

A Forrester Total Economic Impact™ Study Prepared For EasyVista

The Total Economic Impact Of EasyVista IT Service Management

As Deployed By A Large Enterprise IT Organization

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FORRESTER

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Executive Summary

In June 2010, EasyVista commissioned Forrester Consulting to examine the total economic impact and potential return on investment (ROI) enterprises may realize by deploying EasyVista. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of EasyVista on their organizations.

EasyVista is an IT service management (ITSM) solution that comes as a single, modular product; is fully integrated; available in SaaS or on-premise; ITIL v3-compatible for 11 processes; and certified by Pink Elephant. For a more detailed overview about EasyVista, please refer to page 18.

Forrester thinks that although ITSM tools have been used for well over a decade, much of the investment is wasted because the tools have been poorly implemented and poorly applied to provide high-quality support that meets the needs of the business. The market is very mature and extremely competitive. The fundamental processes of incident and problem management are comparable across these solutions, but ease of use, ability to implement quickly, and offering different licensing structures offer some differentiation.¹

EasyVista Increases Operational Efficiencies And Improves Quality Of Service Delivered While Keeping Integration And Customization Efforts At A Low Level

This study illustrates the financial impact of deploying EasyVista on-premise within the IT department of a large organization. The IT department is in charge of designing, implementing, and maintaining quality IT services for the organization, its employees, and external customers that interact with their various services. The organization wanted to prove its efficiency, obtain ISO 20000 and ISO 27001 certifications, and implement a broad range of ITIL processes.

Our interview with this EasyVista customer and subsequent financial analysis found that the interviewed organization experienced a three-year, risk-adjusted ROI of 250%, with costs and benefits shown in Table 1.²

Table 1

Three-Year, Risk-Adjusted ROI³

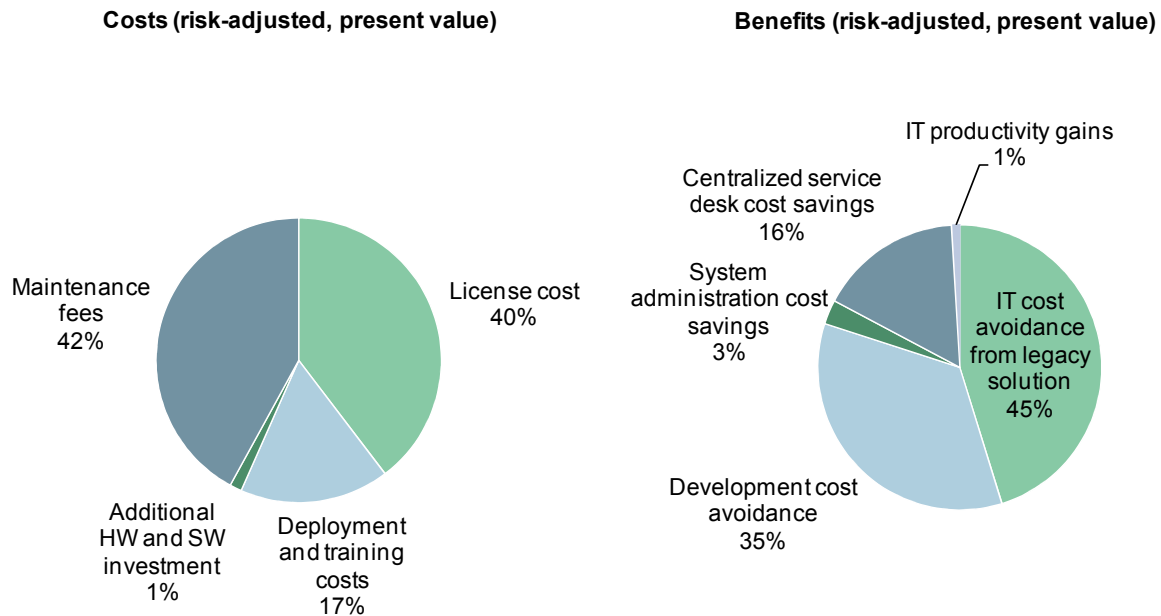
ROI	Payback period	Total benefits (PV)	Total costs (PV)	NPV
250%	Within 12 months	\$1,402,987	-\$400,421	\$1,002,566

Source: Forrester Research, Inc.

- **Benefits.** The company expects to realize benefits of about \$1.4 million over a three-year period. These benefits are mainly generated from avoided upgrade costs with regard to the legacy ITSM solution, development cost savings, simplified IT administration, headcount reduction within the service desk, and increased IT productivity.

- **Costs.** The company expects to incur incremental costs of about \$400,000 over a three-year period. Costs mainly include one-time expenses for labor and license costs as well as a recurring maintenance fee.

Figure 1
Breakdown Of Total Costs And Benefits (Three-Year PV, Risk-Adjusted)



Source: Forrester Research, Inc.

While the benefits mentioned above drove the existing business case, the organization also acknowledges that EasyVista helps it improve the quality of service delivered, roll out ITIL processes quickly, and achieve ISO certifications.

Based on these findings, companies looking to deploy EasyVista can see cost avoidance with regard to the legacy ITSM solution, development and IT administration cost savings, and productivity gains. Using the Total Economic Impact™ (TEI) framework, many companies may find the potential for a compelling business case to make such an investment.

Factors Affecting Benefits And Costs

Table 1 illustrates the risk-adjusted financial results that were achieved by the interviewed organization. The risk-adjusted values take into account any potential uncertainty or variance that exists in estimating the costs and benefits, which produces more conservative estimates. The following factors may affect the financial results that an organization may experience:

- **SaaS versus on-premise.** The interviewed organization chose to deploy EasyVista on-premise. However, companies that choose to use EasyVista as a service may experience additional benefits such as lower upfront costs, transparent upgrades, zero maintenance, and no additional cost for hardware required to host the solution.

- **Productivity gains.** The benefits associated with end user productivity are dependent on how successful each company is at leveraging the end-to-end functions of EasyVista, how effectively users are trained, how well new processes are adapted by the end users, and how many people use the solution.
- **Refresh cycles.** Legacy ITSM solutions are often heavily customized, making major product upgrades a rather painful and costly experience. This analysis takes into account the costs avoided with regard to the first upgrade of the legacy ITSM solution. Usually, this kind of on-premise software solution requires a major upgrade every three to five years. When looking at the long-term impact, companies might want to take into account this additional cost avoidance as well.

Disclosures

The reader should be aware of the following:

- The study is commissioned by EasyVista and delivered by the Forrester Consulting group.
- Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers should use their own estimates within the framework provided in the report to determine the appropriateness of an investment in EasyVista.
- EasyVista 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.
- The customer names for the interviews were provided by EasyVista.

TEI Framework And Methodology

Introduction

From the information provided in the interviews, Forrester has constructed a TEI framework for those organizations considering implementing EasyVista. The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision.

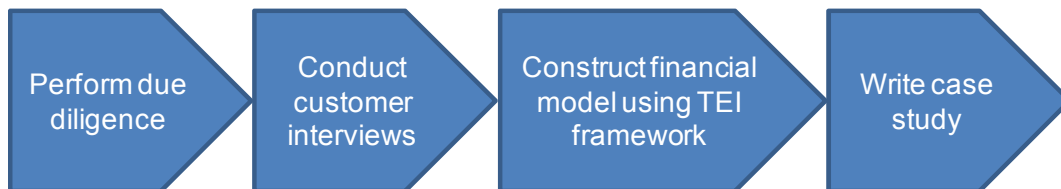
Approach And Methodology

Forrester took a multistep approach to evaluate the impact that EasyVista can have on an organization (see Figure 2). Specifically, we:

- Interviewed EasyVista marketing/sales/consultants personnel and Forrester analysts to gather data relative to EasyVista and the marketplace for ITSM tools.
- Interviewed one organization currently using EasyVista to obtain data with respect to costs, benefits, and risks.
- Constructed a financial model representative of the interviews using the TEI methodology. The financial model is populated with the cost and benefit data obtained from the interviews.

Figure 2

TEI Approach



Source: Forrester Research, Inc.

Forrester employed four fundamental elements of TEI in modeling the EasyVista solution:

1. Costs.
2. Benefits to the entire organization.
3. Flexibility.
4. Risk.

Given the increasing sophistication that enterprises have regarding ROI analyses related to IT investments, Forrester's TEI methodology serves the purpose of providing a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

Analysis

Interview Highlights

A single organization was interviewed for this study: the IT department of a large organization. The IT department, which employs about 300 people, is in charge of designing, implementing, and maintaining quality IT services for the organization, its more than 12,000 employees, external customers, and other entities that interact with its systems. It has one primary location and many offices throughout the country.

Prior to the deployment of EasyVista, the organization used another commercial ITSM product for about eight years. The product was deployed at the main location and used exclusively for incident and problem management. As the extension of the ITSM solution to the local offices was considered too costly, the remote teams did not have access to the tool. The heavy customization made the solution inflexible, difficult to manage, and costly to maintain. Most of the changes had to be implemented by external consultants. Furthermore, the solution was not considered as very user-friendly.

As the organization wanted to push the implementation of more ITIL processes and achieve ISO 20000 and ISO 27001 certifications, the need for change became more and more obvious, but upgrading the existing solution with all the customizations was considered too costly. The organization therefore decided to look at alternative solutions.

The company's main business objectives for the investment in another ITSM solution were to:

- Introduce an IT management solution that is fully integrated, flexible, and easy to implement and maintain.
- Achieve ISO 20000 and ISO 27001 certifications.
- Allow local teams to access the tool remotely via a Web service portal.
- Reduce costs.

At the end of 2009, following a public tender process, the organization decided to invest in EasyVista because the solution met all functional requirements determined by the service desk team. The organization also much appreciated the ease of codeless customization provided by EasyVista, and the fact that 11 ITIL v3 processes were certified by the independent organization Pink Elephant gave it confidence in view of obtaining ISO certifications.

The organization decided to implement EasyVista on-premise and defined a very strict and ambitious three-month migration timeline. Within 15 days, the product was up and running, including the configuration database and the configuration management process, which was certified ISO 27001 by external auditors. The organization has about 14,000 assets in total, including 186 critical configuration items. Fifteen days later, the incident and change management processes were fully implemented, and the legacy ITSM solution was retired. In the following two months, the organization implemented processes for request, release, problem, and asset management.

The interviewed organization achieved a broad range of benefits. In particular, the migration to EasyVista allowed or will allow the company to:

- **Avoid costly upgrade of legacy solution.** Due to the high level of customization, the costs of the upcoming and necessary upgrade of the legacy solution were evaluated as too high. By replacing the heavy customized platform with codelessly customizable EasyVista that permits all customizations to transfer during upgrades, the interviewed organization avoided excessive upgrade costs as well as the annual maintenance fee of the legacy solution.
- **Obtain certifications.** The organization is very eager to demonstrate its effectiveness, and obtaining ISO 20000 and ISO 27001 certifications is one of their main objectives. EasyVista will help the organization achieve this goal.
- **Avoid development costs.** Before the introduction of EasyVista, every change to a process or to the environment in general required custom developments that were mainly done by external consultants. Thanks to the codeless customizations of the EasyVista platform, the organization now saves development time and costs as the service desk team can modify and change the workflows and other configurable items within the solution.
- **Simplify IT administration.** Replacing a heavily customized ITSM solution by a fully integrated, codeless solution simplifies IT administration tasks.
- **Extend solution to remote teams.** The about 100 local IT employees now have remote access to the tool via a Web portal and are fully integrated in the various processes, which creates operational efficiencies and improves communication and ownership of issues across the different organizational departments.
- **Increase IT and service desk productivity.** By implementing and adapting common processes that are used by the entire service organization, improvements in service desk staff productivity are realized.
- **Increase quality of service.** By adapting ITIL processes, having access to real-time reports and KPIs, and offering a self-service portal and service catalog, the organization increases the quality of service delivered to the business.
- **Shorten time-to-market.** The organization introduced a service catalog that is easy to change and manage. New applications or services can easily be integrated into the catalog, which reduces the time-to-market.
- **Improve reputation and communication.** By leveraging a vast amount of the solution subsets of EasyVista right from the beginning, the service desk team was able to make the appropriate people and process links to produce ad hoc reports, which in turn improves communication between the service provider (service desk) and service consumer (business).

In the near future, the organization plans to extend the solution to two other autonomous regions and to implement a supply management process.

Framework Assumptions

Table 2 provides the model assumptions including average fully loaded rates for different employee profiles that Forrester used in this analysis.

Table 2
Model Assumptions

Ref.	Metric	Value
A1	Hours worked per day	8
A2	Average number of working days per month	21
A3	Average fully loaded monthly rate (internal IT)	\$2,600
A4	Average fully loaded monthly rate (service desk)	\$1,950

Source: Forrester Research, Inc.

The discount rate used in the PV and NPV calculations is 10%, and time horizon used for the financial modeling is three years. Organizations typically use discount rates between 8% and 16% based on their current environment. Readers are urged to consult with their respective company's finance department to determine the most appropriate discount rate to use within their own organizations.

Costs

This section describes and lists the incremental costs incurred by the interviewed organization for deploying and running EasyVista over a three-year period.

Please note that labor costs for ongoing operations are not included here because the actual administration efforts required to maintain and run the new solution have decreased, according to the interviewed organization. This reduction in efforts is thus considered as cost savings and is taken into account in the Benefits section of this analysis (see Table 7).

License Cost

The organization paid a one-time fee of \$158,600 for the perpetual EasyVista license (see row C1 in Table 4).

Deployment And Training Costs

To set up the new solution, the organization created an internal team that worked closely with EasyVista consultants for the duration of the deployment. The organization estimates that for the internal team, the equivalent of 2.5 full-time

resources was required for about four months. In total, it incurred professional service costs from EasyVista of \$39,000 and internal labor costs of \$26,000 (see Table 3 below). Training costs are also included here.

Table 3
Deployment And Training Costs

Ref.	Metric	Value/calculation	Value (initial)
B1	Professional service costs (integration and training)		\$39,000
B2	Number of FTEs	2.5	
B3	Duration of deployment in months	4	
B4	Average fully loaded monthly rate (internal IT)	\$2,600 (see A3)	
B5	Internal labor costs	$B2*B3*B4$	\$26,000
B6	Deployment and training costs	$B1+B5$	\$65,000

Source: Forrester Research, Inc.

Additional Hardware And Software Costs

The cost for additional hardware and software is indicated in row C3 of Table 4 and corresponds to two virtual machines with 8 gigabytes of RAM each, a Windows Server 2008 and an SQL Server license.

Maintenance Fees

The organization pays an annual maintenance fee of \$67,600 as indicated in row C4 of Table 4.

Total Costs

Table 4 summarizes the incremental costs incurred by the reference organization for deploying and using EasyVista over a three-year period.

Table 4

Total Costs (Non-Risk-Adjusted)

Ref.	Costs	Initial	Year 1	Year 2	Year 3	Total
C1	License cost	\$158,600	\$0	\$0	\$0	\$158,600
C2	Deployment and training costs	\$65,000	\$0	\$0	\$0	\$65,000
C3	Additional hardware and software investment	\$5,460	\$0	\$0	\$0	\$5,460
C4	Maintenance fees	\$0	\$67,600	\$67,600	\$67,600	\$202,800
C5	Total costs	\$229,060	\$67,600	\$67,600	\$67,600	\$431,860

Source: Forrester Research, Inc.

Benefits

The interviewed organization reported quantifiable benefits in terms of cost avoidance from the legacy application, development and administration cost savings, and productivity gains for the service desk and IT operations. These benefit categories are discussed below.

IT Cost Avoidance From Legacy Application

By investing in EasyVista, the organization avoided the upgrade of the legacy ITSM solution that would have been required. Due to the heavy customization of the legacy solution, it estimates that the upgrade alone would have cost \$455,000. Additionally, the cancelation of the maintenance contract saves the organization about \$104,000 per year. The resulting cost avoidance is indicated in Table 5 below.

Table 5

IT Cost Avoidance From Legacy Application

Ref.	Metric	Value/calc.	Year 1	Year 2	Year 3	Total
D1	Avoided license upgrade and migration costs		\$455,000	\$0	\$0	\$455,000
D2	Avoided maintenance fees regarding legacy solution		\$104,000	\$104,000	\$104,000	\$312,000
D3	IT cost avoidance from legacy application	D1+D2	\$559,000	\$104,000	\$104,000	\$767,000

Source: Forrester Research, Inc.

Note that this analysis only considers one upgrade cycle. Usually, this kind of on-premise software solution requires a major upgrade every three to five years. When looking at the long-term impact, companies might want to take into account this additional cost avoidance as well.

Development Cost Avoidance

Before the introduction of EasyVista, the interviewed organization was heavily dependent on expensive, external consultants in order to set up new processes or implement changes. Thanks to the codeless approach of the EasyVista platform, the organization gained full control of the solution and performs required configuration changes by itself. The organization estimates that, on average, every process needs to be modified twice per year and that it saves about \$13,000 in average for not having to call upon external developers. The resulting cost savings are indicated in Table 6 below.

Table 6

Development Cost Avoidance

Ref.	Metric	Value/calc.	Year 1	Year 2	Year 3	Total
E1	Number of active processes (incident management, etc.)	8				
E2	Average number of times a process needs to be modified per year	2				
E3	Average cost avoided per required change	\$13,000				
E4	Development cost avoidance	$E1 * E2 * E3$	\$208,000	\$208,000	\$208,000	\$624,000

Source: Forrester Research, Inc.

System Administration Cost Savings

The interviewed organization reports that the system administration of the EasyVista platform does not require special skill sets and is thus much easier than the administration of the legacy solution. The equivalent of a half-time employee was freed up. This time can now be used for more value-add projects. The resulting cost savings are indicated in Table 7 below.

Table 7

System Administration Cost Savings

Ref.	Metric	Calculation	Year 1	Year 2	Year 3	Total
F1	Number of FTEs freed up	0.5				
F2	Average fully loaded monthly rate (internal IT)	\$2,600 (see A3)				
F3	Average fully loaded annual rate (internal IT)	\$31,200 (=F2*12)				
F4	System administration cost savings	F1*F3	\$15,600	\$15,600	\$15,600	\$46,800

Source: Forrester Research, Inc.

Centralized Service Desk Cost Savings

By having integrated the remote teams into the incident management process and having introduced a self-service portal where both business users and IT staff can register incidents, the organization managed to improve the routing process. Incidents are now routed directly to the concerned teams rather than having to be dispatched manually by the central service desk agents. The organization reports that the headcount of the service desk was reduced by four full-time agents. The freed-up agents can now work on more value-add projects.

Today, one-third of the incidents are reported via the self-service portal. The organization's objective is to grow this number to more than 50% in the coming years.

Table 8

Centralized Service Desk Cost Savings

Ref.	Metric	Calculation	Year 1	Year 2	Year 3	Total
G1	Number of FTEs freed up	4				
G2	Average fully loaded monthly rate (service desk)	\$1,950 (see A4)				
G3	Average fully loaded annual rate (service desk)	\$23,400 (=G2*12)				
G4	Centralized service desk cost savings	G1*G3	\$93,600	\$93,600	\$93,600	\$280,800

Source: Forrester Research, Inc.

IT Productivity Gains

By implementing and adapting ITIL processes, the IT operations achieved productivity gains. The organization considers that the highest impacts are due to:

- A better defined workflow within the change management process.
- The close integration of the asset management with self-service request management, incident management, and change management.
- A more efficient configuration management process.

The estimated amount of minutes saved per month for each of these categories is indicated in Table 9 below.

In estimating the productivity gain conservatively, Forrester assumed that only 75% (see H7) of the time saved is allocated to other productive tasks. Twenty-five percent of the potential time saving is therefore not included in the analysis below.

Table 9

IT Productivity Gains

Ref.	Metric	Calculation	Year 1	Year 2	Year 3	Total
H1	Average number of minutes saved per month due to better workflows in change management process (assigning tasks, giving authorizations, etc.)	400				
H2	Average number of minutes saved per month due to close integration of asset management with other processes	1,500				
H3	Average number of minutes saved per month due to easier configuration management	500				
H4	Average number of hours saved per year	480 ($=[(H1+H2+H3)/60]*12$)				
H5	Average fully loaded monthly rate (internal IT)	\$2,600 (see A3)				
H6	Average fully loaded hourly rate (internal IT)	\$15.6 ($=H5/[A2*A1]$); rounded				
H7	Percent of productivity gains that actually translate into productive work	75%				
H8	IT productivity gains	$H4*H6*H7$	\$5,616	\$5,616	\$5,616	\$16,848

Source: Forrester Research, Inc.

Total Benefits

The interviewed organization achieved total benefits of about \$1.7 million over the three-year period. Table 10 shows the total non-risk-adjusted benefits that were quantifiable for this study.

Table 10

Total Benefits (Non-Risk-Adjusted)

Ref.	Metric	Year 1	Year 2	Year 3	Total
11	IT cost avoidance from legacy application	\$559,000	\$104,000	\$104,000	\$767,000
12	Development cost avoidance	\$208,000	\$208,000	\$208,000	\$624,000
13	System administration cost savings	\$15,600	\$15,600	\$15,600	\$46,800
14	Centralized service desk cost savings	\$93,600	\$93,600	\$93,600	\$280,800
15	IT productivity gains	\$5,616	\$5,616	\$5,616	\$16,848
16	Total benefits	\$881,816	\$426,816	\$426,816	\$1,735,448

Source: Forrester Research, Inc.

Flexibility

Flexibility, as defined by TEI, represents an investment in additional capacity or capability that could be turned into business benefit for some future additional investment. This provides an organization with the “right” or the ability to engage in future initiatives but not the obligation to do so. There are multiple scenarios in which a customer might choose to implement EasyVista and later realize additional uses and business opportunities. Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

While data for calculating the monetary value of concrete flexibility options was not available at the time of publication, the customer acknowledges that the EasyVista solution bears more potential benefits for the future such as:

- **Optimizing license costs.** Among others, EasyVista provides a consolidated view of all software assets. The organization intends to review its licensing structure according to requirements and actual usage. This presents an opportunity for further cost savings.
- **Extending solution to other regions.** The organization plans to extend the EasyVista solution to two other autonomous regions. These regions will then be able to quickly benefit from a tested and validated ITSM solution and the defined processes.
- **Controlling stock and supplies.** The organization intends to implement the supply management process in order to better manage its stock and supplies. This will create further efficiencies.

Risk

Forrester defines two types of risk associated with this analysis: implementation risk and impact risk. “Implementation risk” is the risk that a proposed investment in EasyVista may deviate from the original or expected requirements, resulting in higher costs than anticipated. “Impact risk” refers to the risk that the business or technology needs of the organization may not be met by the investment in EasyVista, resulting in lower overall total benefits. The greater the uncertainty, the wider the potential range of outcomes for cost and benefit estimates.

Quantitatively capturing investment and impact risk by directly adjusting the financial estimates results in more meaningful and accurate estimates and a more accurate projection of the ROI. In general, risks affect costs by raising the original estimates, and they affect benefits by reducing the original estimates. The risk-adjusted numbers should be taken as “realistic” expectations as they represent the expected values considering risk.

The following implementation risk that affects costs is identified as part of this analysis:

- The amount of training needed over the three-year period may depend on the employee turnover, and the costs may thus be higher.

The following impact risks that affect benefits are identified as part of the analysis:

- The IT cost avoidance related to the legacy application is based on estimations and may be lower.
- The amount of the development costs avoided depends on the number of changes that need to be done to the solution in the future, which might be lower.
- The amount of cost savings for the service desk depends on the estimated average fully loaded salary rate, which might be lower.
- IT productivity gains depend on the ability of the concerned IT staff to reallocate their time productively.

Table 11 shows the values used to adjust for risk and uncertainty in the cost and benefit estimates. The TEI model uses a triangular distribution method to calculate risk-adjusted values. To construct the distribution, it is necessary to first estimate the low, most likely, and high values that could occur within the current environment. The risk-adjusted value is the mean of the distribution of those points. Readers are urged to apply their own risk ranges based on their own degree of confidence in the cost and benefit estimates.

Table 11

Cost And Benefit Risk Adjustments

Costs	Low	Most likely	High	Mean
Deployment and training costs	100%	100%	115%	105%
Benefits	Low	Most likely	High	Mean
IT cost avoidance from legacy application	80%	100%	103%	94%
Development cost avoidance	80%	100%	103%	94%
Centralized service desk cost savings	90%	100%	105%	98%
IT productivity gains	80%	100%	103%	94%

Source: Forrester Research, Inc.

Readers are urged to apply their own risk ranges based on their own degree of confidence in the cost and benefit estimates.

Financial Summary

The financial results calculated in the Costs and Benefits sections can be used to determine the ROI, NPV, and payback period for the organization's investment in EasyVista. These are shown in Table 12 below.

Table 12

Cash Flow — Non-Risk-Adjusted

Cash flow — original estimates						
	Initial	Year 1	Year 2	Year 3	Total	PV
Costs	(\$229,060)	(\$67,600)	(\$67,600)	(\$67,600)	(\$431,860)	(\$397,171)
Benefits	\$0	\$881,816	\$426,816	\$426,816	\$1,735,448	\$1,475,065
Total	(\$229,060)	\$814,216	\$359,216	\$359,216	\$1,303,588	\$1,077,894
ROI	271%					
Payback period	Within 12 months					

Source: Forrester Research, Inc.

Table 13 below shows the risk-adjusted ROI, NPV, and payback period values. These values are determined by applying the risk-adjustment values from Table 11 in the Risk section to the cost and benefits numbers in Tables 4 and 10.

Table 13

Cash Flow — Risk-Adjusted

Cash flow — risk-adjusted estimates						
	Initial	Year 1	Year 2	Year 3	Total	PV
Costs	(\$232,310)	(\$67,600)	(\$67,600)	(\$67,600)	(\$435,110)	(\$400,421)
Benefits	\$0	\$836,474	\$407,258	\$407,258	\$1,650,990	\$1,402,987
Total	(\$232,310)	\$768,874	\$339,658	\$339,658	\$1,215,880	\$1,002,566
ROI	250%					
Payback period	Within 12 months					

Source: Forrester Research, Inc.

EasyVista IT Service Management: Overview

EasyVista is a software solution that covers the entire aspects of ITSM in a single, modular product. It is ITIL v3-compatible for 11 processes and certified by Pink Elephant.

According to EasyVista, the ability to codelessly customize EasyVista to meet customer requirements ensures the lowest enterprise ITSM total cost of ownership. By eliminating the time and cost restraints inherent in legacy products that require extensive development and professional services, EasyVista customers are able to focus on the core business.

EasyVista is designed to simplify the implementations of ITIL processes in organizations. All ITIL processes are available with more than 250 business process wizards and built-in questionnaires, workflow types, reports and report templates, dashboards, real-time KPIs, and alerts. EasyVista is highly customizable (reporting, workflow, data model screens, gateways to third-party solutions, etc.), thanks to the EasyVista Studio module, which comes with the solution as standard. EasyVista has been designed for quick and easy deployment. To implement the solution, no code has to be developed because organizations just have to customize the product via a graphical interface in order to fit their specific needs. All of EasyVista's enterprise ITSM functionality is delivered via a Web 2.0-based interface.

EasyVista is available in two versions. Both versions contain the same exact functional capabilities:

- **EasyVista.com.** A SaaS-based solution, hosted and managed by EasyVista and invoiced on a lease basis.
- **EasyVista Classic.** A solution hosted by EasyVista's clients in perpetual license mode.

With offices in the US, France, the UK, Italy, Spain, Portugal, and more than 60 certified partners covering six continents, EasyVista provides global IT management leadership to more than 3,300 customers worldwide. Verticals include automotive, banking, education, energy, finance, food and beverage, government, healthcare, insurance, managed service providers, manufacturing, media, retail, technology, telecommunications, and transportation.

Some of the main characteristics of EasyVista include:

- 100% integrated solution.
- Graphical workflow engine — no coding skills required.
- Specialist wizards to automate and simplify operations.
- Turnkey self-service portal to bring EasyVista to all users.
- Turnkey management and financial reports.
- Turnkey alarms and KPIs.
- Centralized rights management.
- Consistent interface and reporting.
- Customizations retained even if versions change.
- Intelligent data gathering tools following normalization and uniqueness rules, ensuring data integrity and quality.
- Technologies based on standard, open protocols to ensure maximum interoperability.
- A single database and reference developed from the ground up as shared templates.

Appendix A: Total Economic Impact™ Overview

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.

The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility.

Benefits

Benefits represent the value delivered to the user organization — IT and/or business units — by the proposed product or project. Often product or project justification exercises focus just on IT cost and cost reduction, leaving little room to analyze the effect of the technology on the entire organization. The TEI methodology and the resulting financial model place 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. Calculation of benefit estimates involves a clear dialogue with the user organization to understand the specific value that is created. In addition, Forrester also requires that there be a clear line of accountability established between the measurement and justification of benefit estimates after the project has been completed. This ensures that benefit estimates tie back directly to the bottom line.

Costs

Costs represent the investment necessary to capture the value, or benefits, of the proposed project. IT or the business units may incur costs in the forms of fully burdened labor, subcontractors, or materials. Costs consider all the investments and expenses necessary to deliver the proposed value. In addition, the cost category within TEI captures any incremental costs over the existing environment for ongoing costs associated with the solution. All costs must be tied to the benefits that are created.

Risk

Risk measures the uncertainty of benefit and cost estimates contained within the investment. Uncertainty is measured in two ways: 1) the likelihood that the cost and benefit estimates will meet the original projections, and 2) the likelihood that the estimates will be measured and tracked over time. TEI applies a probability density function known as “triangular distribution” to the values entered. At a minimum, three values are calculated to estimate the underlying range around each cost and benefit.

Flexibility

Within the TEI methodology, direct benefits represent one part of the investment value. While direct benefits can typically be the primary way to justify a project, Forrester believes that organizations should be able to measure the strategic value of an investment. Flexibility represents the value that can be obtained for some future additional investment building on top of the initial investment already made. For instance, an investment in an enterprisewide upgrade of an office productivity suite can potentially increase standardization (to increase efficiency) and reduce licensing costs. However, an embedded collaboration feature may translate to greater worker productivity if activated. The collaboration can only be used with additional investment in training at some future point in time. However, having the ability to capture that benefit has a present value that can be estimated. The flexibility component of TEI captures that value.

Appendix B: Glossary

Discount rate: The interest rate used in cash flow analysis to take into account the time value of money. Although the Federal Reserve Bank sets a discount rate, companies often set a discount rate based on their business and investment environment. Forrester assumes a yearly discount rate of 10% for this analysis. Organizations typically use discount rates between 8% and 16% based on their current environment. Readers are urged to consult their respective organization to determine the most appropriate discount rate to use in their own environment.

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.

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

Payback period: The breakeven point for an investment. The point in time at which net benefits (benefits minus costs) equal initial investment or cost.

Return on investment (ROI): A measure of a project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits minus costs) by costs.

A Note On Cash Flow Tables

The following is a note on the cash flow tables used in this study (see the example table below). The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1. Those costs are not discounted. All other cash flows in Years 1 through 3 are discounted using the discount rate (shown in Framework Assumptions section) at the end of the year. Present value (PV) calculations are calculated for each total cost and benefit estimate. Net present value (NPV) calculations are not calculated until the summary tables and are the sum of the initial investment and the discounted cash flows in each year.

Table [Example]

Example Table

Ref.	Category	Calculation	Initial cost	Year 1	Year 2	Year 3	Total

Source: Forrester Research, Inc.

Appendix C: Related Forrester Research

“Market Overview: IT Service Management Support Tools,” Forrester Research, Inc., March 22, 2010

“Market Projections For 2010: IT Management Software,” Forrester Research, Inc., February 4, 2010

“It’s Time For IT Management Software 2.0,” Forrester Research, Inc., December 8, 2009

“The Low-Hanging Fruit That Service Operations Teams Should Consider Now,” Forrester Research, Inc., November 13, 2009

“Managing The IT Management Software Portfolio,” Forrester Research, Inc., September 25, 2008

Appendix D: Endnotes

¹ Sources: “Managing The IT Management Software Portfolio,” Forrester Research, Inc., September 25, 2008 and “Market Overview: IT Service Management Support Tools,” Forrester Research, Inc., March 22, 2010.

² In this report, all monetary values have been converted from euro into US dollars by using a fixed conversion rate of \$1.30 per euro.

³ Forrester risk-adjusts the summary financial metrics to take into account the potential uncertainty of the cost and benefit estimates. For more information on risk, please see page 15.