

FORRESTER®

# The Total Economic Impact™ Of Salesforce Professional Services

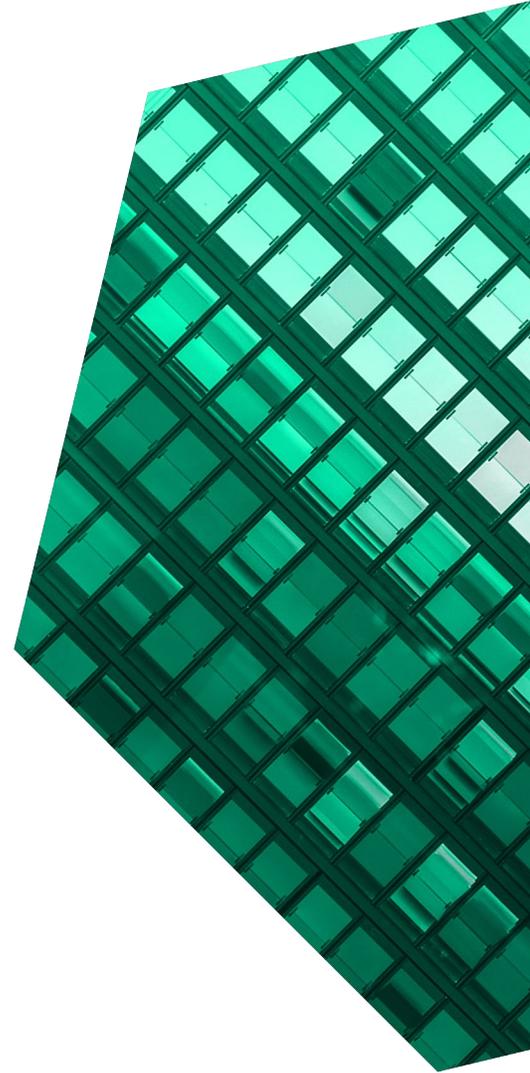
Cost Savings And Business Benefits  
Enabled By Salesforce Professional Services

JANUARY 2022

# Table Of Contents

Consulting Team: Veronica Iles  
Kara Luk

- Executive Summary ..... 1**
- The Salesforce Professional Services Customer Journey ..... 6**
  - Key Challenges ..... 6
  - Engagement Objectives ..... 7
  - Why Salesforce Professional Services? ..... 8
  - Composite Organization ..... 9
- Analysis Of Benefits ..... 10**
  - Accelerated Business Value ..... 10
  - Shorter Implementation Savings ..... 12
  - Reduced Risk Of Project Failure Savings ..... 15
  - Faster Salesforce Release Adoption Savings ..... 17
  - Long-Term Savings ..... 19
  - Unquantified Benefits ..... 22
  - Future Flexibility ..... 25
- Analysis Of Costs ..... 26**
  - Salesforce Professional Services Engagement Fee ..... 26
  - Incremental Support Labor ..... 27
- Financial Summary ..... 29**
- Appendix A: Total Economic Impact ..... 30**
- Appendix B: Interview And Survey Demographics ..... 31**
- Appendix C: Additional Survey Findings ..... 33**
- Appendix D: Endnotes ..... 33**



## ABOUT FORRESTER CONSULTING

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## Executive Summary

Salesforce is more than just a sales or service product; it is a business product. As maturity and sophistication continue to evolve, businesses are now looking to become better organizations from end-to-end rather than just trying to sell better. Salesforce Professional Services helps customers maximize the value of their platform investments by accelerating time-to-value, empowering faster innovation, enabling planning for long-term success, and helping to develop strong muscles for self-sufficiency.

Salesforce commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying [Salesforce Professional Services](#).<sup>1</sup> The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Salesforce Professional Services on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed 13 decision-makers from 11 companies and surveyed 200 cross-industry, global decision-makers who have worked with Salesforce Professional Services. For the purposes of this study, Forrester aggregated the experiences of the interviewed and surveyed decision-makers and combined the results into a single [composite organization](#).

Prior to using Salesforce Professional Services, each of the interviewees' organizations was either new to the Salesforce platform, had a Salesforce deployment that was overly customized, or had a deployment that did not fully take advantage of the platform's capabilities. So, the organizations engaged Salesforce Professional Services to help drive transformational change on the Salesforce platform.

**Survey respondents said Salesforce Professional Services improved or expanded their organization's Salesforce platform utility, satisfaction, cost-effectiveness, best practices, value, and efficiencies.**

### KEY STATISTICS



Return on investment (ROI)  
**229%**



Net present value (NPV)  
**\$5.0M**

Interviewees and respondents said that after their organization invested in Salesforce Professional Services, they saw the following investment outcomes, ranked in order of importance:

### KEY FINDINGS

**“You noted that Salesforce Professional Services helped your organization accelerate time-to-value. On a scale of 1 to 5, how much do you agree with the below statements?”**



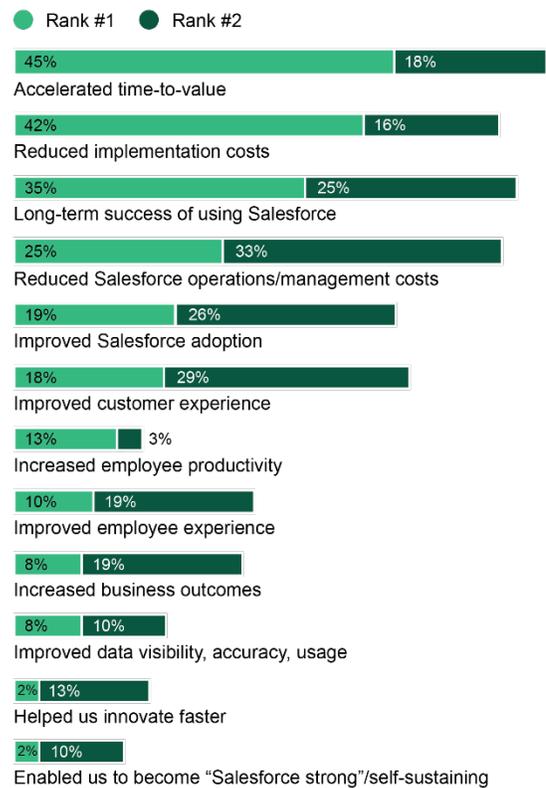
Base: 200 CRM decision-makers for enterprise  
Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

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

- Recognized business value sooner.** The accelerated project timeline enabled the organizations to realize business value from their Salesforce platform investments more quickly. The composite organization reduces its entire project timeline by nine months and begins realizing value from an MVP four months sooner than without the assistance of Salesforce Professional Services. During a three-year period, the faster timeline adds \$2.5 million in business value.
- Accelerated implementation speed by 35%.** The assistance of Salesforce Professional Services reduces the composite’s project by nine months. This avoids monthly costs of \$428,000, so the composite saves \$2.6 million over three years.
- Increased project success by 50%.** Decision-makers said the involvement of Salesforce Professional Services during implementation ensured their projects were completed successfully and expertly architected. The composite saves \$430,000 from reduced project failure risk over three years.
- Activated new Salesforce releases 30% faster.** For the composite, reducing the average time for release adoption from 23 weeks to 16 weeks allows business units to save development time and to take advantage of new features sooner. The faster release adoption cycle leads the composite to savings of \$455,000 over three years.
- Realized \$1.2 million in long-term savings.** Decision-makers said the platform architecture design and expert knowledge transfer facilitated by Salesforce Professional Services led to savings long after their organizations’ engagements ended. Customers saw cost

reductions related to training, rework, refactoring, integration, and migration after their Salesforce Professional Services engagements. Ninety percent of survey respondents said they reduced the costs of rework/refactoring codes, and 84% said their organization became self-sufficient on Salesforce. The composite saves \$1.2 million from long-term cost reduction, which includes training savings, reduced rework and refactoring, and integration and migration savings.

**“Which of the following benefits has your organization realized as a result of investing in Salesforce Professional Services do you find to be the most valuable?”**



Base: 200 CRM decision-makers for enterprise  
 Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

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

- Better business outcomes.
- Increased number of users who adopt Salesforce.
- Direct access to unique expertise.
- Help with employee competency assessments and skills development planning.
- Improvements to customer and user experiences.
- Benchmarking and change management assistance.
- Enhanced and complemented systems integrator (SI) partner impact.
- Fewer surprise costs.
- Avoided hiring additional IT headcount.

**Costs.** Risk-adjusted PV costs include:

- **Engagement costs of \$2 million.** Interviewees' and survey respondents' project costs varied based on scope and complexity. The composite organization's Salesforce Professional Services engagement takes place during 18 months, and it costs \$2 million.
- **Incremental project manager labor totaling \$87,000.** The composite adds a strategic partner, which results in incremental project manager time.

The financial analysis which is based on the decision-maker interviews and survey found that a composite organization experiences an ROI of 229% over three years.



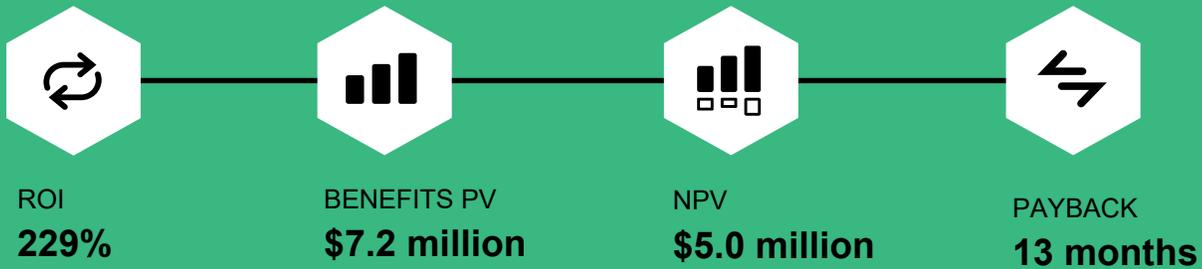
**94%**

**of decision-makers anticipate a positive ROI from the investment in Salesforce Professional Services.**

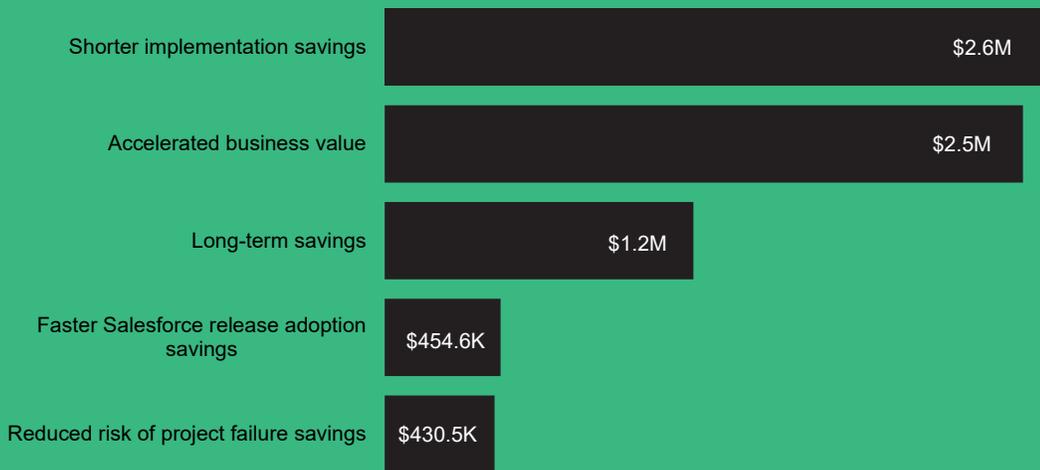
Base: 200 CRM decision-makers for enterprise  
Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

**“[Salesforce] Professional Services helped [my organization] build a complex, global solution with deployment in 30 countries, and [it] supported localization needs. Without [Salesforce] Professional Services, we wouldn't have been able to engage internal Salesforce experts to [ensure] that architecture would reach the scaling needs. [Salesforce] Professional Services looked at background and internal metrics to identify bottlenecks.”**

*Director of development and architecture,  
consumer retail goods engagement*



**Benefits (Three-Year)**



We have a very longstanding relationship with Salesforce Professional Services. They have shown us time after time that they are invested in our overall success. We appreciate their gestures, and we want to continue to invest with them and work on things together.

— Senior director of technology, education

We felt that through Salesforce Professional Services, there was better alignment, understanding, and acknowledging of our strategy. Salesforce Professional Services helped us get maximum value out of the platform.

— General manager and group engineering principal, telecommunications

## TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews and survey, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Salesforce Professional Services.

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 Salesforce Professional Services can have on an organization.

### DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Salesforce 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 Salesforce Professional Services.

Salesforce 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.

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

Forrester fielded the double-blind survey using a third-party survey partner.



### DUE DILIGENCE

Interviewed Salesforce Professional Services marketing and customer leadership stakeholders and Forrester analysts to gather data relative to Salesforce Professional Services.



### DECISION-MAKER INTERVIEWS AND SURVEY

Interviewed 13 decision-makers at 11 organizations and surveyed 200 decision-makers at organizations using Salesforce Professional Services to obtain data with respect to costs, benefits, and risks.



### COMPOSITE ORGANIZATION

Designed a composite organization based on characteristics of the interviewed and surveyed decision-makers.



### FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interviews and survey 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, future 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.

# The Salesforce Professional Services Customer Journey

## Drivers leading to the Salesforce Professional Services investment

### KEY CHALLENGES

Forrester interviewed 13 decision-makers from 11 companies and surveyed 200 cross-industry, global decision-makers who have worked with Salesforce Professional Services. For more details on these individuals and the organizations they represent, see [Appendix B](#).

Decision-makers said their organizations engaged with Salesforce Professional Services at different moments in their platform journeys to address a variety of challenges.

**“What were some of the key factors that drove/are driving your organization’s investment in Salesforce Professional Services?”**

37%  
We were brand-new to the Salesforce platform and needed help with initial implementation.

35%  
We were not getting expected/full value from existing deployment.

34%  
Our Salesforce implementation is/has become complex, and we need specialists to assist us.

Base: 200 CRM decision-makers for enterprise  
Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

The organizations most commonly engaged with Salesforce Professional Services in the following ways:

- The organization was brand-new to the Salesforce platform, so it engaged Salesforce Professional Services to guide the initial implementation.
- The organization had an existing Salesforce deployment, but it had not realized the full value of the platform. So, the organization engaged Salesforce Professional Services to unlock more value from its existing Salesforce deployment with new features and functions.
- The organization had an existing Salesforce deployment (or several siloed deployments), but it had grown complex and inflexible over time. In

this case, technical debt limited the organization’s ability to add new functionality with its existing structure. The organization engaged Salesforce Professional Services to help with transformative migration, re-architecture, or consolidation of legacy technology for more flexibility and functionality.

### Customer Voices

“We had never built out a system from the ground up that was this large. With the data migration, it was turning out to be such a large and expensive project that we didn’t want to fail with building our foundation.”

—VP and Salesforce product manager, financial services

“Before the re-architecture, we had many different business units using Salesforce. But the way that data was set up, the different flows, and connections to the websites were really fragmented. It was a bit of a mess, and we were struggling to get any real traction or much business benefit. So, we went back to square one and started from scratch with Salesforce Professional Services.”

—Senior IT manager for consumer engagement technology, consumer retail goods

“Within our organization, every affiliate bank built their own Salesforce instance differently. We had 12 years of history of incorrectly building the foundation, and it was a little shaky. We wanted to get all the shaky platforms combined onto one financial services cloud instance. We knew that without the combined experience of Salesforce Professional Services and our integration partner, we were not going to understand how to correctly move all these shaky platforms into one solid foundation.”

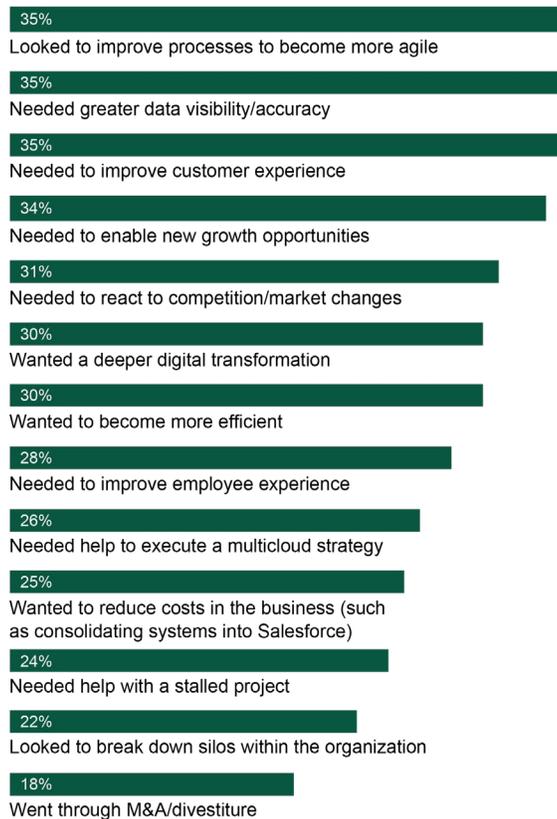
—VP and Salesforce product manager, financial services

### ENGAGEMENT OBJECTIVES

Interviewees and survey respondents said their organizations searched for a solution that could:

- Implement a new Salesforce product.
- Add targeted features.
- Scale Salesforce to additional regions or business units.
- Reinvigorate existing implementations.

**“Was there a catalyst, driver, or event that drove your organization to seek professional services directly from Salesforce?”**

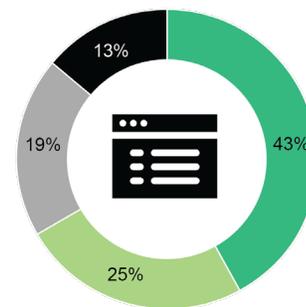


Base: 200 CRM decision-makers for enterprise  
Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

### SALESFORCE PROFESSIONAL SERVICES AND SYSTEM INTEGRATOR

Each interviewee and most of the survey respondents said their organization uses Salesforce Professional Services as a complement to a partner system integrator. The SIs typically provide significantly more resources than Salesforce Professional Services do, and they work on the technical delivery of the implementation. Each interviewee said their organization did not hire Salesforce Professional Services to replace its SI, but to work alongside it. The two consulting groups provide different services that play to their strengths, but work hand-in-hand to ensure project success.

**“Was (is) a systems integrator (SI) or other consulting partner organization working alongside Salesforce Professional Services throughout the latest engagement?”**



- Salesforce Professional Services was (is) prime and an SI/partner provided(s) support.
- Salesforce Professional Services worked(s) side by side with an SI/partner owning different work streams.
- A partner/SI was (is) prime, and Salesforce Professional Services provide(d) support.
- We didn't work with another partner/SI. We worked exclusively with Salesforce Professional Services.

Base: 200 CRM decision-makers for enterprise  
Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

**“We hired [Salesforce] Professional Services to help establish a base for the future.”**

*Senior IT manager, consumer goods*

## WHY SALESFORCE PROFESSIONAL SERVICES?

Each interviewee and most of the survey respondents said their organization engaged Salesforce Professional Services to work alongside a SI partner.

Interviewees said their organizations did so to:

- **Improve end-to-end accountability.** Salesforce Professional Services had end-to-end accountability for the organizations' success, which one decision-maker described as having "skin in the game." Because both parties stood to benefit from the engagement's success, decision-makers said this ensured the best possible project outcomes.
- **Have direct access to innovation.** Salesforce Professional Services consultants have intimate knowledge of and proven expertise with Salesforce, and decision-makers said this was especially valuable when working with new Salesforce products.
- **Gain the ability to tap into proven transformative expertise.** Decision-makers said the Salesforce Professional Services team has unrivaled Salesforce expertise in orchestrating transformational change. They also said having exposure to the Salesforce culture led to more transformation, adoption, continuous innovation, and long-term success.
- **Emphasize long-term self-sufficiency.** The focus of Salesforce on empowering customer self-sufficiency curbed the risk of lingering maintenance consulting costs. Additionally, decision-makers noted that there is risk associated with open-ended engagement timelines but that because the Salesforce Professional Services operating model was set up for defined-term engagements, it led to more predictable engagement expenses.

- **Focus on configuration over customization.** Decision-makers said Salesforce Professional Services consultants have deep knowledge and expertise of the platform and that allowed them to focus on deploying out-of-the-box (OOTB) components, which reduced complexity and customization. Working alongside SIs, this focus strengthened the platform's simplicity and flexibility.

**"As our team was getting ready to take on the project, we gained a better understanding of what a move to [Salesforce] Financial Services Cloud would require. We brought on [Salesforce] Professional Services alongside our system integrator to help guide us and to make sure we had a strong platform foundation."**

*VP and Salesforce product manager, financial services*

**"In the end, the Salesforce Professional Services team was the team that we felt confident would be able to nail it and get it done."**

*Senior IT manager for consumer engagement technology, consumer retail goods*

## COMPOSITE ORGANIZATION

Based on the interviews and survey, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees' and survey respondents' companies, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

**Description of composite.** The composite organization is a global, multibillion-dollar B2C enterprise with 11,000 employees. Forty-five percent of the employees use Salesforce in some capacity, and the organization spends approximately \$9 million each year in Salesforce licenses.

**Engagement characteristics.** Before engaging with Salesforce Professional Services, the composite organization had more than a dozen instances of Salesforce CRM. The previous deployments were highly customized and siloed between business units and localities.

The composite engages Salesforce Professional Services as part of a revisioning exercise for a single digital platform with the goal of amplifying the investment by refreshing strategy, consolidating existing instances, and adding more Salesforce products as part of a major digital transformation.

Salesforce Professional Services embeds a team of consultants for an 18-month engagement. The scope of the engagement includes: ensuring the organization adheres to design best practices, granting access to Salesforce Professional Services expertise with similar implementations, setting up the sandbox, developing a strategy, establishing guardrails, enhancing security, addressing scalability and performance needs, and building out the personalization roadmap to leverage existing capabilities.

### Key assumptions

- **\$5 billion in revenues**
- **11,000 employees**
- **4,950 Salesforce users**
- **Transformation includes multiple Salesforce products**

# 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	Accelerated business value	\$587,009	\$2,382,348	\$0	\$2,969,357	\$2,502,527
Btr	Shorter implementation savings	\$0	\$3,120,120	\$0	\$3,120,120	\$2,578,612
Ctr	Reduced risk of project failure savings	\$319,940	\$88,501	\$88,501	\$496,942	\$430,488
Dtr	Faster Salesforce release adoption savings	\$182,794	\$182,794	\$182,794	\$548,381	\$454,581
Etr	Long-term savings	\$310,591	\$484,596	\$702,102	\$1,497,289	\$1,210,348
Total benefits (risk-adjusted)		\$1,400,334	\$6,258,358	\$973,397	\$8,632,088	\$7,176,556

## ACCELERATED BUSINESS VALUE

**Evidence and data.** Decision-makers said that as a result of implementing the Salesforce platform more quickly, their organizations realized business value sooner. With shorter project timelines and faster releases of minimum viable products (MVPs), the organizations took advantage of benefits like improving product innovation, gaining new cross-sell/upsell strategies, improving lead qualification processes, increasing customer interactions via new channels, and improving customer loyalty. Decision-makers also said other business outcomes included productivity lifts from business process automation, analytics and reporting, and service performance metrics.

- A group CIO in the financial services industry said that before their organization engaged Salesforce Professional Services, it would take two or three years to create an MVP on its platform. With Salesforce and the SI, the organization brought this down to 12 weeks. The interviewee said this acceleration was because Salesforce Professional Services consultants had an understanding of their organization and

industry, remained on “the narrow path,” and brought in the right resources.

- Survey respondents said their organizations were able to release MVPs an average of four months faster than before they used Salesforce Professional Services.
- A director of IT and digital solutions in the telecommunications industry said Salesforce Professional Services accelerated their organization’s confidence to scale — especially around security. Without that confidence, the organization would have rolled out to its entire customer base 25% slower.
- A director of CRM platforms in the healthcare industry said their organization avoided lost revenues by reducing downtime to its agent portal with the help of Salesforce Professional Services.



On average, Salesforce Professional Services **accelerated time-to-first-release (MVP) by 4 months**

- Three interviewees said Salesforce Professional Services did not accelerate their organization’s implementation.

**Modeling and assumptions.** Based on the decision-makers’ experiences, Forrester assumes the following about the composite organization:

- Forrester used research from a recent TEI study commissioned by Salesforce to model the composite organization’s average net benefits.<sup>2</sup> This is a representative measurement of business outcomes that achieved by organizations using Salesforce without the help of Salesforce Professional Services.
- The composite creates an MVP four months faster than it would have without Salesforce Professional Services. Therefore, it realizes four months’ worth of additional platform value in Year 1.
- In Year 2, the composite successfully implements the Salesforce platform nine months faster than it would have without the help of Salesforce Professional Services. Therefore, it realizes value in Year 2 that it otherwise would have realized in Year 3.

**Risks.** Forrester recognizes that these results may not be representative of all experiences. The impact of this benefit will vary depending on:

- The actual business value realized by using various products on the Salesforce platform.
- The actual project acceleration that comes with a Salesforce Professional Services engagement.
- Potential upward adjustment: The financial framework below only considers the accelerated time to value for the MVP (4 months) and overall engagement period (9 months). Given these assumptions, the ROI analysis could extrapolate value in Year 3. Customers may recognize up to an additional 9 months of value into year 3, which would add another \$2.4 million of risk adjusted

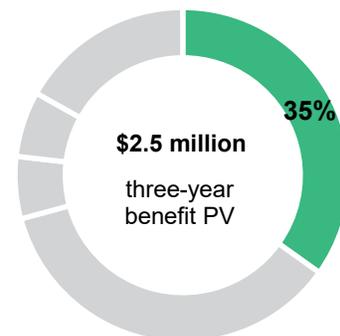
value to the total benefit calculation. However, some assumption should be made to determine what percentage of the \$2.4 million is attributed to the Salesforce Professional Services engagement.

**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 \$2.5 million.

**“Salesforce Professional Services impacted [our] adoption in a positive way. We were able to achieve our phase-one adoption KPI in record time. The first goal was simply about logins and making sure that 100% of opportunities were created within Salesforce. We achieved that six weeks after launch. Without Salesforce Professional Services, it would certainly have been more difficult.”**

*Chief transformation officer, telecommunications*

**Accelerated business value**



### Accelerated Business Value

Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Average net benefits realized from implementation without Salesforce Professional Services	Forrester research	\$0	\$1,956,695	\$3,529,400
A2	Monthly accrued business value (rounded)	A1/12 months	\$0	\$163,058	\$294,117
A3	Months of accelerated business value from faster time-to-MVP with Salesforce Professional Services	Year 1: Survey data Year 2: B3	4	9	0
At	Accelerated business value	$A2^{NY} \times A3$	\$652,232	\$2,647,053	\$0
	Risk adjustment	↓10%			
Atr	Accelerated business value (risk-adjusted)		\$587,009	\$2,382,348	\$0
<b>Three-year total: \$2,969,357</b>			<b>Three-year present value: \$2,502,527</b>		

### SHORTER IMPLEMENTATION SAVINGS

**Evidence and data.** Survey respondents and most of the interviewees said their organizations reached their project objectives more quickly with Salesforce Professional Services than they would have without it, and survey respondents said this helped shorten project timelines by an average of 35%.

See the following Customer Voices section for firsthand accounts of how Salesforce Professional Services impacted project timelines.

However, not every interviewee said their organization had the same experience. One interviewee said it took their organization several months to find the right Salesforce Professional Services consulting team for their organization, and that offset any timeline savings the organization recognized.

An interviewee in the healthcare industry also said their organization did not see any acceleration in its delivery timeline because the organization was already at a high maturity level and had existing release processes and continuous integration (CI)/continuous delivery (CD) capabilities.

**Modeling and assumptions.** Based on the decision-makers' experiences, Forrester assumes the following about the composite organization:

- Without Salesforce Professional Services, the project would take 25 months to complete.
- Salesforce Professional Services shortens the project duration by 35% or 9 months.
- Without Salesforce Professional Services, the average monthly costs of internal labor and its SI is \$236,000. This includes the cost of labor for 14 internal resources at the burdened monthly cost of \$140,000 plus \$96,000 in monthly SI fees.
- Ninety percent of this benefit value is attributable to engaging Salesforce Professional Services.

Composite Engagement Period:



Expected without Salesforce Professional Services  
**25 months**



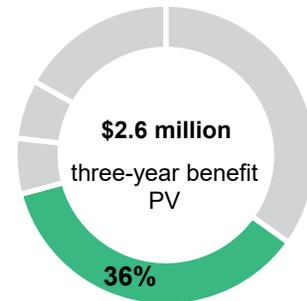
Actual with Salesforce Professional Services  
**9 months**

**35% shorter project duration with Salesforce Professional Services**

- Risks.** Forrester recognizes that these results may not be representative of all experiences. The impact of this benefit will vary depending on how much is attributable to Salesforce Professional Services.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$2.6 million.

**Shorter implementation savings**



Shorter Implementation Savings					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Expected required number of months for implementation without Salesforce Professional Services	Composite		25	
B2	Shorter implementation with Salesforce Professional Services	Survey data		35%	
B3	Implementation months avoided with Salesforce Professional Services (rounded)	B1*B2		9	
B4	Internal labor and SI costs per month without Salesforce Professional Services	Interviews		\$428,000	
B5	Attribution to Salesforce Professional Services	Assumption		90%	
Bt	Shorter implementation savings	B3*B4*B5	\$0	\$3,466,800	\$0
	Risk adjustment	↓10%			
Btr	Shorter implementation savings (risk-adjusted)		\$0	\$3,120,120	\$0
<b>Three-year total: \$3,120,120</b>			<b>Three-year present value: \$2,578,612</b>		

## CUSTOMER VOICES

- Interviewees from a telecommunications company said Salesforce Professional Services **addressed their organization's big issues early** and before its customers used the platform. Without that guidance, they said their organization would be in massive pain as it scales. Salesforce Professional Services **helped decision-makers address downtime, performance, and limits** and to understand the constraints and weaknesses of the platform and gain value as quickly as possible.
- A director of development and architecture in the consumer retail goods industry said Salesforce Professional Services **sped up their organization's timeline** by providing critical oversight and partnership to SI partners around unique customizations, performance, and scale requirements.
- A senior director of technology in the education industry said their Salesforce Professional Services team got up to speed **two weeks faster** because the relationship had more frequent touch points and because **the team already understood the company's strategic plan**. Salesforce Professional Services' deep knowledge of platform connections helped it be proactive when suggesting improvements.
- The group CIO of a financial services organization said Salesforce Professional Services **increased transparency and improved the process of issue escalation and mitigation**.
- Interviewees from a financial services company said Salesforce Professional Services helped **shave one year off their organization's project timeline**.
- A senior IT manager for consumer engagement technology in the consumer retail goods industry said their organization's migration project started more quickly because the pool of Salesforce Professional Services resources was well-staffed, and because the organization had **access to high-quality workers** who quickly engaged. The interviewee estimated that the shorter ramping period reduced the discovery window by two weeks, and they also said the relationship with Salesforce Professional Services was more consistent because their organization had built enduring relationships across engagements. They described the Salesforce Professional Services engagement as a **"shortcut to quality delivery."**
- A VP and Salesforce product manager in the financial services industry hypothesized that without Salesforce Professional Services, their organization would have had to break its project into multiple parts and cut scope to meet the existing timeline. Alternatively, the organization would have had to break it out by lines of business or reduce the targeted project outcomes. The interviewee said, **"We would have finished, but it would have been one year longer for the same scope."**
- A head of IT, marketing, and sales in the manufacturing industry said Salesforce Professional Services kept their team stable throughout the engagement.

## REDUCED RISK OF PROJECT FAILURE SAVINGS

**Evidence and data.** Interviewed decision-makers said Salesforce Professional Services played a role in their organization's implementation that guaranteed the project's success. Interviewees from four organizations said that without the presence of Salesforce Professional Services, their organization's implementation projects would have failed. They said Salesforce Professional Services laid a solid foundation and reduced risks years after the engagement.

Decision-makers said Salesforce Professional Services:

- Quickly identified and communicated risks.** With Salesforce Professional Services advising on the organizations' platform architectures, consultants identified risks, communicated them very quickly, and provided solution options. A senior IT manager for consumer engagement technology in the consumer retail goods industry said their company would have struggled to successfully complete its migration without Salesforce Professional Services. They said, "We trusted Salesforce Professional Services to address complex problems and to avoid mistakes down the line."
- Complemented SI efforts.** A director of IT and digital solutions in the telecommunications industry said Salesforce Professional Services brought unrivaled Salesforce expertise and direct access to innovation. With the assistance of Professional Services, the organization was able to use more out-of-the-box functionality.
- Ensured scaling needs were met.** The interviewees' organizations are large enterprises, each with annual revenues between \$1 billion and \$50 billion. Their Salesforce deployments included multiple clouds and regions and required significant scaling to meet business objectives. Salesforce Professional Services played a pivotal role in ensuring their product

architectures met those needs. A director of development and architecture in the consumer retail goods industry said that because Salesforce Professional Services had direct access to product teams, their organization was able to adjust product limits, which was necessary for the teams' success.

- Was committed to the organization's success.** Interviewees said that, historically, their organizations purchased software once, and then the vendor could simply walk away because the transaction was complete. With software as a service, the vendor's revenue is based on its customers' continued consumption. If an organization does not receive value from the technology, it will stop consuming it. Interviewees said that because Salesforce benefits from the success of its customers, their organizations' Salesforce Professional Services teams had "skin in the game" to make sure the organizations gained the most possible value from their investments.

**"The philosophy that underpins the way Salesforce Professional Services makes decisions is based on how Salesforce makes their money on licensing. Increasing our usage is really their end game. They're very pragmatic about the people and the way they structure their services teams."**

*Director of client services, financial services*

**Modeling and assumptions.** Based on the decision-makers' experiences, Forrester assumes the following about the composite organization:

- Forrester used research from a recent TEI study commissioned by Salesforce to model the composite organization's average initial implementation costs (including internal labor and consulting costs) and the average ongoing consulting costs that it incurs without engaging Salesforce Professional Services.<sup>3</sup>
- Project risk does not mean complete failure (black or white). There is a lot of grey including, project delays, cost overrun and not meeting objectives and/or success metrics which drives risk. With Salesforce Professional Services, the composite reduces the costs associated with failed implementation efforts and ongoing consulting services to manage legacy platform rigidity and architecture complexities.
- The composite reduces its risk of failure by 50% by engaging Salesforce Professional Services.

**Risks.** Forrester recognizes that these results may not be representative of all experiences and the benefit will vary.

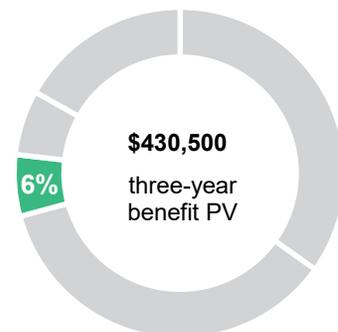
- There will always be some level of risk in a technology investment, so although several interviewees noted that they would have *failed entirely* without Professional Services, Forrester has limited the reduction to 50%.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$430,500.

**“In certain cases, we required changes to the product and features put on the roadmap to enable us to be successful, and Salesforce Professional Services helped with that. There were also cases where we ran into governor limits. Whenever it was a soft limit, we were able to work with the Professional Services team and get the limits increased. I would say the measurement was success or failure. I would go to that extent. It was like, ‘I can’t even launch if that’s not there.’”**

*Director of development and architecture, Consumer retail goods*

**Reduced risk of project failure savings**



Reduced risk of project failure with Salesforce Professional Services:

**50%**



### Reduced Risk Of Project Failure Savings

Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Average legacy implementation labor and consulting costs without Salesforce Professional Services	Forrester research	\$710,977	\$196,667	\$196,667
C2	Reduced risk of project failures with Salesforce Professional Services	Interviews	50%	50%	50%
Ct	Reduced risk of project failure savings (rounded)	C1*C2	\$355,489	\$98,334	\$98,334
	Risk adjustment	↓10%			
Ctr	Reduced risk of project failure savings (risk-adjusted)		\$319,940	\$88,501	\$88,501
<b>Three-year total: \$496,942</b>			<b>Three-year present value: \$430,488</b>		

### FASTER SALESFORCE RELEASE ADOPTION SAVINGS

**Evidence and data.** Salesforce releases updates three times a year with new features and platform enhancements. Interviewees from organizations with legacy Salesforce deployments said they struggled to adopt these releases due to heavily customized legacy architectures. The businesses missed out on opportunities to enhance business values because they were unable to take advantage of product releases in a timely way.

Interviewees said Salesforce Professional Services helped accelerate the release of their organization’s Salesforce adoption by:

- Focusing on configuration over customization to keep platform flexible.** A chief transformation officer in the telecommunications industry said their organization’s previous deployment was 50/50 customization, so every legacy Salesforce upgrade required significant vetting before it could be adopted. Another interviewee estimated that by avoiding customizations, their organization cut down the time required to integrate a new upgrade by 70% to 80%.

- Identifying high-priority releases and features.** A director of CRM platforms in the healthcare industry said with their organization’s legacy Salesforce Service Cloud deployment, each release required changes to process flows that it took four to eight weeks to adopt. A VP and Salesforce product manager in the financial services industry said Salesforce Professional Services consultants helped identify high-priority releases and led proofs of concept (POCs) of the new features.
- Troubleshooting with technical teams.** The same interviewee said Salesforce Professional Services consultants frequently sat in on calls with their organization’s security and technical teams to resolve release challenges. The consultants demonstrated the expertise to move these items forward more quickly and to think through the impacts thoroughly.

A director of CRM platforms in the healthcare industry said their organization measured the benefit in time and manpower. Before the engagement, the director’s team spent 10 to 30 hours in meetings and performing management, troubleshooting, and resource assignment. With Salesforce Professional Services, the team cut this effort by 75%.

The survey results revealed that Salesforce Professional Services helped organizations reduce the time to adopt new Salesforce releases. Decision-makers said that before the engagement, the average time to adopt a new release was 23 weeks and that it dropped to 16 weeks after the engagement. That's a reduction of seven weeks or **30%**.

**Modeling and assumptions.** Based on the decision-makers' experiences, Forrester assumes the following about the composite organization:

- The composite organization adopts one Salesforce release in Year 1, three in Year 2, and three in Year 3.
- Before the Salesforce Professional Services engagement, the composite adopted a new release every 23 weeks.
- After the engagement, the composite adopts releases 30% more quickly, which saves seven weeks per release.
- The composite tasks four architect resources with activating the new releases, which includes testing, conducting security reviews, performing demos, and integrating releases.
- The burdened weekly cost of an architect resource is \$2,308.

**“The downside of not upgrading is that you don’t tap into the full power of the Salesforce platform.”**

*Director of CRM platforms, healthcare*

**30%** 

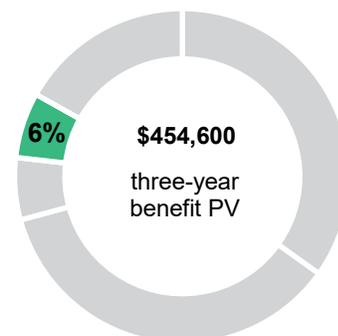
### Faster release adoption

**Risks.** Forrester recognizes that these results may not be representative of all experiences. The impact of this benefit will vary depending on:

- The number of annual releases the organization has adopted in the past and the number of releases it is likely to adopt in the future. Although Salesforce releases new features 3x per year, the composite organization only adopts one of these releases in the first year of the engagement and 3 in Years 2 and 3.
- The number of internal resources tasked with a release update, which will vary depending on team sizes and priorities.
- The burdened cost of resources, which will vary by employee expertise, business and employee geography, and industry.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$454,600.

### Faster innovation adoption



Faster Salesforce Release Adoption Savings					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Salesforce platform releases adopted	Composite	1	3	3
D2	Weeks to adopt a new release before Salesforce Professional Services engagement	Survey data	23	23	23
D3	Release adoption acceleration after Salesforce Professional Services engagement	Survey data	32%	32%	32%
D4	Weeks saved for adopting releases (rounded)	$D1 * D2 * D3$	7	22	22
D5	Architect FTEs who work on releases	Interviews	4	4	4
D6	Weekly burdened cost of Salesforce architect (rounded)	TEI Standard	\$2,308	\$2,308	\$2,308
Dt	Faster Salesforce release adoption savings	$D4 * D5 * D6$	\$64,624	\$203,104	\$203,104
	Risk adjustment	↓10%			
Dtr	Faster Salesforce release adoption savings (risk-adjusted)		\$182,794	\$182,794	\$182,794
<b>Three-year total: \$548,381</b>			<b>Three-year present value: \$454,581</b>		

### LONG-TERM SAVINGS

**Evidence and data.** Survey respondents and interviewees alike shared data and anecdotes related to the impact that the Salesforce Professional Services engagement had on their organizations’ operations and maintenance costs. They said it:

- **Set up customers up to be self-sufficient.** The interviewees each said Salesforce Professional Services made a significant difference in helping their organizations reach self-sufficiency more quickly, which leads to long-term savings. A head of IT, marketing, and sales in the manufacturing industry said Salesforce Professional Services did not offer continuous operations consulting, so their organization instead focused on training its team so thoroughly that it could maintain the platform and operate on its own.
- **Reduced the need for future re-architecting by emphasizing out-of-the-box.** Proper planning and foundational architecture set up the organizations for long-term flexibility. Decision-makers at organizations that had previous

deployments of Salesforce noted that by focusing on limiting customizations and establishing strong governance, Salesforce Professional Services helped retool the platform to be less rigid. This helped to avoid future rearchitecting and work-around efforts.

- **Provided hands-on training and shared best practices.** As part of the Salesforce Professional Services engagement, customer teams worked alongside Salesforce consultants, which gave analysts and administrators collaborative time to learn from and with them. Consultants facilitated knowledge exchanges, provided documentation for the organizations to lean on, identified key roles for training, and saved the organizations time and effort for creating training collateral.

A director of CRM platforms said their organization’s internal architecture team spent significant time with Salesforce Professional Services consulting resources to become subject-matter experts.

A senior director of technology in the education industry said the training is “spot-on” and makes employees feel empowered. They said their organization recognized training savings because it would have had to customize its training materials otherwise and because the training maintenance is less costly.

A group CIO in the financial services industry estimated that the enablement resources provided by Salesforce Professional Services saved their organization 10% to 15% or more of its training budget.

- **Aided in establishing centers of excellence.** For some of the interviewees’ organizations, the Salesforce Professional Services engagement was designed to support the initial implementation of Salesforce. Salesforce Professional Services helped ensure the organizations could continue to maintain and enhance their investments effectively through a Salesforce Center of Excellence (COE).

A general manager and group engineering principal in the telecommunications industry said their organization had no internal Salesforce expertise before its engagement. Three years after engaging Salesforce Professional Services, it has an internally staffed Salesforce COE. In the absence of the COE and without the help of Salesforce Professional Services, “the upkeep would be exponentially higher than running it ourselves.”

- **Accelerated technical debt consolidation.** Many interviewees noted that part of the mandate of their organizations’ Salesforce projects was to consolidate technical debt related to homegrown and custom-built CRM tools. However, interviewees were split on whether or not there was an incremental impact attributable to the Salesforce Professional Services engagement.

## Customer Voices

“We would not have been self-sufficient without Salesforce Professional Services.”

— *Chief transformation officer, telecommunications*

“Our original implementation of Salesforce was over-customized to the point where it was tied to processes that were five to 10 years old, and it couldn’t be undone easily. Salesforce Professional Services came in to help retool it to become more flexible and to prevent it from happening again in the future. They were able to diagnose issues more quickly and come up with suggestions on how to change what’s already there. It was a scenario that [Salesforce Professional Services] excelled in.”

— *Senior director of technology, education*

“There is value in having Salesforce Professional Services involved to avoid constant reengineering.”

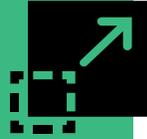
— *Director of development and architecture, consumer retail goods*

“Historically, we have been horrible at customizations across every line of business, and the technical debt was killing us. Salesforce Professional Services was really good at listening to why we wanted a customization and then walking us through options that are out-of-the-box and [sharing] a POC of customization. I feel like [Salesforce] Professional Services helped us have some customizations, but built in a way that’s still going to leave doors open.”

— *VP and product manager, financial services*

- A few of the interviewees said the best practices provided by Salesforce Professional Services aren't significantly different from those of an SI.

Reduction in training costs:  
**16.7%**



**Modeling and assumptions.** Based on the decision-makers' experiences, Forrester assumes the following about the composite organization:

- The composite organization has 4,950 Salesforce users (45% of total employees) who participate in Salesforce-related trainings throughout the year.
- The annual training budget per-person for the Salesforce platform is \$359.
- As a result of the Salesforce Professional Services engagement, the per-person training costs are reduced by 16.7%.
- The composite saves \$265,000 annually by having fewer integrations.
- The composite saves \$218,000 in platform improvements (e.g., rework and refactoring) each year.
- Forrester assumes 80% of this benefit is attributable to engaging Salesforce Professional Services.

**Salesforce Professional Services helped the decision-makers' organizations:**



Reduce costs of integrating technology solutions by **\$265K**



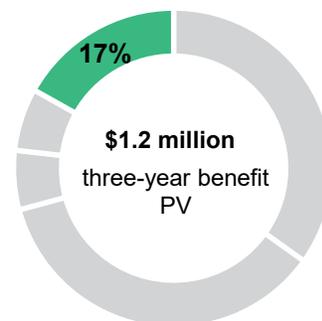
Reduce costs of rework and refactoring code by **\$218K**

**Risks.** Forrester recognizes that these results may not be representative of all experiences and the benefit will vary.

- Forrester attributed 80% of the benefit value to Salesforce Professional Services because several factors were involved with driving these savings. Readers may choose to attribute more or less of the value to Salesforce Professional Services, which will impact the three-year present value total and the investment ROI.
- Not all interviewees agreed that the best practices provided by Salesforce Professional Services differed significantly from those of an SI as SI partners are also highly effective trainers.
- The survey data related to lines C6 and C7 were collected from respondents representing companies that were much smaller than the composite. Therefore, it is possible that these savings may be much larger for an enterprise sized company. To be conservative, Forrester has relied on the smaller numbers as collected by the survey.

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

**Integration, training, rework, and refactoring savings**



Long-Term Savings					
Ref.	Metric	Source	Year 1	Year 2	Year 3
E1	Salesforce users	Composite	4,950	4,950	4,950
E2	Annual training budget per Salesforce user	Survey data	\$359	\$359	\$359
E3	Reduction in training costs as a result of Salesforce professional services	Survey data	16.7%	16.7%	16.7%
E4	Subtotal: Training savings (rounded)	$E1 * E2 * E3$	\$296,767	\$296,767	\$296,767
E5	Integrations and migration savings	Survey data	\$265,164	\$265,164	\$265,164
E6	Rework and refactoring costs in the prior environment	Survey data	\$218,182	\$218,182	\$218,182
E7	Percent of technology savings realized	Assumption	10%	50%	100%
Et	Long-term savings	$E4 + ((E5 + E6) * E7)$	\$345,102	\$538,440	\$780,113
	Risk adjustment	↓10%			
Etr	Long-term savings (risk-adjusted)		\$310,591	\$484,596	\$702,102
<b>Three-year total: \$1,497,289</b>			<b>Three-year present value: \$1,210,348</b>		

### UNQUANTIFIED BENEFITS

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

- Better business outcomes.** Salesforce Professional Services helped the decision-makers' organizations improve business outcomes in several ways that include increasing the value of outcomes via future-state visions, providing user-centered design, prioritizing the right features, enabling innovation, leveraging the full power of the Salesforce platform, enabling better governance, providing operating models, etc. Survey respondents attributed an average revenue increase of 3% due to working with Salesforce Professional Services.

For this study, Forrester did not do an exhaustive analysis of all the business benefits which resulted from the Salesforce Professional Services engagement so there are additional benefits not quantified.

- Increased number of users who adopt Salesforce.** Survey respondents said Salesforce Professional Services helped unlock so much value that their organizations plan to expand their Salesforce footprints to additional users. On average, they expect their organizations' user bases to increase by 4% during the next year, and 61% of respondents said their organization's Salesforce Professional Services engagement very much or extremely influenced the planned increases.
- Direct access to unique expertise.** Interviewees repeatedly said Salesforce Professional Services brought unique expertise to the table. During sales and delivery cycles, Salesforce Professional Services representatives provided their organizations with examples of complex, industry-specific implementations, and they demonstrated thorough understanding of the organizations' use cases. This expertise gave them a sense of trust over consulting delivery.

- **Help with employee competency assessments and skills development planning.** Several interviewees said Salesforce Professional Services consultants aided several with forward-looking competency and skills-development planning. The consultants identified knowledge gaps and made suggestions for roles to hire to make the teams whole.

A head of IT, marketing, and sales in the manufacturing industry said Salesforce Professional Services provided an assessment of their organization’s internal employees that prompted decision-makers to skill up individuals as required and key resources the organization wanted to internalize. Salesforce helped it develop a strong internal team and armed it with vital knowledge.

- **Improvements to customer and user experiences.** Survey respondents highlighted increases to their organizations’ Net Promoter Scores<sup>SM</sup> (NPS) and customer satisfaction scores (CSAT) as a result of their Salesforce Professional Services engagements.<sup>4</sup> Interviewees also noted improvements to their organizations’ user experiences. A head of IT, marketing, and sales in the manufacturing industry said their organization’s Salesforce Professional Services engagement helped influence a better CRM experience for business users.
- **Benchmarking and change management assistance.** A chief transformation officer in the telecommunications industry said Salesforce Professional Services helped their organization benchmark against similar implementations and that this was helpful for gauging performance. A VP and Salesforce product manager in the financial services industry said Salesforce Professional Services consultants lent gravity and supported claims to their organization’s

executive team, which helped push for resolution more effectively.

- **Enhanced and complemented systems integrator (SI) partner impact.** Interviewees repeatedly said Salesforce Professional Services consultants added value by recommending best practices. The consultants also quickly intervened when product issues arose and provided product-specific guidance.
- **Fewer surprise costs.** Some decision-makers said that despite the costs associated with Salesforce Professional Services, they strongly believe it led to some overall project savings. Meanwhile, others were vehement that surprise costs were not any different than if their organizations had not engaged Salesforce Professional Services.

**“Salesforce Professional Services came in and explained that our staffing, our delivery model, and our product management team were not set up to manage this large of a project or to manage the platform once it was up. We knew that we were going to have to make modifications, but we didn’t know exactly what [they] should look like. So, [Salesforce Professional Services] helped get us there quicker versus trying not only to fumble through the project but also trying to figure out how we should set up resources for the future.”**

*VP and Salesforce product manager, financial services*

A VP and Salesforce product manager in the financial services industry said engagement fees met expectations and remained within the original budget. They estimated that without the assistance of Salesforce Professional Services consulting, their organization would have spent \$500,000 more on a new implementation.

- **Avoided hiring additional IT headcount.** Some interviewees noted that Salesforce Professional Services helped their organizations avoid hiring additional developers to support their Salesforce investments.

**“There was a material difference in quality of design and quality of outcome.”**

*Head of transformation, client services, financial services*

- **Approximately 90% of survey respondents** also captured additional areas of value (see survey chart below):

“On a scale of 1 to 5, how much do you agree with the below statements?”

● Agree ● Strongly agree



Base: 200 CRM decision-makers for enterprise  
 Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

## FUTURE FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might engage with Salesforce Professional Services and realize additional uses and business opportunities in the future. Interviewees said engaging with Salesforce Professional Services gave their organizations unique access to innovation opportunities that were key differentiators from competitors.

Decision-makers said future benefit opportunities included:

- **Having access to pilots and beta testing.** Many interviewees said that having a close relationship with Salesforce meant that Salesforce often offered for their organizations to participate in beta testing and pilot programs. The interviewees noted that these opportunities were most likely a direct result of their organizations' sizes, complex architectures, and the Salesforce Professional Services engagements.
- **Having indirect influence over product roadmaps.** Interviewees said their organizations were able to indirectly influence product roadmaps because of scale and system criticality. They also said Salesforce Professional Services teams have a thorough understanding of their organizations' complex needs, which puts them closer to the product development teams than would have if they not engaged with Salesforce Professional Services.
- **Having continuous investment from Salesforce on long-term success.** Interviewees said they are confident that one of the outcomes of their organizations' Salesforce Professional Services engagements was that Salesforce became even more closely invested in their organizations' continued success.

A senior director of technology in the education industry said this was demonstrated when

Salesforce representatives sat down and reviewed the organization's DevOps practices and forward-looking technical structure outside of its Salesforce Professional Services engagement.

- **Gaining the ability to meet scaling needs.** Interviewees said Salesforce Professional Services better prepared their organizations to scale as needed in the future and that it is flexible enough to add integrations if necessary.

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

**“Since [Salesforce] Professional Services knows what [my company] is doing, they are always on the lookout for pilots or betas that apply to us. I have definitely seen value in the relationship and the testing opportunities.”**

*Director of development and architecture, consumer retail goods*

**“Salesforce is a strategic partner regardless of how much professional service we use. If we find a really good opportunity to leverage [Salesforce], it would be a no-brainer. The Salesforce brand is very well-known in the market as an innovative company. It's a company you would want to partner with [and one that makes you feel] that [your organizations are] mutually benefiting from one another.”**

*Senior director of technology, education*

# Analysis Of Costs

■ Quantified cost data as applied to the composite

Total Costs						
Ref.	Cost	Year 1	Year 2	Year 3	Total	Present Value
Ftr	Salesforce Professional Services engagement fee	\$1,584,000	\$792,000	\$0	\$2,376,000	\$2,094,545
Gtr	Incremental support labor	\$65,997	\$32,999	\$0	\$98,996	\$87,269
	Total costs (risk-adjusted)	\$1,649,997	\$824,999	\$0	\$2,474,996	\$2,181,814

## SALESFORCE PROFESSIONAL SERVICES ENGAGEMENT FEE

**Evidence and data.** Interviewees and survey respondents each described their organizations' engagement periods and related fees and, notably, the 200 survey respondents said the average engagement duration and fees were significantly lower for their organizations than the interviewees did. But this was because the average sizes of the survey respondents' organizations are smaller than the average of sizes of the interviewees' organizations.

- Survey respondents said the average engagement duration for their organizations was 13 months, and 28% of respondents said their engagement periods were one or two years.
- Interviewees said the average engagement duration for their organizations was between seven and 35 months or 20.5 months.
- Interviewees said their organizations spent between \$700,000 and \$20 million for their Salesforce Professional Services engagements.

**Modeling and assumptions.** Based on the decision-makers' experiences, Forrester assumes the following about the composite organization:

- The composite's engagement takes place during 18 months. It incurs the first 12 months' worth of project costs in Year 1 and the remaining six months' worth of costs in Year 2.
- The composite spends approximately \$120,000 per month on Salesforce Professional Services. This is not adjusted for PV.

**Risks.** Forrester recognizes that these results may not be representative of all experiences. This cost will vary depending on the organization's scope, duration, and objectives for each engagement. The best way to determine the engagement fee for a Salesforce Professional Services engagement is to speak directly with a Salesforce representative.

**Results.** To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$2.0 million.

**Average Engagement Period:**



Survey respondents  
**13 months**



Interviewees  
**20.5 months**

Salesforce Professional Services Engagement Fee					
Ref.	Metric	Source	Year 1	Year 2	Year 3
F1	Salesforce Professional Services engagement fee	Composite	\$1,440,000	\$720,000	\$0
Ft	Salesforce Professional Services engagement fee	F1	\$1,440,000	\$720,000	\$0
	Risk adjustment	↑10%			
Ftr	Salesforce Professional Services engagement fee (risk-adjusted)		\$1,584,000	\$792,000	\$0
Three-year total: \$2,376,000			Three-year present value: \$2,094,545		

**INCREMENTAL SUPPORT LABOR**

**Evidence and data.** Decision-makers said that when adding Salesforce Professional Services to their organizations’ implementation projects, project managers spent a portion of their time managing the relationship, the demands of an additional party, and additional effort for planning.

When asked about most frequent internal costs related to their organizations’ Salesforce Professional Services engagements, 62% of respondents mentioned internal time for project management.

**Modeling and assumptions.** Based on the decision-makers’ experiences, Forrester assumes the following about the composite organization:

- Four project resources assigned to the implementation act as project managers.
- During the project, project managers spend an incremental 15% of their time or (0.6 FTE) managing the relationship and workflows between the composite organization, its SI partner, and Salesforce Professional Services resources.
- The monthly burdened cost of a project manager is \$8,333.
- Because the composite would not need to pay additional labor costs if it had not engaged Salesforce Professional Services engagement,

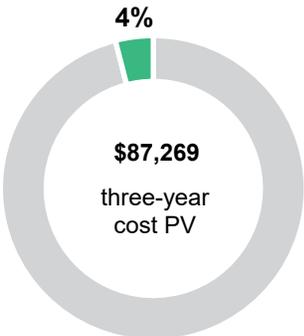
this model includes the incremental cost of adding more consulting parties.

**Risks.** Forrester recognizes that these results may not be representative of all experiences. This cost will vary depending on:

- The number of project managers who will support the implementation project.
- The hourly burdened cost of project managers.
- The percent of time project managers spend managing multiple consulting partners.
- Whether or not the organization identifies any additional internal time as an incremental cost of its engagement (e.g., time for executive sponsorship or additional requirements on the organization’s internal Salesforce consulting resources).

**Results.** To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$87,000.

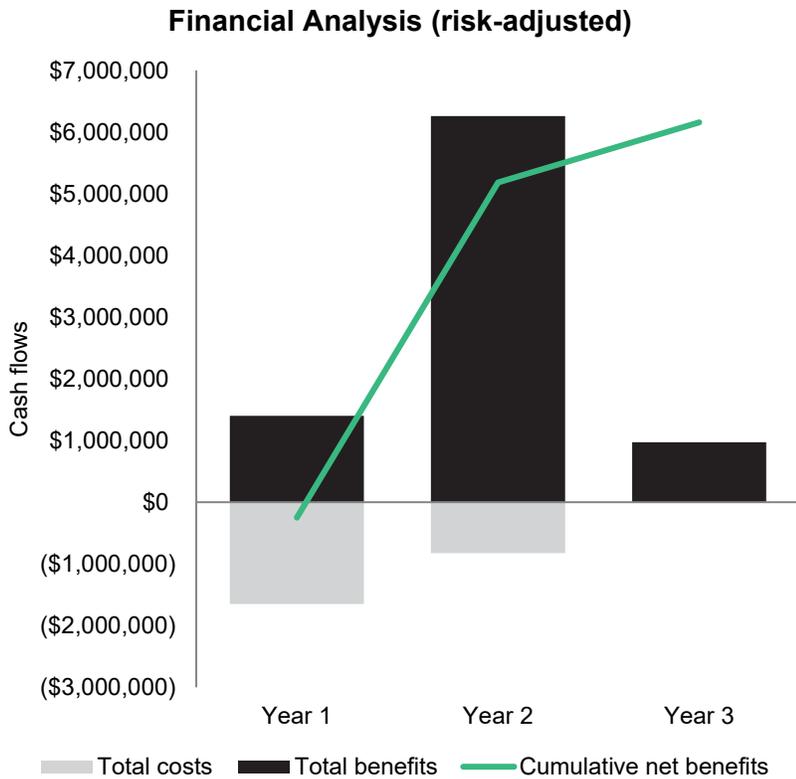
**Incremental support labor**



<b>Incremental Support Labor</b>					
<b>Ref.</b>	<b>Metric</b>	<b>Source</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
G1	Project manager FTEs assigned to engagement	Composite	4.0	4.0	
G2	Additional efforts to project manage both Salesforce Professional Services and SI partners	Interviews	15%	15%	
G3	Incremental project manager FTE required	G1*G2	0.6	0.6	
G4	Months assigned to engagement	Composite	12	6	
G5	Monthly burdened cost of a project manager (rounded)	TEI Standard	\$8,333	\$8,333	
Gt	Incremental support labor (rounded)	G4*G3*G5	\$59,998	\$29,999	\$0
	Risk adjustment	↑10%			
Gtr	Incremental support labor (rounded) (risk-adjusted)		\$65,997	\$32,999	\$0
<b>Three-year total: \$98,996</b>			<b>Three-year present value: \$87,269</b>		

# Financial Summary

## CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite 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.**

Because the Salesforce engagement is 18 months, benefits directly attributed to the engagement drop off in Year 3. Potential additional value in Year 3 is discussed on page 11.

<b>Cash Flow Analysis (Risk-Adjusted Estimates)</b>					
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>	<b>Present Value</b>
Total costs	(\$1,649,997)	(\$824,999)	\$0	(\$2,474,996)	(\$2,181,814)
Total benefits	\$1,400,334	\$6,258,358	\$973,397	\$8,632,088	\$7,176,556
Net benefits	(\$249,664)	\$5,433,359	\$973,397	\$6,157,092	\$4,994,742
ROI					229%
Payback					13 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

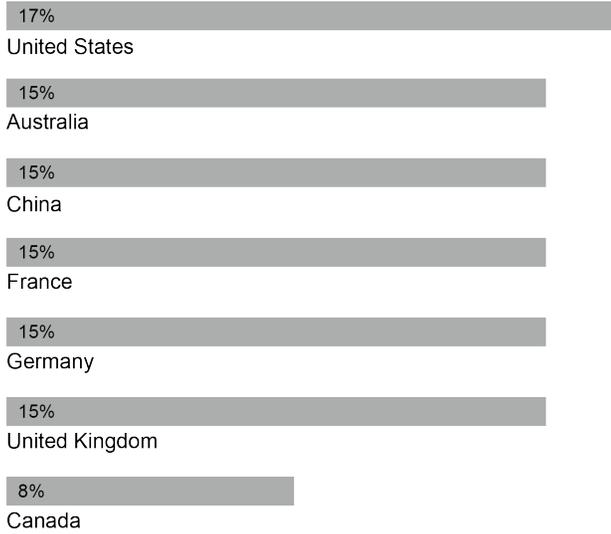
The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

## Appendix B: Interview And Survey Demographics

Interviewed Decision-Makers				
Industry	Interviewee	Region	Revenue	Employees
Consumer retail goods	Senior IT manager for consumer engagement technology	EMEA	\$19 billion	43,000
Consumer retail goods	Director of development and architecture	US	\$3 billion	5,000
Financial services	VP and Salesforce product manager	US	\$2.8 billion	9,700
Financial services	Head of transformation, client services	APAC	\$2 billion	4,500
Financial services	Director of client services	APAC	\$2 billion	4,500
Financial services	Group CIO	EMEA	\$4.7 billion	5,000
Financial services	Executive director	US	\$48.2 billion	68,000
Telecommunications	General manager and group engineering principal	APAC	\$23 billion	26,000
Telecommunications	Director of IT and digital solutions	APAC	\$23 billion	26,000
Telecommunications	Chief transformation officer	APAC	\$1.2 billion	5,500
Education	Senior director of technology	US	\$4.3 billion	22,500
Manufacturing	Head of IT, marketing, and sales	EMEA	\$5.8 billion	30,000
Healthcare	Director of CRM platforms	US	\$5.1 billion	1,600+

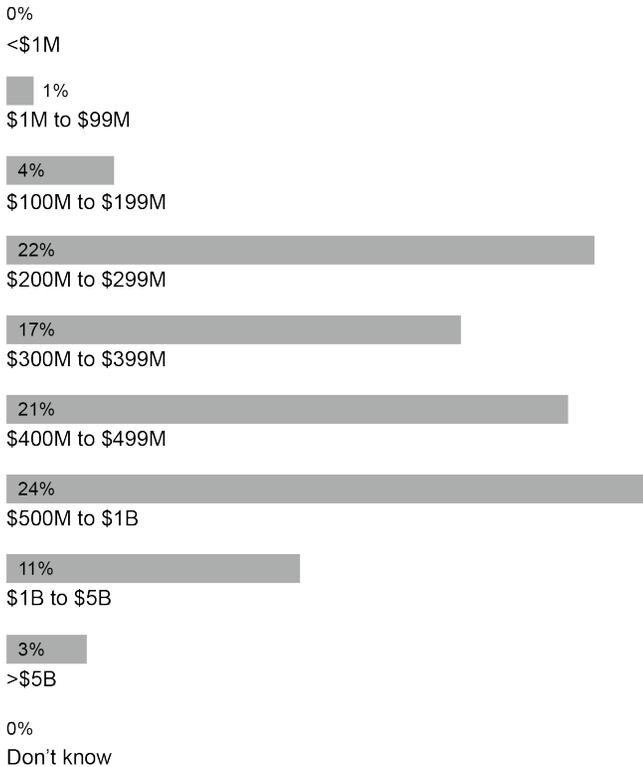
## Survey Demographics

### COUNTRY



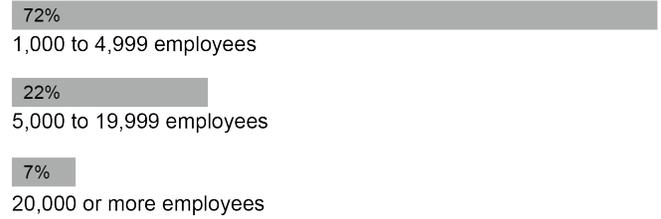
Base: 200 CRM decision makers for enterprise  
Source: "SFDC Professional Services TEI", a commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

### ORGANIZATION'S ANNUAL REVENUE



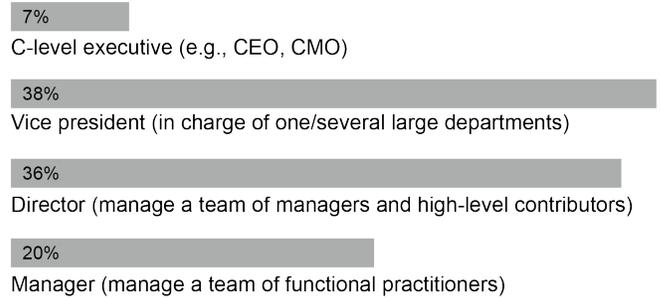
Base: 200 CRM decision makers for enterprise  
Source: "SFDC Professional Services TEI", a commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

### FIRM/ORGANIZATION SIZE



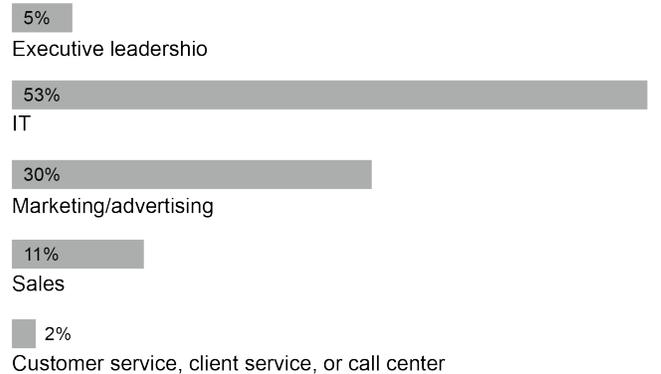
Base: 200 CRM decision makers for enterprise  
Source: "SFDC Professional Services TEI", a commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

### RESPONDENT TITLE



Base: 200 CRM decision makers for enterprise  
Source: "SFDC Professional Services TEI", a commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

### RESPONDENT POSITION/DEPARTMENT



Base: 200 CRM decision makers for enterprise  
Source: "SFDC Professional Services TEI", a commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

## Appendix C: Additional Survey Findings

“What were the main objectives of your investment in Salesforce Professional Services?”



Base: 200 CRM decision-makers for enterprise  
Source: A commissioned study conducted by Forrester Consulting on behalf of Salesforce, July 2021

## Appendix D: Endnotes

<sup>1</sup> 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.

<sup>2</sup> Source: “The Total Economic Impact Of Salesforce Service Cloud,” May 2021; “The Total Economic Impact Of Salesforce Experience Cloud,” March 2021; “The Total Economic Impact of Salesforce B2B Commerce,” January 2021”

<sup>3</sup> Ibid

<sup>4</sup> Net Promoter, NPS, and the NPS-related emoticons are registered U.S. trademarks, and Net Promoter Score and Net Promoter System are service marks, of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld.

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