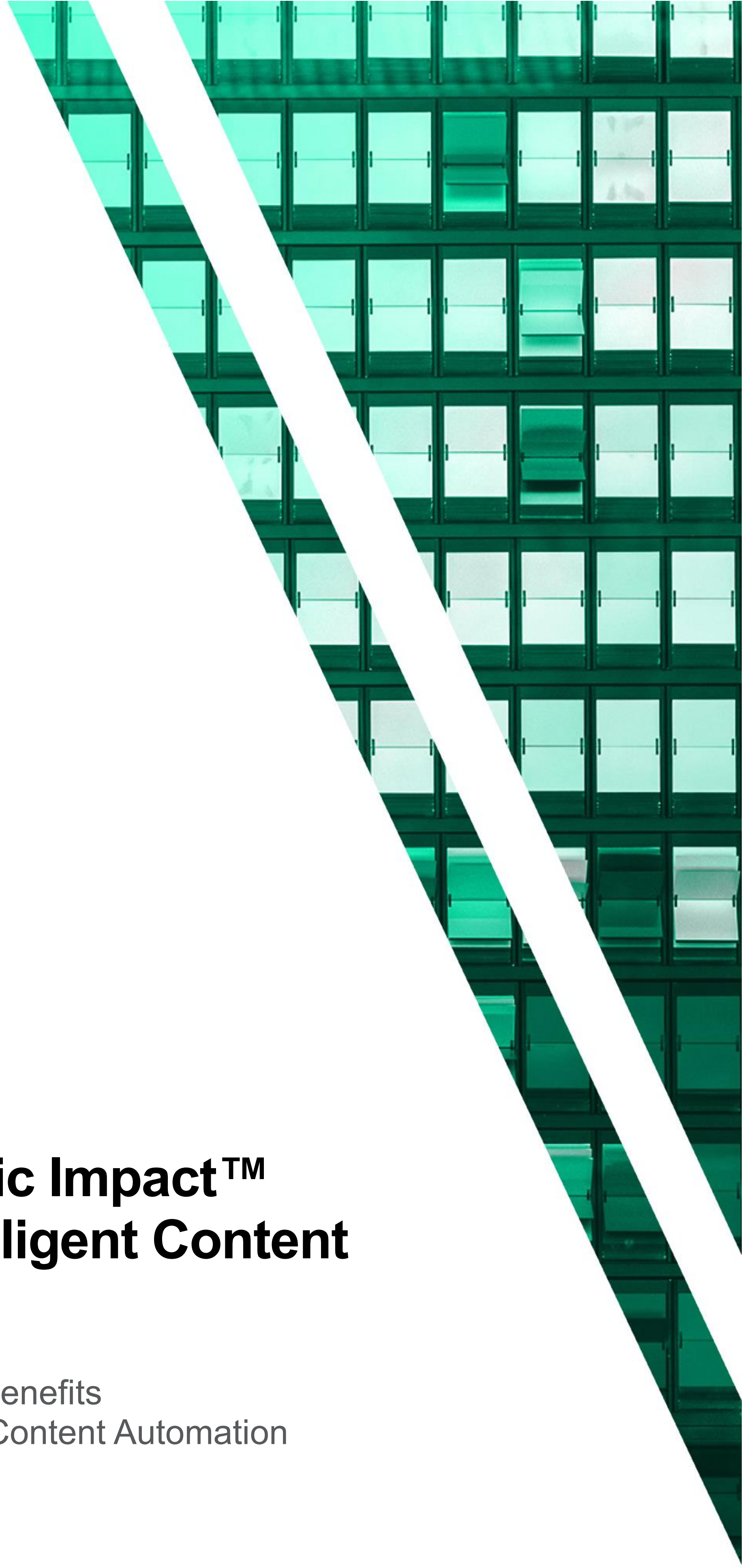
FORRESTER



The Total Economic Impact™ Of SER Doxis Intelligent Content Automation

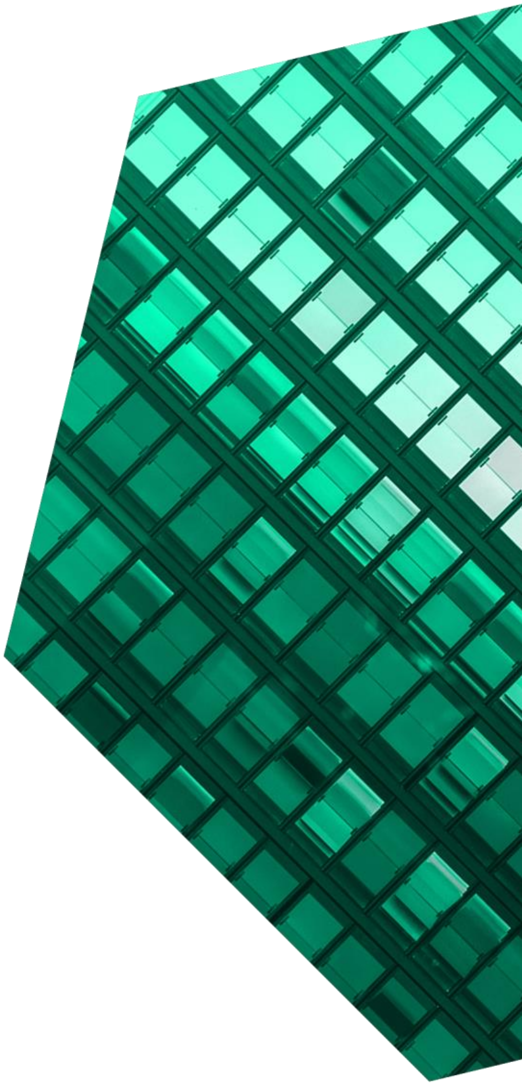
Cost Savings And Business Benefits Enabled By Doxis Intelligent Content Automation

JUNE 2023

A FORRESTER TOTAL ECONOMIC IMPACT™ STUDY COMMISSIONED BY SER

Table Of Contents

Consulting Team: Elina Bauwens



ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key transformation outcomes. Fueled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute on their priorities using a unique engagement model that tailors to diverse needs and ensures lasting impact. For more information, visit forrester.com/consulting.

Executive Summary

Interest and investment in cloud-first, flexible enterprise content management is strong, with 81% of ECM decision-makers expecting to increase their deployment or usage over the next year.[1] Content management technologies provide the essential services to manage the digital communications, content artifacts, and documentation needed to run a business, but the nature of content itself is expected to change as generative AI inspires both experimentation and disruption of core authoring.[2]

KEY STATISTICS

Return on investment (ROI)
336%

Net present value (NPV)
€13.38M

SER is active in the enterprise content management (ECM) and content services market. SER's AI-powered Doxis Intelligent Content Automation platform connects and automates business-critical information across the enterprise ecosystem to help people work smarter and easier.

SER commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Doxis.[3] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Doxis on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed a decision-maker in SEW Eurodrive, a global manufacturing company headquartered in Germany, who has more than 30 years of experience of working with SER and over 10 years with using the Doxis platform. Forrester used this experience to project a three-year financial analysis.

Prior to using Doxis for these use cases, the interviewee noted that their organization had very manual processes for archiving and managing data. The manual data entry processes caused bottlenecks, were highly error-prone, and ate up a lot of time. The organization needed to hire additional staff to manage the administrative work as many processes were still managed on physical documents. However, prior attempts to leverage ECM systems had yielded limited success, leaving the organization with systems that had limited integration with other key systems and an instable environment.

After the investment in Doxis, SEW Eurodrive was able to move to a single global ECM system, with robust integrations to key systems like enterprise resource planning (ERP), improved workflows and process automation, better visibility for auditing and regulatory compliance, and an overall more stable environment. Key results from the investment include streamlined document management and collaboration, productivity gains through process automation and artificial intelligence, and cost avoidance of legacy systems and additional headcounts.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits include:

- **Streamlined document management and collaboration.** The interviewee called out the ability to have all documents in one system, which provided a platform for more efficient document management — including creating, updating, sharing, and collaborating on documents. Over three years, this led to €9.6 million in end-user productivity gains.
- **Process automation-enabled productivity gains.** By leveraging Doxis, the interviewee was able to automate routine content-centric workflows, resulting in 90% of time saved. This amounts to €6.1 million in end-user productivity gains over a three-year period.
- **Artificial intelligence-enabled productivity gains.** A newer use case of Doxis is AI-enabled document and process automation. SEW Eurodrive leveraged this functionality within their sales department to automatically extract key elements from incoming orders and inquiries. In this financial model, the organization leverages this functionality from Year 2 generating €1.0 million in savings over a three-year period.

"With Doxis, we are able to handle the documents in a really structured way, which has a big impact on quality."

Group manager, archiving and documenting services, SEW Eurodrive

- **Legacy systems and headcount cost avoidance.** SEW Eurodrive was able to shut down legacy ECM systems as part of the migration to Doxis and avoid hiring additional staff to manage administrative work due to more efficient document management and workflow automation. As a result, the organization saves nearly €640,000 over a three-year period.

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

- **Improving employee experience.** With the reduction in manual and duplicated work, staff were able to focus on more value-added activities, which led to an increase in work satisfaction.
- **Enabling new insights.** The ability to search within a single system enabled the organization to glean and model new insights, which was not possible to do prior to implementing Doxis.
- **Increasing regulatory compliance.** The improved transparency and access to data has improved the audit process increasing regulatory compliance and trust in data.

Costs. Three-year, risk-adjusted PV costs include:

- **Software license fees.** The primary costs associated with Doxis were software license fees. SEW Eurodrive purchased the equivalent of the unlimited on-premises license package for 14,000 users, with two technology integrations and a few add-ons. In the financial model, this amounts to €2.2 million over a three-year period.
- **Implementation effort and professional services fees.** The initial implementation effort and the number of professional services days needed will depend on the complexity of an organization's IT landscape and maturity of its legacy enterprise content management tooling and processes. For the financial model, this

results in approximately €462,000 cost over a three-year period.

- **Hardware and maintenance costs.** The interviewee’s organization leveraged an on-premises deployment of Doxis, resulting in hardware and maintenance costs. Over three years, this amounted to costs of €478,000.
- **Ongoing management and development costs.** The ECM team at SEW Eurodrive acted similarly to an internal service provider: scaling the use of the tool, managing global rollouts and new feature requirement-gathering development, and deployment. In the financial model, this results in €873,000 in costs over a three-year period.

The interview and financial analysis found that the representative’s organization experiences benefits of €17.37 million over three years versus costs of €3.99 million, adding up to a net present value (NPV) of €13.38 million and an ROI of 336%.

“The search in Doxis is ridiculously fast. The [platform searches] 50 to 60 years of history in our case, and the results will still pop up in milliseconds.”

Group manager, archiving and documenting services, SEW Eurodrive

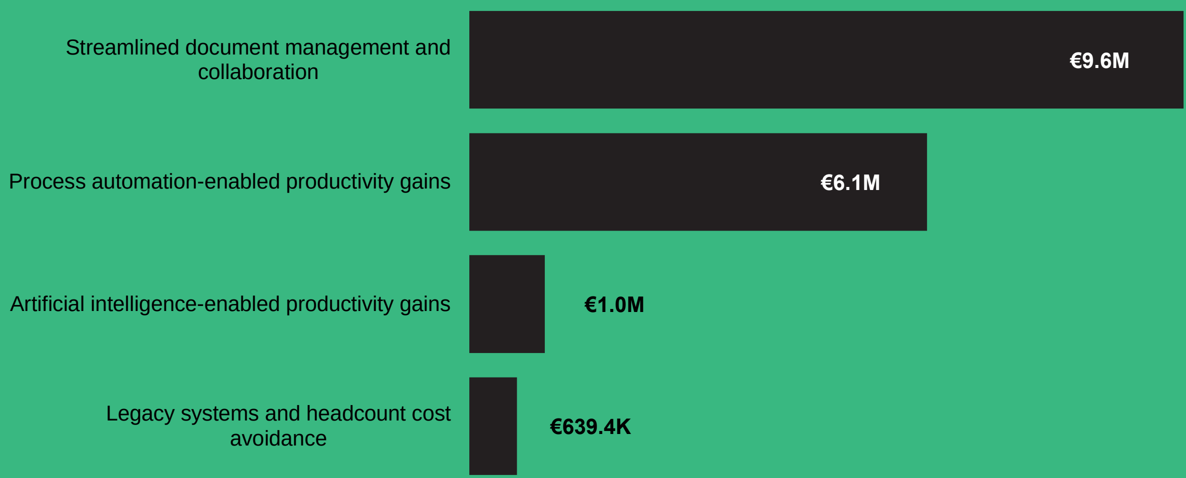
ROI
336%

BENEFITS PV
€17.37M

NPV
€13.38M

PAYBACK
<6 months

Benefits (Three-Year)



"Doxis is often a hidden champion: It's not very prominent, but all our users are working with it very intensely, and we are getting a lot of positive feedback."

— Group manager, archiving and documenting services, SEW Eurodrive

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 Doxis.

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 Doxis can have on an organization.

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

INTERVIEW
Interviewed the representative of an organization using Doxis 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 interviewee.

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.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by SER 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 Doxis.

SER 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.

SER provided the customer name for the interview but did not participate in the interview.

The SER Doxis Customer Journey

Drivers leading to the Doxis investment

SEW EURODRIVE OVERVIEW

SEW Eurodrive is a global manufacturing firm headquartered in Germany, with more than 21,000 employees and more than 430 global sites. The business's annual revenue reached €4.2 billion in 2022. Forrester interviewed the group manager, archiving and documenting services, about their history and use of the Doxis platform.

KEY CHALLENGES

Prior to using Doxis across these use cases, SEW Eurodrive had lots of manual processes for archiving and managing data, and it was leveraging multiple different legacy ECM systems — all of which made collaboration challenging across the global organization.

The interviewee noted how their organization struggled with common challenges, including:

- **Poor data quality and manual effort.** Processing and data entry were done manually, which resulted in many bottlenecks in the workflow, cost significant time, and created issues with data quality. In certain locations, data was stored in physical archive rooms, and finding the right information a time-consuming task. Employees also had to maintain and update the documents to ensure they were kept current, requiring considerable manual effort.
- **Duplication of effort.** Because the organization could not provide a clear view of what assets and artifacts were created, where they could be found, and if the data used in them was still accurate, a great deal of effort was duplicated, and existing artifacts were not reused.
- **Poor system integration.** The integrations between key IT systems like the firm's ERP and its legacy enterprise content management solutions were unable to handle the necessary volume of data, resulting in systems crashing and basic functionality, like search, not working properly.

"In the past, it was impossible to get these insights. Much of the work was done multiple times; you always needed to start from scratch; and it was not possible to get an overview of what was going on."

Group manager, archiving and documenting services, SEW Eurodrive

USE CASE DESCRIPTION

SEW Eurodrive sought a solution that could automate workflows and processes, improve regulatory compliance, and reduce delivery downtime. It started with a Doxis implementation in Germany, where the company is headquartered, and continued with a phased rollout across countries in Europe including France and Italy. A global rollout across more than 20 countries in North America, South America, Asia, and Australia followed over more than 10 years. Key use cases included document management, collaboration, and process/workflow automation totaling 22 TB of data in almost 313 million documents, with an annual increase of 30 million to 35 million documents or 7 to 8 TBs leveraged across 80 to 90 applications. As the organization matured, it rolled out AI-enabled process automation to support its sales departments, with plans to scale the use into other parts of the organization.

For this case study, Forrester has modeled benefits and costs over three years and made some assumptions about how the interviewee's deployment would translate into a three-year model.

Analysis Of Benefits

Quantified benefit data

Total Benefits						
Ref.	**Benefit**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Atr	Streamlined document management and collaboration	€1,898,156	€3,844,861	€6,226,046	€11,969,063	€9,580,888
Btr	Process automation-enabled productivity gains	€937,125	€2,543,625	€4,239,375	€7,720,125	€6,139,206
Ctr	Artificial intelligence-enabled productivity gains	€0	€454,781	€844,594	€1,299,375	€1,010,408
Dtr	Legacy systems and headcount cost avoidance	€163,800	€282,600	€342,000	€788,400	€639,412
	Total benefits (risk-adjusted)	€2,999,081	€7,125,867	€11,652,014	€21,776,963	€17,369,914

STREAMLINED DOCUMENT MANAGEMENT AND COLLABORATION

Evidence and data. The biggest benefit of SER Doxis was its ability to streamline document management and collaboration. Searching for key data, data entry, document sharing, and approval processes were more automated, resulting in simplified workflows and fewer bottlenecks. The interviewee highlighted several ways that Doxis enabled productivity gains through better access and transparency to documents, including:

- Availability of nearly 313 million documents, or approximately 22 TB of data, digitized and accessible through Doxis resulted in reduced effort to manage the documents, including updating, sharing, and at times, printing and distributing them.
- Effort in finding the relevant information in often-physical document archives, workstations, or administrative offices, or not having to search through various systems to find the correct digital document was reduced with Doxis. The improved transparency increased users' confidence that they were accessing the correct document.
- The ability for approximately 10% of the workforce to collaborate jointly on documents with visibility of changes shortened the average duration of document creation to finalization from 20 days to 9.5.
- The transparency of document editing history reduced the effort during audits and increased regulatory compliance.

"It was really hard to have transparency, but now for every single version, we can see who has been doing what, [and] who changed what at what step."

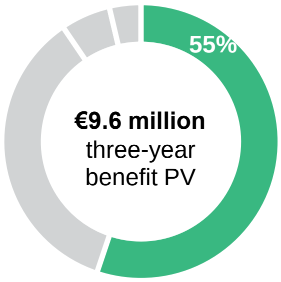
Group manager, archiving and documenting services, SEW Eurodrive

Modeling and assumptions. For the financial model, Forrester assumes:

- The document management functionality is initially rolled out locally to approximately 30% of users, growing to 60% in Year 2, and finally across the whole organization in Year 3.
- A “complex information-gathering request” is defined as something that had taken 2 hours to complete.
- The percentage of time saved in collaboration increases from 65% in Year 1 to 75% in Years 2 and 3 as users become accustomed to the tool and the new processes.
- The average fully loaded annual salary (including benefits and bonuses) of an employee in this financial model is €60,000 a TEI model standard.
- Of the time saved, 70% is recaptured and used for productive work.

Risks. Efficiency gains depend on the quality of the data sources, the complexity of the document management, and the speed at which organizations adapt to this new way of working.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of €9.6 million.



Streamlined Document Management And Collaboration

Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Complex information-gathering requests per year	Interview/assumption	50,700	101,400	169,000
A2	Average fully loaded hourly rate per employee	TEI standard	€29	€29	€29
A3	Hours saved per information-gathering request	Interview	2	2	2
A4	Productivity recaptured	TEI standard	70%	70%	70%
A5	Subtotal: Productivity gain in information gathering	A1*A2*A3*A4	€2,047,500	€4,095,000	€6,825,000
A6	Documents collaborated on annually	Interview	3,300	6,600	11,000
A7	Employees collaborating in documents	Interview	600	1,200	2,000
A8	Average time spent on collaboration per document (hours)	Assumption	3	3	3
A9	Percentage of time saved in collaboration	Interview	65%	75%	75%
A10	Productivity recaptured	TEI standard	70%	70%	70%
A11	Subtotal: Productivity gain in collaboration	A6*A8*A9*A10*A2	€185,625	€428,365	€499,760
At	Streamlined document management and collaboration	A5+A11	€2,233,125	€4,523,365	€7,324,760
	Risk adjustment	↓15%			
Atr	Streamlined document management and collaboration (risk-adjusted)		€1,898,156	€3,844,861	€6,226,046
	Three-year total: €11,969,063			**Three-year present value: €9,580,888**	

PROCESS AUTOMATION-ENABLED PRODUCTIVITY GAINS

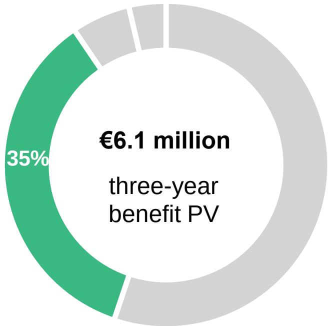
Evidence and data. Doxis offers organizations the ability to automate routine content-centric workflows such as attaching images of packed goods and delivery receipts to orders, extracting data from handwritten documents like assembly orders, and security guideline acceptance processes.

Modeling and assumptions. For this financial model, Forrester assumes:

- On average, these automated workflows would have taken 6 minutes to complete prior to using Doxis.
- The percentage of time saved in process automation increases from 70% in Year 1 to 90% in Years 2 and 3 as users become more used to the tool and more trusting of the automated process.
- The average fully loaded annual salary (including benefits and bonuses) of an employee is €60,000 a TEI model standard.
- Of the time saved, 70% is recaptured and used for productive work.

Risks. Additional factors that also influence the impact that Doxis has on time savings with process automation include the nature of employees' tasks and the organization's readiness for change management.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV of €6.1 million.



"Transparency is a big game changer every time if we are doing any automation stuff. It is very clear in the system who is working on what at any given time, improving process security and speed."

Group manager, archiving and documenting services, SEW Eurodrive

Process Automation-Enabled Productivity Gains					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Automated processes per year	Interview/ assumption	780,000	1,560,000	2,600,000
B2	Average time spent on each process prior to Doxis (hours)	Assumption	0.1	0.1	0.1
B3	Average fully loaded hourly rate per employee	TEI standard	€29	€29	€29
B4	Percentage of time saved with Doxis	Interview	70%	95%	95%
B5	Productivity captured	TEI standard	70%	70%	70%
Bt	Process automation-enabled productivity gains	B1*B2*B3*B4*B5	€1,102,500	€2,992,500	€4,987,500
	Risk adjustment	↓15%			
Btr	Process automation-enabled productivity gains (risk-adjusted)		€937,125	€2,543,625	€4,239,375
	Three-year total: €7,720,125		**Three-year present value: €6,139,206**		

ARTIFICIAL INTELLIGENCE-ENABLED PRODUCTIVITY GAINS

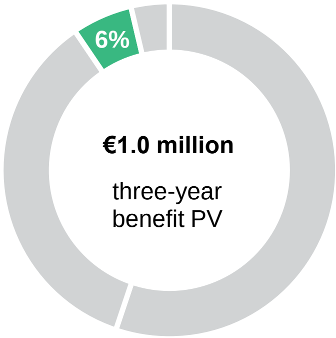
Evidence and data. A newer use case of Doxis is AI-enabled document and process automation. SEW Eurodrive leveraged this functionality within its sales department to automatically extract key elements like customer reference numbers, purchase order numbers, etc. from orders and inquiries that came into a dedicated mailbox, log them into the ERP/CRM systems, and route them to the right sales desk.

Modeling and assumptions. For this financial model, Forrester assumes:

- The organization starts to leverage this functionality in Year 2 as its proficiency with the new content management tool and processes matures.
- Approximately 1,000 salespeople leverage the tool, with 5,000 inbound requests daily and increases to 30% in Year 3.
- Average time spent on managing the request prior to Doxis was 1.5 minutes.
- The percentage of time saved increases from 70% in Year 2 to 90% in Year 3 as users become accustomed to the tool and machine learning increases the accuracy and reduces the time needed for manual data verification.
- The average fully loaded annual salary (including benefits and bonuses) of an employee in the sales department is €66,000, a TEI model standard.
- Of the time saved, 70% is recaptured and used for productive work.

Risks. Efficiency gains depend on the quality of the data sources, the complexity of the document management, the degree of variability in data sources, and the speed at which organizations adapt to this new way of working.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of €1.0 million.



"It would be really hard to do this without AI. We take 100 sample documents in a region and train them, and then the system does the classification itself."

Group manager, archiving and documenting services, SEW Eurodrive

Artificial Intelligence-Enabled Productivity Gains					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Requests per year	Interview		1,300,000	1,690,000
C2	Average fully loaded hourly rate for a salesperson	TEI standard		€32	€32
C3	Hours spent on requests	Interview		32,500	42,250
C4	Percentage of time saved	TEI standard		70%	90%
C5	Productivity recaptured	TEI standard		70%	70%
Ct	Artificial intelligence-enabled productivity gains	C2*C3*C4*C5	€0	€505,313	€938,438
	Risk adjustment	↓10%			
Ctr	Artificial intelligence-enabled productivity gains (risk-adjusted)		€0	€454,781	€844,594
	Three-year total: €1,299,375		**Three-year present value: €1,010,408**		

LEGACY SYSTEMS AND HEADCOUNT COST AVOIDANCE

Evidence and data. SEW Eurodrive had legacy ECM systems that it was able to shut down as it rolled out Doxis across the organization. In addition, through the productivity increase enabled by the process automation and artificial intelligence-enabled automation, it was able to avoid hiring additional staff to manage the administrative work, especially in the sales department.

Modeling and assumptions. For this financial model, Forrester assumes:

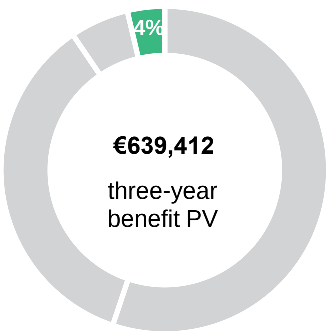
- As the interviewee's company's revenue grows, additional salespeople would need to have been hired to manage the increased administrative work.
- The average fully loaded annual salary (including benefits and bonuses) of an employee in the sales department is €66,000, a TEI model standard.

Risks. Several factors also influence the impact that Doxis has on legacy system and headcount cost savings, including data migration approach, legacy system contractual requirements, and organizational growth and design.

"We are processing much more than we used to with the same amount of people. We can do more without hiring people and follow up many more quotations."

Group manager, archiving and documenting services, SEW Eurodrive

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of €639,000.



Legacy Systems And Headcount Cost Avoidance

Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	FTEs saved	Interview	2	4	5
D2	Average fully loaded annual salary per salesperson	TEI standard	€66,000	€66,000	€66,000
D3	Legacy system costs (hardware and software)	Interview	€50,000	€50,000	€50,000
Dt	Legacy systems and headcount cost avoidance	D1*D2+D3	€182,000	€314,000	€380,000
	Risk adjustment	↓10%			
Dtr	Legacy systems and headcount cost avoidance (risk-adjusted)		€163,800	€282,600	€342,000
	Three-year total: €788,400		**Three-year present value: €639,412**		

UNQUANTIFIED BENEFITS

The interviewee mentioned the following additional benefits that their organization experienced but was not able to quantify:

- **Improving employee experience.** By reducing or eliminating manual and duplicated work, staff were focused on more value-added activities, which led to an increase in work satisfaction.
- **Enabling new insights.** Having the data accessible and searchable on a single platform enabled departments to gather new insights, which was not possible before. The interviewee highlighted the benefits gained by the legal department: the ability to search for key phrases in all contracts and to react more proactively in certain situations.
- **Increasing regulatory compliance.** The increased transparency, accuracy, and access to data improved the audit process, increasing regulatory compliance and overall trust in the data.

FLEXIBILITY

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

- **Increased automation.** As the data quality and processes improve, there is greater opportunity to scale the use of AI and machine learning technologies to increase automation in other departments.
- **Further integration with critical business application.** Doxis offers robust integrations to numerous different business applications (ERP, CRM, etc.), enabling opportunities for further integration and automation of business processes.

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

"Most of the time, it was not even possible to give this kind of information to our customers, and now salespeople need 20 seconds, and they have everything they need."

Group manager, archiving and documenting services, SEW Eurodrive

Analysis Of Costs

Quantified cost data

Total Costs							
Ref.	**Cost**	**Initial**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Etr	Software license fees	€0	€409,500	€892,500	€1,417,500	€2,719,500	€2,174,865
Ftr	Implementation effort and professional services fees	€113,077	€218,925	€102,165	€87,570	€521,737	€462,326
Gtr	Hardware and maintenance costs	€0	€192,150	€192,150	€192,150	€576,450	€477,849
Htr	Ongoing management and development costs	€0	€0	€420,000	€700,000	€1,120,000	€873,028
	Total costs (risk-adjusted)	€113,077	€820,575	€1,606,815	€2,397,220	€4,937,687	€3,988,068

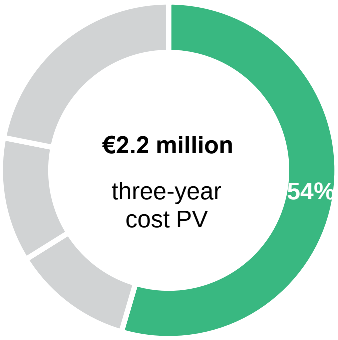
SOFTWARE LICENSE FEES

Evidence and data. The primary costs associated with Doxis are software license fees. The license fees presented in this financial model were provided by the interviewed decision-maker and SER and will vary by organization and use case. SER's Doxis is available both as an on-premises and cloud solution. SER offers three tiers of licenses for Doxis: Business, Enterprise, and Unlimited. Customers can also purchase additional extensions to specific technologies, add-ons, and managed service support.

Modeling and assumptions. SEW Eurodrive purchased the equivalent of the unlimited on-premises license package for 14,000 users and 2,000 concurrent users, with two technology integrations and a few additional add-ons. Its usage and license fees increase as the solution is deployed in more regions and the organization starts to leverage it for more use cases and AI-enabled process automation totaling almost 313 million documents or roughly 22 TB of data.

Risks. The cost may vary among organizations based on the organization's region, scale of deployment, deployment model, volume of data to be analyzed, exchange rates, and change over time.

Results. To account for these variances, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of €2.2 million.



Software License Fees						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
E1	License fees	Interview		€390,000	€850,000	€1,350,000
Et	Software license fees	E1		€390,000	€850,000	€1,350,000
	Risk adjustment	↑5%				
Etr	Software license fees (risk-adjusted)			€409,500	€892,500	€1,417,500
	Three-year total: €2,719,500		**Three-year present value: €2,174,865**			

IMPLEMENTATION EFFORT AND PROFESSIONAL SERVICES FEES

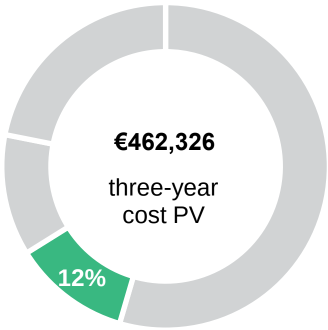
Evidence and data. The initial implementation time and effort will depend on the complexity of the IT landscape and maturity of the legacy enterprise content management tooling and processes. SEW Eurodrive also engaged SER to help with the rollout and scale the use of the solution across five continents and 80 to 90 different applications, incurring some professional services costs throughout the three-year period.

Modeling and assumptions. Based on the interviewee's insights and Forrester's assumptions, the implementation will require:

- Two hundred project days with a team of two people working on it full-time.
- An average fully loaded annual salary (including benefits and bonuses) of an internal developer is €70,000; 35% is added to reflect nonsalary elements, such as benefits and bonuses.
- The number of professional services days declined in Years 2 and 3 as the organization strengthened its internal capabilities.

Risks. The implementation costs and level of ongoing support will depend on the scale of deployment, deployment model, complexity of the IT and legacy environment, and organizational maturity for enterprise content management.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of €462,000.



Implementation Effort And Professional Services Fees

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
F1	Professional services days	Interview		150	70	60
F2	Average daily rate per professional services day	Interview		€1,390	€1,390	€1,390
F3	Hours spent by internal team on implementation	Interview/ assumption	3,200			
F4	Average fully loaded hourly rate per developer	TEI standard	€34			
Ft	Implementation effort and professional services fees	F3*F4+F1*F2	€107,692	€208,500	€97,300	€83,400
	Risk adjustment	↑5%				
Ftr	Implementation effort and professional services fees (risk-adjusted)		€113,077	€218,925	€102,165	€87,570
	Three-year total: €521,737			Three-year present value: €462,326		

HARDWARE AND MAINTENANCE COSTS

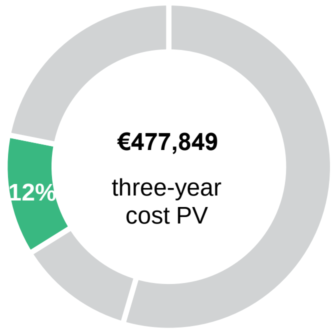
Evidence and data. SEW Eurodrive leveraged an on-premises deployment of Doxis, resulting in hardware and maintenance costs. Doxis is also available as a cloud solution, Doxis Cloud, which is the preferred deployment option today.

Modeling and assumptions. Based on the interviewee's insights, Forrester estimates:

- An annual cost of €33,000 for hardware, mainly servers.
- Approximate annual maintenance costs of €150,000.

Risks. The hardware and maintenance costs are dependent on the organization's deployment and IT landscape.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of €478,000.



Hardware And Maintenance Costs

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
G1	Hardware costs	Interview		€33,000	€33,000	€33,000
G2	Maintenance costs	Interview		€150,000	€150,000	€150,000
Gt	Hardware and maintenance costs	G1+G2		€183,000	€183,000	€183,000
	Risk adjustment	↑5%				
Gtr	Hardware and maintenance costs (risk-adjusted)			€192,150	€192,150	€192,150
	Three-year total: €576,450			Three-year present value: €477,849		

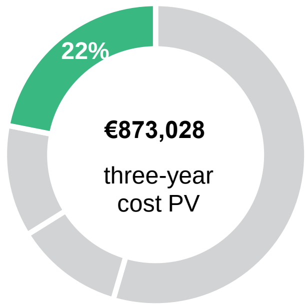
ONGOING MANAGEMENT AND DEVELOPMENT COSTS

Evidence and data. The enterprise content management team at SEW Eurodrive acted similar to an internal service provider: scaling the use of the tool, managing global rollouts across five continents, and new feature development and deployment. The team also acts in a highly customized consultative manner, managing inbound requests, gathering requirements, and providing training and support.

Modeling and assumptions. As the use of the tool grows and scales across the enterprise, additional developers are brought in to manage demand in Years 2 and 3.

Risks. The cost of ongoing management and development is dependent on the complexity of the IT landscape, the scale of the rollout, the level of service, and the level of customization delivered to users.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of €873,000.



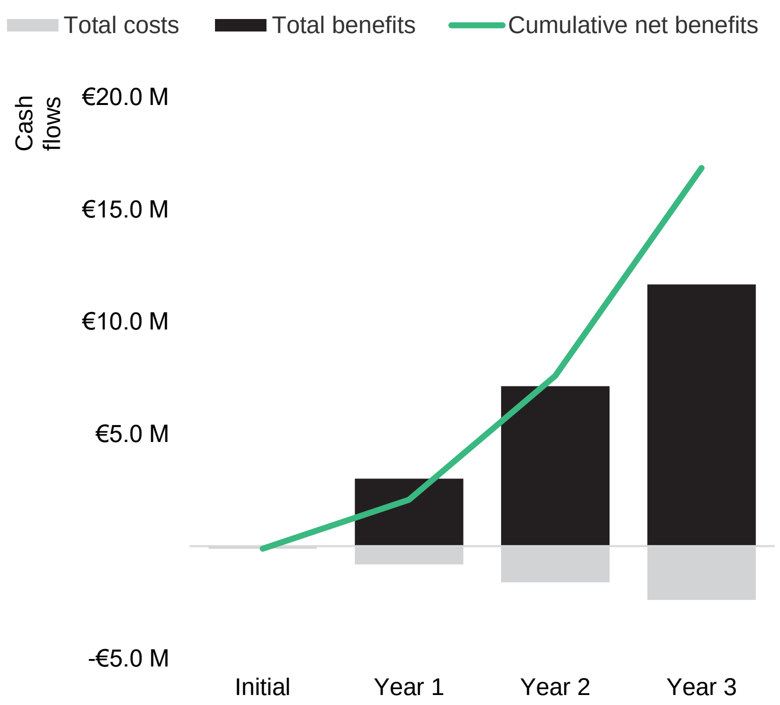
Ongoing Management And Development Costs

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
H1	Additional developers needed to manage demand	Interview/ assumption		0	3	5
H2	Fully loaded salary of developer	TEI standard		€70,000	€70,000	€70,000
Ht	Ongoing management and development costs	H1*H2		€0	€210,000	€350,000
	Risk adjustment	↑5%				
Htr	Ongoing management and development costs (risk-adjusted)			€0	€420,000	€700,000
	Three-year total: €1,120,000			**Three-year present value: €873,028**		

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 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 Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(€113,077)	€820,575)	€1,606,815)	(€2,397,220)	(€4,937,687)	(€3,988,068)
Total benefits	€0	€2,999,081	€7,125,867	€11,652,014	€21,776,963	€17,369,914
Net benefits	(€113,077)	€2,178,506	€5,519,052	€9,254,794	€16,839,276	€13,381,846
ROI						336%
Payback						<6 months

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

"Your ECM Roadmap Is A Living Document: Plan For Quick Wins, And Adapt To Changing Needs," Forrester Research, Inc., February 8, 2022

"The Forrester Wave™: Content Platforms, Q1 2023" Forrester Research, Inc., March 23, 2023

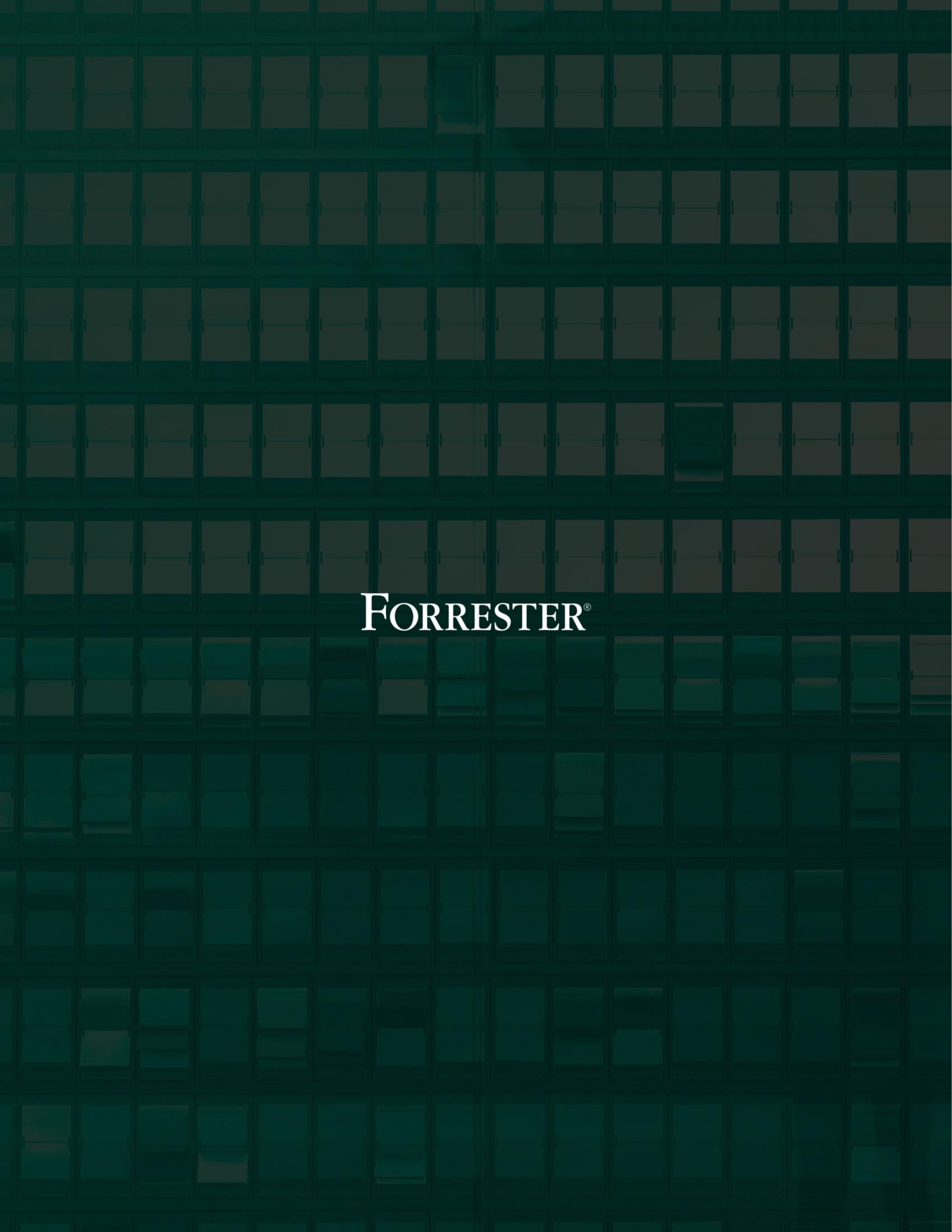
Appendix C: Endnotes

---

[1] Source: "Your ECM Roadmap Is A Living Document: Plan For Quick Wins, And Adapt To Changing Needs," Forrester Research, Inc., February 8, 2022.

[2] Source: "The Forrester Wave™: Content Platforms, Q1 2023" Forrester Research, Inc., March 23, 2023.

[3] 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.


FORRESTER®