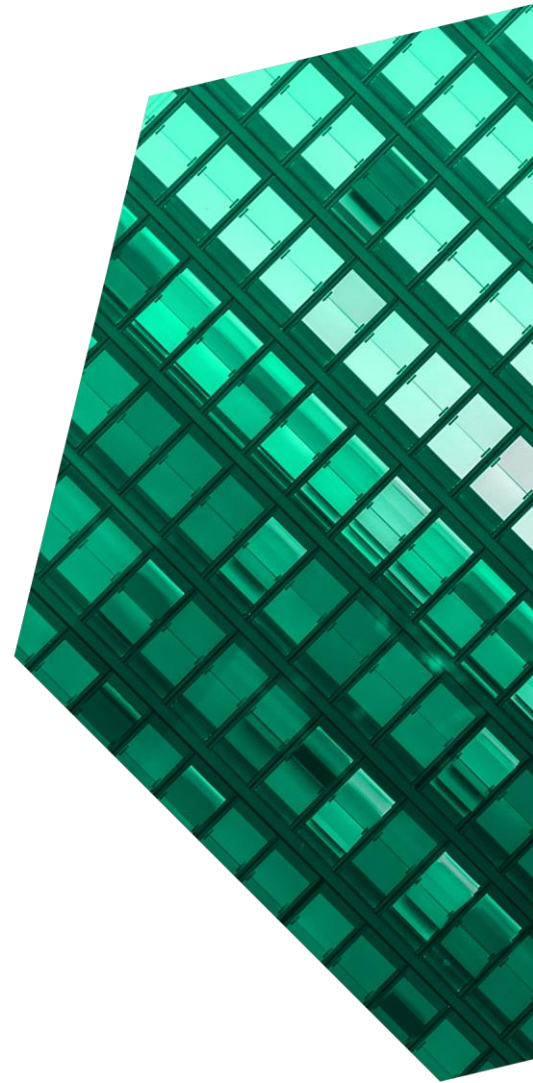# The Total Economic Impact™ Of monday.com Work OS

Cost Savings And Business Benefits
Enabled By monday.com

MARCH 2022

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Consulting Team: *Kim Finnerty*
Derrith Lambka

Executive Summary

Internal creative marketing teams within larger organizations have unique needs that may not be supported by the collaboration and project management tools used in other parts of the organization. monday.com is a solution that offers the flexibility and security to enable better processes and results for marketing teams. This case study details Motorola's use of monday.com as it successfully brought the work of some of its marketing agencies in-house.

monday.com Work OS is an open platform that lets companies build work management tools and software applications to fit their needs. Through an intuitive user experience, the customizable platform helps users connect to processes and systems, expediting their work while creating a more transparent business environment. Currently, more than 152,000 customers in over 200 countries and across more than 200 industries use the platform. Marketing is one of the top industries served by monday.com today.

Forrester Consulting was commissioned by monday.com to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying monday.com.[1] The purpose of this study is to provide a framework to evaluate the potential financial impact of the solution on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five leaders at Motorola's in-house marketing agency.

- A creative manager on the North American team.

- A senior manager of marketing operations and analytics, senior graphic designer, and project manager for the Latin American team.

- The global director for CRM, digital, and social.

These executives explained that when Motorola shifted to an internal agency model, they adopted monday.com as their campaign management

KEY STATISTICS

Return on investment (ROI)
346%

Net present value (NPV)
$279K

platform for a small team in one country and then expanding to use monday.com globally.

Prior to using monday.com, the Motorola interviewees told Forrester their global, regional, and country marketing teams spent unproductive time sending and finding emails; attending long weekly status meetings; and using shared documents to attempt to organize, prioritize, assign work, track progress, determine approval status, and report on creative campaigns each month.

The global director of CRM at Motorola told Forrester: "We had a lot of internal tools, but it would have taken much more time and cost to build what we needed internally than to use monday.com. It really is a very cost-effective platform for us, and it requires very little of my budget to make it accessible to everyone."

After the investment in monday.com, Motorola has been able to bring work in-house very quickly and successfully. Key results from the investment include improved creative team productivity, avoided administrative hires, and better visibility for management into progress and potential issues.

KEY FINDINGS

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

- **Increased creative team productivity contributed more than $121,000 to the bottom line.** Interviewees told Forrester that before monday.com, their creative teams had spent 2 hours per creative campaign on management-related tasks that now take only 30 minutes. This time savings on each of the scores of creative campaigns the team produces each year resulted in a significant improvement in creative output with minimal additional hiring.

  The internal agency creative team productivity has improved by having everything accessible in a central repository in monday.com, automating notifications of approval cycles, prioritizing the creative team's work, and enabling handoffs among creative producers in different time zones around the world.

- **Reduced administrative and reporting time was valued at more than $123,000.** Two key areas of time savings identified by the Motorola interviewees were in weekly status meetings and quarterly reporting. The creative manager for North America said: "I used to have to compile all of the deliveries of the team to help quantify the value we were bringing every quarter. I would have to spend days compiling the data. Now… what used to take me several days each quarter is now compiled in one day."

  The internal marketing agency teams also dramatically reduced time spent in weekly status meetings. The global director of CRM said, "We

> **"I feel comfortable saying that monday.com is a significant factor in our success as an internal Motorola agency. The team's scope expanded quickly, and this solution allowed us to keep everything on track as we replaced outside agencies. It also helped us demonstrate our contribution to the company with sound data."**
>
> *Creative manager (North America)*

were spending a total of 5 hours per week, and we've consolidated that down to 1 hour using monday.com." The North American and Latin American marketing teams experienced similar reductions in meeting and reporting time.

- **Avoided project management incremental hires, saving Motorola more than $116,000.** The senior manager, marketing operations and analytics in Latin America told Forrester, "If we didn't have monday.com, we would need an additional half-time project manager to coordinate the marketing program in this region." The creative manager for North America agreed that she would also need an additional half-time project coordinator without monday.com.

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

- **Improved job satisfaction and reduced stress for all team members.** The first comment about monday.com that every interviewee made was that their job was much easier now that all the

tools and information they needed were organized in one place. As a result, they were able to focus on what they enjoyed doing and the unique skills they brought to the business.

- **Enabled efficient handoffs for team members, especially across time zones.** Each of the regions relies on monday.com for product launches. The creative manager for North America explained: "Prioritization is key because we need to coordinate product launches all over the world. With my launch calendar in monday.com, I know exactly which products will launch when in each market, and then I know the dates for when we need to start to create the CRM campaigns."

- **Provided data-driven demonstration of the team's value to the organization.** "Everything that we do needs to be submitted through this platform," the creative manager for North America said. "It allows us to simplify reporting and to make arguments for what we need as a team by proving the value we are bringing to the business overall."

Costs. Risk-adjusted PV costs over three years include:

- **Fees of just under $67,000 paid to monday.com for licensing of user seats.** Motorola started with an initial base of users in Year 1 but expanded rapidly to include teams in Latin America and the global digital marketing team.

- **Initial deployment costs of $14,000.** The IT team spent a small amount of time integrating APIs, securing the system within the network, and setting up each user's work device(s) to use monday.com. Each user spent 2 hours receiving formal training on using the platform.

The interview and financial analysis found that Motorola experienced benefits of $360,000 over three years versus costs of $81,000, adding up to a net present value (NPV) of $279,000 and an ROI of 346%.

ROI
346%

BENEFITS PV
$360K

NPV
$279K
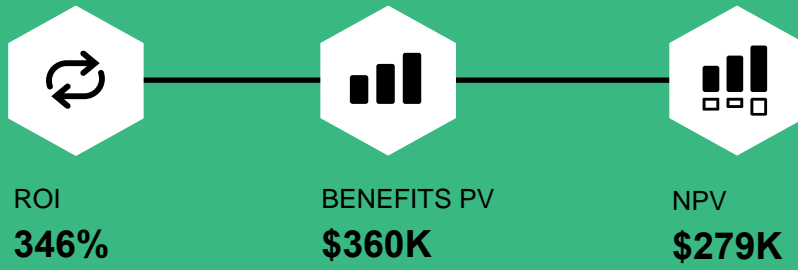
Benefits (Three-Year)

Increased creative team productivity	**$121.0K**
Reduced administrative/reporting time	**$123.0K**
Avoided project manager hires	**$116.1K**

TEI FRAMEWORK AND METHODOLOGY

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

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 monday.com can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by monday.com 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 monday.com.

monday.com 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.

monday.com provided the customer's name for the interview but did not participate in the interview.

DUE DILIGENCE
Interviewed monday.com stakeholders and Forrester analysts to gather data relative to the monday.com.

DECISION-MAKER INTERVIEW
Interviewed five decision-makers at an organization using monday.com to obtain data with respect to costs, benefits, and risks.

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

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

INTERVIEWEES' ORGANIZATION

Forrester interviewed five leaders at Motorola's in-house marketing agency. This organization includes marketing, creative, and administrative personnel who work with Motorola partners and retailers globally on campaigns that include both traditional and digital marketing elements. Users include:

- A North American team responsible primarily for traditional marketing activities. (Forrester interviewed the creative manager.)

- A Latin American team covering multiple geographies in South America and tapping into creative resources in Mexico. Forrester met with the senior manager of marketing operations and analytics, a senior graphic designer, and the project manager for the region.

- A global team responsible for the company's social and digital marketing activities, where Forrester interviewed the global director of CRM, digital, and social.

KEY CHALLENGES

Prior to the global adoption of monday.com for use by the internal marketing agency team, the regions, countries, and global team all used software that was not created specifically for the needs of an internal marketing agency. Interviewees said that before they started using monday.com in 2018, their key challenges were:

- **Inconsistent or inadequate information provided for creatives to do their job.** This internal agency team dealt with an unusually large creative project load with unusually short turnaround times because they worked in the fast-moving mobile device market, with dozens of retail partners in multiple countries, time zones, and languages.

> **"We didn't have any management tool, so the teams were working at weekly meetings and also by email, but no one had a tool where they could see the whole story."**
>
> *Senior manager, marketing operations and analytics (Latin America)*

Creative requests were often submitted without the appropriate logos, artwork, legal text, timelines, approvals, and other required elements. Creatives spent valuable time looking through emails to see whether these materials had been sent separately or communicating back and forth across time zones requesting the missing information.

"We had a lot of problems with the continuity of the information that we needed to put in the art," explained a graphic designer in Mexico. She said that they didn't have a way to organize and prioritize the requests from all the different channels and countries. The result was that projects took longer (and thus cost more) than they should, work needed to be redone due to errors, and deadlines were missed.

- **Those charged with managing the teams and process had little visibility into what was happening.** The North American creative manager said: "Prior to monday.com, we were using [an online form], and we didn't have most

of the organizational capabilities that we have with monday.com. Being able to sort was a much more manual experience, and we didn't have a lot of built-in reporting, different views, or detailed sorting functionality."

This lack of visibility had several negative consequences for the team. First, supervisors and managers spent long hours pulling together the data they needed to manage their teams and respond to senior management requests for KPIs and status. Second, it was impossible to properly manage their teams because they could not tell who was over- or underperforming or where bottlenecks in the process occurred. Finally, there was little opportunity to demonstrate the value of a new function (the in-house agency team) to the business.

SOLUTION REQUIREMENTS/INVESTMENT OBJECTIVES

The Motorola marketing decision-makers Forrester interviewed said they looked for a solution that was:

- **Secure.** The creative manager, North America, said: "our biggest hurdle was security because we need to keep the projects that we are working on confidential. One of the things we use monday.com for is to track our upcoming product launches. I have a link to the newest product renderings and our entire marketing plan deck. Obviously, it would be a disaster if any of that leaked." Motorola's security team worked with monday.com to test the system's security and to create a solution that made all stakeholders comfortable.

- **Intuitive.** The team using this platform is not a technical team and does not even have much experience with any kind of work management tools. It would make no sense to try to save the team time and energy by requiring them to spend hours learning and mastering an intricate, difficult-to-use system. The global director of CRM told Forrester they wanted a solution that

could be activated seamlessly and would not require software support.

Flexible. The North America creative manager said: "My team started using monday.com in 2019. When we first started, we were still using agencies for some of our digital media, social media, and CRM. All that has now, at least from a regional perspective, come to my team."

> **"Probably every six months there's been another dimension that's been added to our team's responsibilities. Having a space to keep that organized is obviously part of what makes it possible for us to continue growing and delivering as an internal marketing agency."**
>
> *Creative manager (North America)*

- **Cost-effective.** The organization had already made significant investments in work management and collaboration tools and corporate chat forums. It would have been difficult to gain approval for an additional major investment. The team sought a solution that could be mostly covered and managed within their existing budget.

USE CASE DESCRIPTION

Motorola's internal marketing agency creates graphics and other assets for their partners (telecom carriers and retailers). They use monday.com to organize and deliver the creative assets for comarketing. For security control, since they work on new product launches, they do not allow outside partners to access the platform.

Motorola's senior manager of marketing operations and analytics in Latin America explained how the regional team uses monday.com: "We have all the CRM projects and analytics there. The Mexico team is also there and all the regional activities related to asset delivery. In each market, when we launch new products, we have this structure of when we're going to have the PR launch, when we're going to be in-market, and so forth. If the creative is already delivered, there are links, and we use monday.com to connect and communicate everything between the global and local teams."

The Motorola interviewees said they're using monday.com every day. The senior manager of marketing operations and analytics told Forrester, "The first thing that I go to at work is opening monday.com," The senior graphic designer in Mexico agreed, saying, "It's my main page because it's the way that I know how much work is coming in or how my internal clients' projects are moving along."

"There's a certain baseline level of marketing materials that are needed for every single launch. We have that built out into the template that we leverage every time we have a new product."

Creative manager (North America)

The creative manager for North America explained: "We use this solution, with separate boards [and] separate spaces, for a lot of incoming content that we have to support with product launches when we have a new phone. The global team is basically a fully separate section from North America within monday.com so that we can make sure we're not getting projects confused or overlapping."

The CRM project manager for Latin America said: "I make dashboards on monday.com because I want to know how many campaigns there are, how many for each channel, and how many things we have in the queue."

Analysis Of Benefits

Quantified benefit data

Total Benefits						
Ref.	**Benefit**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Atr	Increased creative team productivity	$27,253	$47,966	$75,349	$150,568	$121,028
Btr	Reduced administrative/reporting time	$27,216	$36,547	$90,590	$154,354	$123,008
Ctr	Avoided project manager hires	$28,575	$57,150	$57,150	$142,875	$116,146
	Total benefits (risk-adjusted)	$83,044	$141,663	$223,090	$447,797	$360,182

INCREASED CREATIVE TEAM PRODUCTIVITY

Evidence and data. The senior manager of marketing operations and analytics in Latin America said: "[Before we started using monday.com], all the teams were sending information through email in a different structure, some with the right information, others without. And then the graphics team would need to go back to get more details. That took much more time. I think the time savings for the creative team is a key metric. It used to take an average of 2 hours to complete one piece of creative. Now, with monday.com, they're doing it in 30 minutes."

The senior graphic designer explained her experiences before and after monday.com: "Sometimes I would lose an hour or half an hour looking for the information that I needed because I had to look in different platforms. And now that we have monday.com, it's very easy because I only have to go to one platform."

The creative manager for North America said, "If we were still using [online forms], it would take more manual labor and more time." Now, with monday.com, she said that approvals are much faster for the creative teams.

The global director of CRM explained that another productivity boost for the organization came from

monday.com helping to enable the work of creative teams across different time zones. She said that fewer emails are sent to communicate to the different regions, as well as fewer updates: "Because of the monday.com viewer access, we can just drive them to the board and then they can actually understand the timeline. That in itself is very beneficial, especially during a pandemic. I've noticed behaviors have changed where people want to communicate via text

> **"We're doing three times more with the same staff. We used to have an agency. Now, we have a project manager coordinating everything and this COE team, but we have increased our campaigns by three times with this change and by using monday.com."**
>
> *Senior manager, marketing operations and analytics (Latin America)*

or email and not necessarily have conversations anymore. This platform provides that setup for us."

The project manager in Latin America said: "With monday.com, we are more organized. We work within this complex process with a lot of people involved. This brings transparency to the team. We know exactly what the deadlines are and who is involved. We can keep all the historical data and include the links. It's also a repository, with dashboards to understand how we are performing, which helps us improve day to day."

The Motorola interviewees said their productivity improved by automating notifications of campaign approvals. Before monday.com, the project manager in Latin America said: "That approval notification process was a delay of half an hour or an hour by each country for each campaign. So that's a lot of time saved."

The creative manager, North America, explained how monday.com's notification system keeps projects moving along on a timely basis. "Instead of having to schedule meetings to review creative assets, copywriters and designers let me know, 'Hey, we just tagged you. Can you please approve this ASAP because we need to hand it over?'"

Modeling and assumptions. The Motorola marketing leaders told Forrester:

- Before using monday.com, it took creative teams an average of 2 hours to complete projects. Using monday.com, interviewees said that the time was cut to 30 minutes.

- The interviewees told Forrester that the Latin America region handles 40 to 50 creative projects per month; the global team handles 40 projects per month (including email/push, website assets, and social assets); and the North America team handles 100 creative projects each month.

- These figures, along with an average fully burdened hourly wage of $34 for creative team members, form the basis of the model for this

> **"We [the global digital team] handle a large volume of web, email, push and social projects. With teams in India and Chicago, we only have two hours overlap, so the handoff overnight is critical. monday.com has become the solution we use to tag people to get things done overnight and make sure they have what they need to do it."**
>
> *Global director, CRM, digital and social*

benefit.

Risks. Other organizations may experience a higher or lower value for this benefit as a result of:

- The time involved in completing creative projects before and after deploying monday.com.

- The volume of creative work the organization performs each year.

- The average pay for creatives in the region or organization.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of more than $121,000.

Increased Creative Team Productivity					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Average hours per project before monday.com	Interviews	2	2	2
A2	Average hours per project after monday.com	Interviews	0.75	0.68	0.56
A3	Average projects per year	Interviews	900	1,500	2,160
A4	Average fully burdened hourly wage	TEI standard	$34.00	$34.00	$34.00
A5	Percent productivity recaptured	Forrester	75%	75%	75%
At	Increased creative team productivity	(A1-A2)*A3*A4	$28,688	$50,490	$79,315
	Risk adjustment	↓5%			
Atr	Increased creative team productivity (risk-adjusted)		$27,253	$47,966	$75,349
	Three-year total: $150,568		**Three-year present value: $121,028**		

REDUCED ADMINISTRATIVE/REPORTING TIME

Evidence and data. Interviewed leaders of Motorola's marketing team told Forrester that monday.com has streamlined their team meetings and freed them from collecting and analyzing information for corporate reporting. The global director of CRM said, "We use it to understand on a quarterly basis how many requests we have, how many are complete, and what's outstanding, so [it provides] very basic visualization for us." Several interviewees told Forrester that they are also easily able to report KPIs and other statistics to highlight the team's contribution to the business and to justify incremental hires or other investments.

Easy access to the right information also facilitates the work of managers and administrative teams. The senior manager of marketing operations and analytics in Latin America noted: "The filters allow you to see everything based on subject, date, and other parameters. It's very easy when I'm speaking with a country to just filter by, for instance, Chile. But let's say I'm with a [center of excellence] team and I need to understand what we have to do for the next two weeks: It quickly pulls that for me. I can use

different filters and the information will be there to everyone to see and discuss."

Modeling and assumptions. Motorola's monday.com users told Forrester:

- Prior to having monday.com, a dozen people spent 5 hours each week in global status meetings. After deployment of monday.com for the internal marketing agency, status meetings are shortened by 4 hours a week.

- The North America creative manager told Forrester that her team of 12 people saved 2 hours a week in their status meetings with monday.com, as did the team in Latin America.

- The time required to create quarterly reports for management was cut in half — from at least a full day per quarter to less than half a day.

- Forrester uses an average fully burdened hourly wage of $54 for the senior managers involved in this administrative work.

- Forrester assumes that approximately 50% of this time saved is recouped as productive work for the organization.

Risks. There is a risk that other organizations may experience a different value from this benefit due to:

- The amount of time spent in administrative tasks related to marketing project management.

- The average rate of pay for management team members involved in those tasks.

- The portion of time saved that is recouped by the organization.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of more than $123,000.

Reduced Administrative/Reporting Time

Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Weekly person-hours saved in staff meetings	Interviews	24	32	80
B2	Meetings per year	Interviews	46	46	46
B3	Hours to prepare quarterly reporting before monday.com	Interviews	32	64	96
B4	Hours to prepare quarterly reporting after deployment of monday.com	Interviews	16	32	48
B5	Average fully burdened hourly salary	TEI standard	$54.00	$54.00	$54.00
B6	Administrative time savings	B1*B2*B5+ ((B3-B4)*B5)	$60,480	$81,216	$201,312
B7	Percentage productivity recaptured	TEI standard	50%	50%	50%
Bt	Reduced administrative/reporting time	B6*B7	$30,240	$40,608	$100,656
	Risk adjustment	↓10%			
Btr	Reduced administrative/reporting time (risk-adjusted)		$27,216	$36,547	$90,590
	Three-year total: $154,354		**Three-year present value: $123,008**		

AVOIDED PROJECT MANAGER HIRES

Evidence and data. The creative manager for North America at Motorola explained how they use the project managers (PMs) with monday.com: "One of the big reasons we continue to use a PM is because we were not getting a singular type of request on a daily basis. There were a lot of qualitative prioritizations that still needed to happen. I cannot put in a formula that says, 'This stakeholder's request is less important than this one's.'"

Project manager hire avoided

$63,500/year

Modeling and assumptions. Forrester uses the following information about Motorola's experience to model the value of this benefit:

- At the time of the interviews, there were three project managers working on monday.com — one for the global team, another for North America, and a third for the Latin America region.

- The creative manager in North America told Forrester that, as the first users of monday.com, her team had immediately saved half a project management FTE.

- Without monday.com, the senior manager of marketing operations and analytics for Latin America, who began using the solution in Year 2, said they would also have needed to hire at least another half-time project manager.

- Forrester assumes a fully burdened annual salary of $63,500 for a full-time project manager.

> **"monday.com is a repository, a central location where people can go and reference everything. We include links to assets, approvals and delivery dates, and we can track when content was delivered."**
>
> *Creative manager (North America)*

Risks. The risk that another organization will experience a different value depends on the salary paid to their project managers, as well as the increased workload undertaken.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of more than $116,000.

Avoided Project Manager Hires					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Project manager hires avoided	Interviews	0.5	1.0	1.0
C2	Average fully burdened salary	TEI standard	$63,500	$63,500	$63,500
Ct	Avoided project manager hires	C1*C2	$31,750	$63,500	$63,500
	Risk adjustment	↓10%			
Ctr	Avoided project manager hires (risk-adjusted)		$28,575	$57,150	$57,150
	Three-year total: $142,875		Three-year present value: $116,146		

UNQUANTIFIED BENEFITS

- **Improved job satisfaction and reduced stress for all team members.** Interviewees unanimously agreed that monday.com made their job much easier and more fulfilling. With everything they needed organized in one place, they were able to focus on the unique skills they brought to the business, whether that was creative abilities, analytical skills, or management and people development talent. Several interviewees said, "It's our single source of truth," giving visibility of the work as it came into the system and as it progressed to completion and approval. They said that monday.com is where they find everything regarding a campaign or piece of creative: deadlines, approvals, and creative assets that were previously scattered across emails and various chat platforms.

- **Enabled efficient handoffs for creative teams, especially across time zones.** The graphic designer in Mexico said, "monday.com helps us plan our work better and be aware of the timelines to know where and when we have to deliver the art for the key visuals to share with all the team."

Each region relies on monday.com for product launches. The creative manager, North America explained: "Prioritization is key because we need to coordinate product launches all over the world. With my launch calendar in monday.com, I know exactly which products will launch when in each market, and then I know the dates for when we need to start to create the CRM campaigns."

- **Provided data-driven demonstration of the team's value to the organization.** The global director of CRM said, "We have a clear view of the capacity of each of the individuals and an understanding of turnaround time, so we are able to assess the gaps between what is being asked of us and what we can realistically do, and we can present that to leadership moving forward."

"Seeing everything that the team currently has on their plate is absolutely the benefit of monday.com."

— Creative manager (North America)

Analysis Of Costs

Quantified cost data

Total Costs

Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Dtr	Annual license fees	$0	$22,050	$25,725	$34,125	$81,900	$66,944
Etr	Setup and training	$8,418	$1,173	$3,519	$1,955	$15,065	$13,861
	Total costs (risk-adjusted)	$8,418	$23,223	$29,244	$36,080	$96,965	$80,805

ANNUAL LICENSE FEES

Evidence and data. The users on the Motorola team were all included in a single contract that covered 85 users in a variety of different geographies and marketing disciplines. As the user base expanded within Motorola, the team's contracted commitment changed from monthly to annual, and the cost per user decreased somewhat.

Modeling and assumptions. To model this cost, Forrester assumes:

- An increasing user base from 15 users in Year 1 to 85 users in Year 3.

- Per-user monthly fees of approximately $32 for 85 users, based on an annual contract.

- The team uses the solution without additional customization, automations, or integrations with other company systems (e.g., accounting, HCM, engineering project tracking tools, etc.).

Risks. The factors that might drive different costs for another organization include:

- The number of employees using the solution (number of seats purchased).

- The commitment level of the organization (e.g., monthly vs. annual contract).

- The degree of customization the organization requires in the solution's functionality.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of just under $67,000.

Annual License Fees

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
D1	Annual license fees	monday.com		$21,000	$24,500	$32,500
Dt	Annual license fees	D1		$21,000	$24,500	$32,500
	Risk adjustment	↑5%				
Dtr	Annual license fees (risk-adjusted)			$22,050	$25,725	$34,125
	Three-year total: $81,900			**Three-year present value: $66,944**		

SETUP AND TRAINING

Evidence and data. The executives Forrester interviewed all said that minimal time was required for training and setup. The director of marketing operations and analytics in Latin America shared: "We did a couple of calls with the monday.com team for them to train us to know what the platform could do and the ways that we could organize things. From there, we were the ones making the platform work for our needs. We shared some learnings, and then each one of the teams in the countries began using monday.com."

The global director of CRM said: "I think monday.com has been very accommodating when it comes to training. When we first started, we actually had a dedicated account executive [who] did some training sessions with us on different capabilities and how to use the platform. And then when we got into the use cases that we needed, they would help us build those workspaces. I think from the time that we started to the time that people became comfortable with it, I would say was two weeks to a month."

The creative manager, North America shared: "We had a very close relationship with our representative at monday.com for a long time. As I was setting up a lot of the asset-tracking content, I worked very closely with monday.com, and we basically wrote a new formula to create workbacks and everything with their support."

Modeling and assumptions. To model this cost for the organization, Forrester assumes the following:

- Two internal IT professionals with an average fully burdened hourly wage of $61 spend approximately a week to 10 days integrating APIs and getting monday.com installed securely on the network as well as on user devices.

- New users receive 2 hours of training when they join the team.

- Marketing team members using the solution have an average fully burdened hourly wage of $34.

> **"Once you understand the process, you can see how you can adapt it for other things. It's quite user-friendly, and I think the monday.com team does a good job of showing us how to get the most out of it."**
>
> *Creative manager (North America)*

Risks. The risk that another organization will experience higher or lower startup costs depends on:

- The size and complexity of their network, which will affect the time IT spends integrating monday.com with it.

- The number of users requiring training and the time it takes for them to become proficient with the solution.

- The hourly wages of users and IT professionals.

Results. To account for these risks, Forrester adjusted this cost upward by 15%, yielding a three-year, risk-adjusted total PV of just under $14,000

Setup And Training

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	IT hours for initial deployment	Interviews	120			
E2	Average fully burdened IT hourly pay	TEI standard	$61			
E3	Employees trained	Interviews		15	45	25
E4	Hours of training per employee	Interviews		2	2	2
E5	Average fully burdened monday.com user hourly pay	TEI standard		$34.00	$34.00	$34.00
Et	Setup and training	(E1*E2)+(E3*E4*E5)	$7,320	$1,020	$3,060	$1,700
	Risk adjustment	↑15%				
Etr	Setup and training (risk-adjusted)		$8,418	$1,173	$3,519	$1,955
	Three-year total: $15,065			**Three-year present value: $13,861**		

Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

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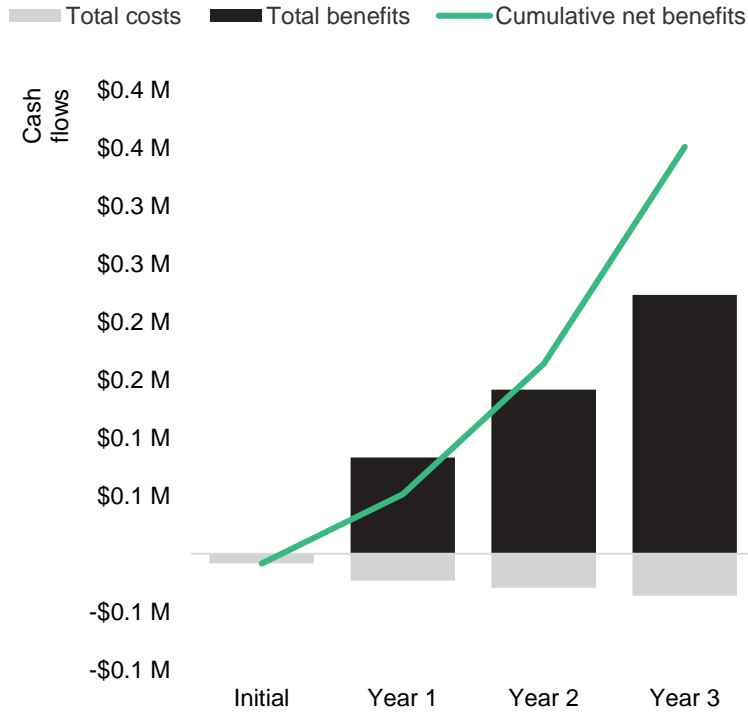
The financial results calculated in the Benefits and Costs sections can be used to determine the ROI and NPV for the organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

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

Cash Flow Analysis (Risk-Adjusted Estimates)						
	Initial	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Total costs	($8,418)	($23,223)	($29,244)	($36,080)	($96,965)	($80,805)
Total benefits	$0	$83,044	$141,663	$223,090	$447,797	$360,182
Net benefits	($8,418)	$59,821	$112,419	$187,010	$350,832	$279,377
ROI						346%

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: Endnotes

[1] 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.

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