,000
Et	Simpplr subscription fees	E1+E2	$65,000	$310,000	$310,000	$310,000
	Risk adjustment	0%				
Etr	Simpplr subscription fees (risk-adjusted)		$65,000	$310,000	$310,000	$310,000
	Three-year total: $995,000			**Three-year present value: $835,924**		

IMPLEMENTATION COSTS

Evidence and data. Interviewees described Simpplr implementation as a process that required involvement from:

- The IT team to support the migration from the legacy systems and set up necessary integrations.

- The internal marketing and communications team to plan, pilot, test, and lead the migration, which also included auditing and updating the content that was made available on Simpplr post-launch.

Modeling and assumptions. For the composite organization, Forrester assumes:

- Five marketing and communications FTEs give 50% of their time to participate in the initial implementation for 16 weeks.

- One IT FTE dedicates 5% of their time to implementing the platform and support the core group working on content for the duration of the project.

> **"[Our deployment] included a reassessment of content strategy. I would say you shouldn't be starting a new intranet without doing that."**
>
> *VP of communications and content marketing, automotive*

Risks. Implementation costs may vary based on:

- The complexity and scope of the transition from the former intranet to Simpplr.

- The number and salaries of FTEs dedicated to the adoption of Simpplr.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of $65,000.

Implementation Costs						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
F1	Number of marketing and communications FTEs	Composite	5			
F2	Planning and implementation duration (weeks)	Composite	16			
F3	Percentage of core team's time spent on planning and implementation efforts	Composite	50%			
F4	Fully burdened hourly rate per marketing and communications FTE	Assumption	$36			
F5	Number of IT FTEs	Composite	1			
F6	Percentage of IT FTE's time spent on implementation	Composite	5%			
F7	Fully burdened hourly rate per IT FTE	Assumption	$58			
Ft	Implementation costs	(F1*F2*40 hours * F3*F4) +(F5*F2*40*F6*F7)	$59,456	$0	$0	$0
	Risk adjustment	↑10%				
Ftr	Implementation costs (risk-adjusted)		$65,402	$0	$0	$0
	Three-year total: $65,402		**Three-year present value: $65,402**			

INITIAL TRAINING COSTS

Evidence and data. Each interviewed organization identified dedicated site managers — employees who were asked to create and manage content on assigned topics — and trained them on how to use Simpplr. In addition to training site managers, interviewees' organizations educated their internal executives and business owners on how to work with Simpplr to maximize their effectiveness in using the new intranet.

- A professional services company found it important to change its employees' perception of the intranet: "We want to enable honest conversations as much as we can. So one of the biggest behavioral changes at the beginning was to get people comfortable with the concept of having kind of a social network–like conversational tool at work. We really focused on making it okay to share. We did a lot of work with our leaders just to model the behavior that we wanted to see across the whole firm," said the VP of communications.

- The nonprofit organization put effort into training its site managers: "We started with the site owners and manager community. We did a multiday, multistep training process for them. I'd

say, on average, each person had about five hours of training," said the digital products and solutions engineering executive.

- Simpplr was supportive with training design and execution. The VP of communications and content marketing at an automotive company said: "Simpplr provided hands-on training to our communications team, as well as to those initial site managers, with getting everybody up and running during that initial onboarding process. And now, every time there is a new release, we typically will arrange one or two opportunities for a Simpplr person to train people."

Modeling and assumptions. For the composite organization, Forrester assumes:

- The organization provides a full day of training to 100 employees who assume the role of site manager with Simpplr.

- Fifteen executives are trained for 10 hours on Simpplr features and capabilities, so they are comfortable with the new ways of communicating to the organization.

Risks. Training and change management costs can vary based on:

- Hourly rates and time spent.

- The length and frequency of training.

- Number of Simpplr site owners and executives.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of $60,000.

Time to train execs to make them comfortable with Simpplr

10 hours

Initial Training Costs

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
G1	Number of site owners trained on Simpplr (10% increase YoY)	Composite	100	10	11	12
G2	Hourly rate per person (rounded)	$75,000/2,080	$36	$36	$36	$36
G3	Training hours	Interviews	8	8	8	8
G4	Number of business executives participating in Simpplr training	Composite	15	0	0	0
G5	Change management training (hours)	Interviews	10	0	0	0
G6	Business executive fully burdened hourly rate (rounded)	Assumption	$120	$120	$120	$120
Gt	Initial training costs	G1*G2*G3+G4*G5*G6	$46,800	$2,880	$3,168	$3,485
	Risk adjustment	↑10%				
Gtr	Initial training costs (risk-adjusted)		$51,480	$3,168	$3,485	$3,833
Three-year total: $61,966			**Three-year present value: $60,120**			

ONGOING MANAGEMENT COSTS

Evidence and data. All organizations reported that Simpplr was easy to use. Their ongoing use exhibited the following patterns:

- The internal communications team oversees the day-to-day management of the intranet and featured content.

- The team also provides ad hoc training to a new site owner, or clarifications and support to the executive team on using the new intranet, as necessary.

- Little IT support is required to manage Simpplr.

Modeling and assumptions. Based on customer interviews, Forrester estimates the following for the composite organization:

- Two communications FTEs each spend, on average, 3 hours per week on managing Simpplr.

- An average employee's fully burdened hourly rate is $36.

Risks. The cost of ongoing management for Simpplr may vary based on the number of and salaries for FTEs dedicated to the management of Simpplr.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of $31,000.

Weekly time communications FTEs spend managing Simpplr

6 hours

Ongoing Management Costs

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
H1	Number of communications professionals involved in day-to-day Simpplr management	Composite		2	2	2
H2	Average fully burdened hourly rate per FTE	$75,000/2,080		$36	$36	$36
H3	Hours spent on admin, content, and technical maintenance	3 hours/week*52 weeks		156	156	156
Ht	Ongoing management costs	H1*H2*H3	$0	$11,232	$11,232	$11,232
	Risk adjustment	↑10%				
Htr	Ongoing management costs (risk-adjusted)		$0	$12,355	$12,355	$12,355
	Three-year total: $37,066			**Three-year present value: $30,726**		

Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

Cash Flow Chart (Risk-Adjusted)
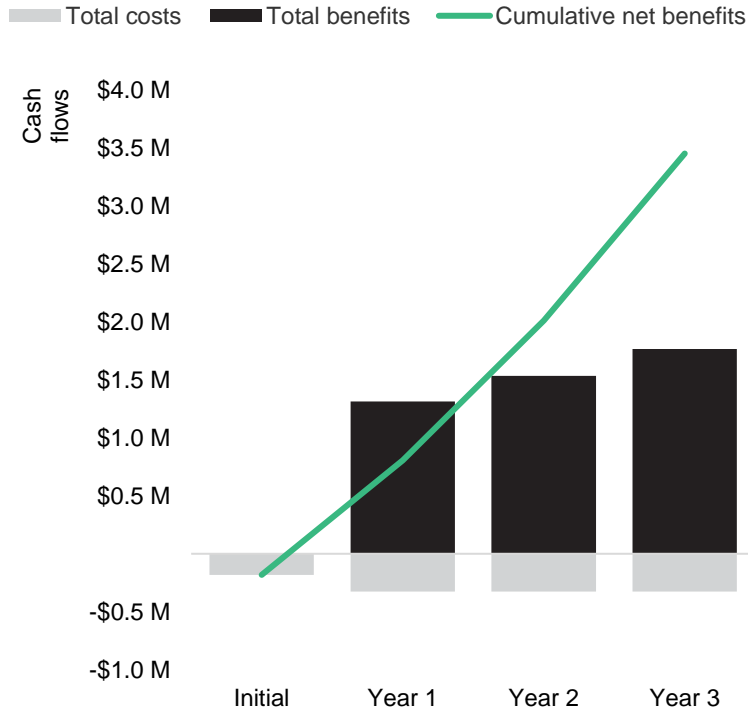
The financial results calculated in the Benefits and Costs sections can be used to determine the ROI and NPV for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

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

Cash Flow Analysis (Risk-Adjusted Estimates)						
	Initial	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Total costs	($181,882)	($325,523)	($325,840)	($326,188)	($1,159,433)	($992,172)
Total benefits	$0	$1,313,190	$1,539,792	$1,776,521	$4,629,503	$3,801,091
Net benefits	($181,882)	$987,667	$1,213,952	$1,450,333	$3,470,070	$2,808,919
ROI						283%

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 Sources are calculated for each total cost and benefit estimate. NPV Sources in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value Sources 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: Endnotes

[1] Source: "The Forrester Wave™: Intranet Platforms, Q2 2020," Forrester Research, Inc., June 16, 2020.

[2] 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.

[3] Source: "Seize The Anywhere-Work Opportunity By Taking Calculated Risks," Forrester Research, Inc., March 29, 2021.

FORRESTER®