

FORRESTER®

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The Total Economic Impact[™] Of OpenText Content Services Private Cloud Platforms

Cost Savings And Business Benefits Enabled By
OpenText Content Services

A FORRESTER TOTAL ECONOMIC IMPACT STUDY

**“OpenText is definitely the
best records management system I’ve used.
And I’ve used a lot.**

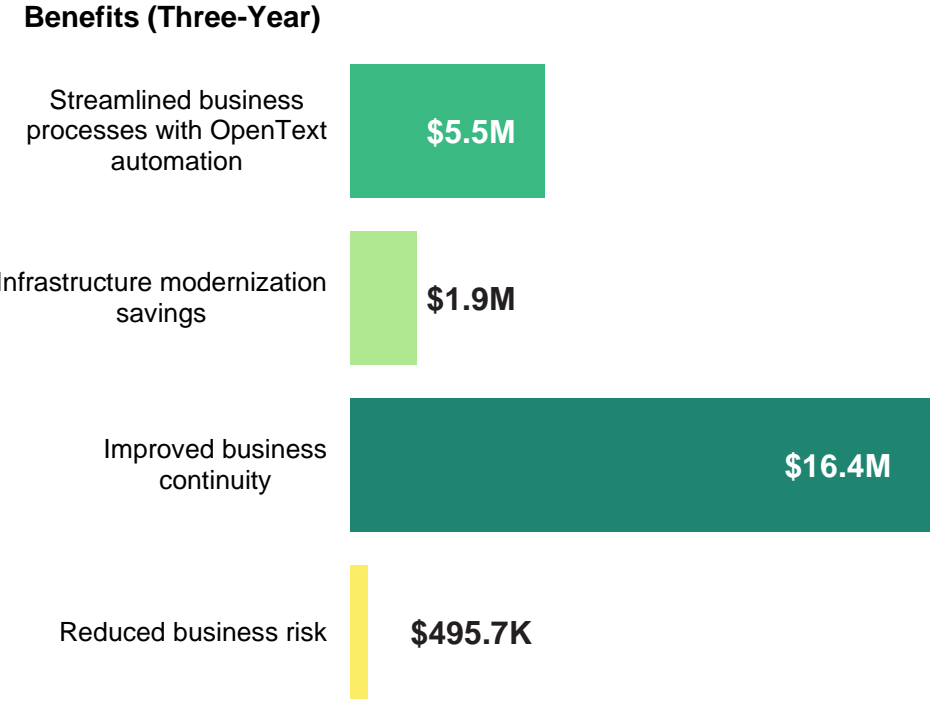
**[OpenText] has a solid system and
solid integrations.”**

— Archivist, NGO

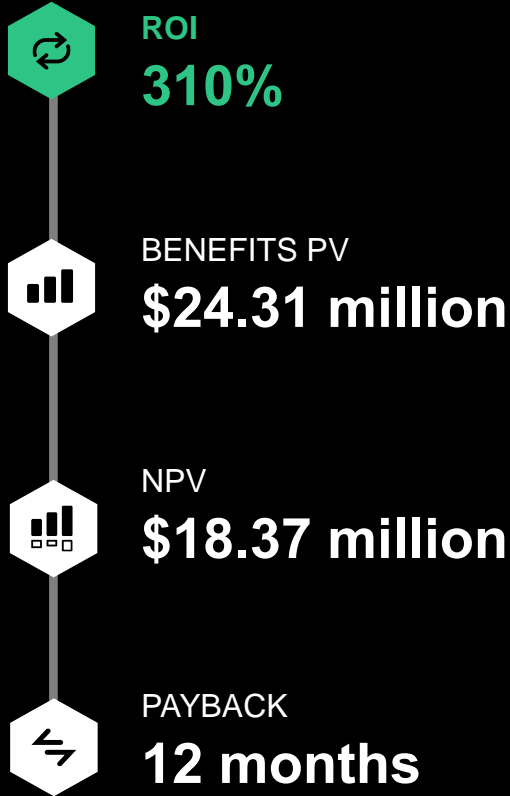
Key Findings

[OpenText Content Services Private Cloud Platforms](#) integrate content into lead applications to deliver secure information management as a managed service at scale.

These composable platforms allow customers the ability to customize their content services and storage capacity to their unique use case.



Key Metrics



Methodology



CUSTOMER INTERVIEWS

Interviewed four decision-makers at organizations using OpenText Content Services Private Cloud Platforms to obtain data with respect to costs, benefits, and risks.



COMPOSITE ORGANIZATIONS

Designed a composite organization based on characteristics of the interviewed organizations.



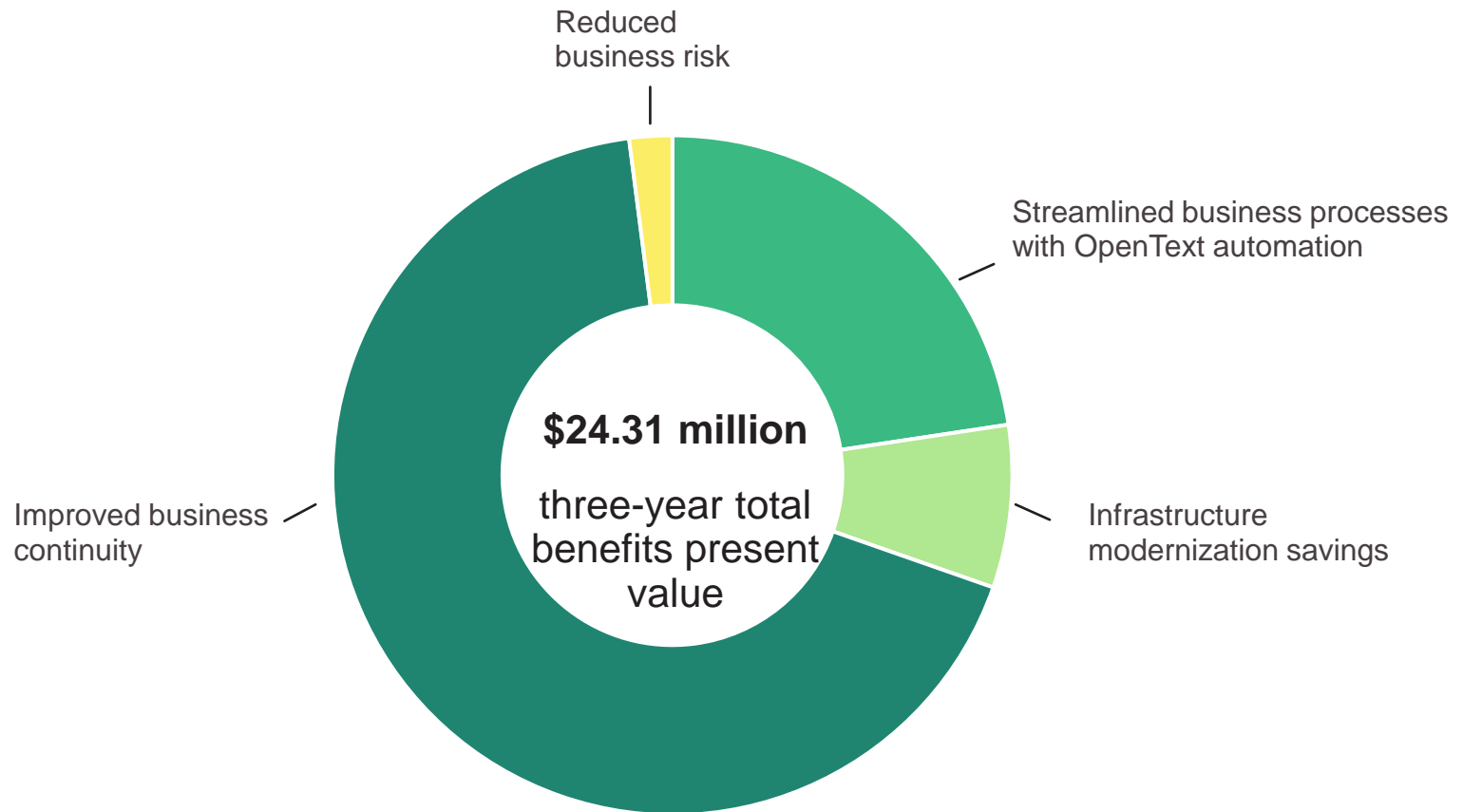
FINANCIAL MODEL FRAMEWORK

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

Customer Interviewees

Role	Industry	Region
Archivist	NGO	Global
Director of document management	Government	Global
Business systems manager	Agriculture	Global
Head of people technology	Retail	Australia

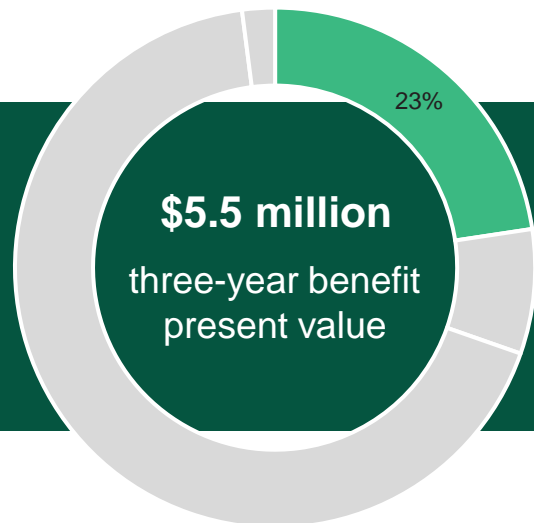
Total Benefits



OpenText automated business processes eliminate inefficient workflows, saving 153,000 hours

Interviewees highlighted that by using the OpenText platform, their organizations enhanced automation and integrations with critical enterprise apps and eliminated numerous manual and inefficient business processes replicated across multiple, sometimes hundreds of sites. **OpenText automations reduced the time to complete previously manual business processes by up to 95%, avoiding \$5.5 million in labor costs.**

Interviewees described how their organizations' prior content management environments stymied employees' ability to quickly retrieve sensitive data to respond to business needs. Mission-critical information was spread across disparate units, which required multiple resources to coordinate information with manual, error-prone, and time-consuming processes. By centralizing and automating this employee management effort with OpenText, organizations **reattributed efforts to improving the customer experience and advancing other higher-value activities.**



Average time savings per business process with OpenText

95%

“Creating a smooth team member experience is key for us.

OpenText enables us to have an automated contract that’s integrated with [digital signatures] and then lands back into our SAP ecosystem.

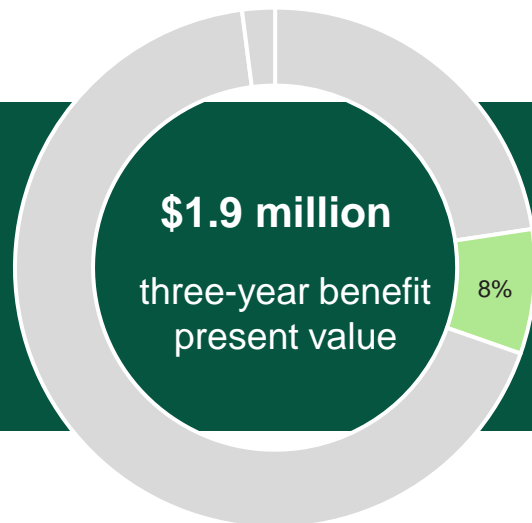
Onboarding is swift and we can get our team members into a store working with customers as quickly as possible.”

— Head of people technology, retail

Infrastructure modernization avoids \$1.9 million in fees, services, and internal labor

After the investment in OpenText Content Services Private Cloud Platforms, organizations consolidated their content management into a single platform with OpenText. **The OpenText Content Services Private Cloud Platform's built-in functionality allowed an organization to sunset legacy software, hardware, hosting, backup, and recovery solutions, and associated internal labor for a total savings of \$1.9 million.**

Interviewees noted that prior to using OpenText Content Services Private Cloud Platforms, their organizations suffered from excess license, administrative, and third-party costs from sprawling information management tech stacks. By modernizing their infrastructure with OpenText and leveraging its managed services, organizations also **saved on cloud updates as well as the internal resources that were necessary to manage the complex legacy environment.**



Number of point solutions
and services consolidated

4 to 1

“[With OpenText Content Services Private Cloud Platforms,] we have one labor contract. Back when I started, there were four or five different labor contracts...

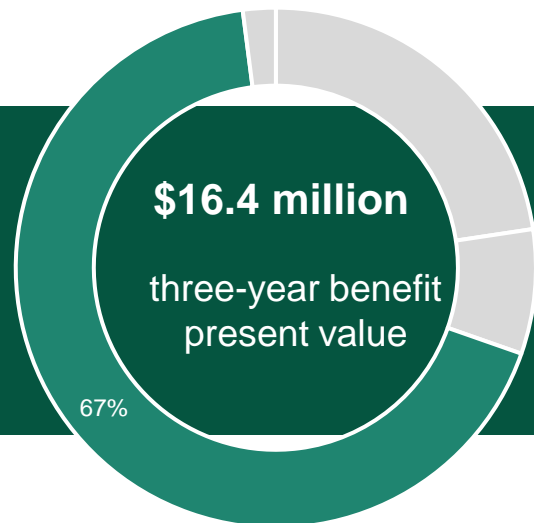
And, so, what we have done in my department is we’ve consolidated all the labor contracts under one single, prime contractor.”

— Director of document management, government

A 30% reduction in system downtime improves business continuity and avoids user impacts

In the OpenText Private Cloud, an organization avoids up to 145 hours of content management downtime during business hours. With the reduction in downtime, fewer resources are assigned to troubleshooting, and these resources need less time to remediate downtime issues. **This decreases the total costs related to troubleshooting incidents while avoiding costly downtime for thousands of content creators and users, for total savings of \$16.4 million.**

Prior environments were prone to downtime and vulnerable to security and compliance risks. After their organizations' investments in OpenText Content Services Private Cloud Platforms, interviewees reported many ways in which their organizations **increased uptime and availability and reduced the costly cascading impacts of unplanned downtime**



Reduction in document management system downtime with OpenText

“We were reluctant to move our data because we have sensitive information [and wondered if] it was better off in our control.

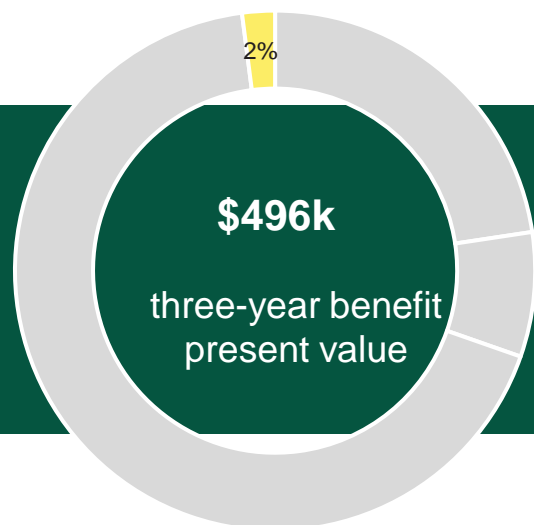
But then our IT department said the OpenText cybersecurity would most likely be better than our own.”

— Archivist, NGO

Reducing human error results in better compliance, avoids costly infractions

A lack of in-house expertise prior to OpenText led to information security and governance challenges with costly repercussions. With mission-critical, highly regulated workflows automated in the OpenText environment, the organization reduces the risk of human error. **As a result, it becomes more compliant with local regulations and avoids \$496,000 in noncompliance costs.**

In addition to causing excess labor costs, manual business processes in the organizations' prior environments were prone to errors and noncompliance. These typically included common risks such as employment violations or missed vendor payments. Interviewees shared that with OpenText Content Services Private Cloud Platforms, **automating sensitive business processes in a secure environment reduced the probability and severity of numerous potential business risk incidents.**



Reduced business risk

Unquantified Benefits

Additional benefits that customers experienced but were not quantified include:

Improved customer experience



Data security



Improved organizational visibility



Alignment with future digital transformation efforts



Extended use cases and functionality







Sustainability-related business outcomes



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 month 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the eighteen-month period. 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.



Return on investment (ROI)

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

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.

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.

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