

An Executive Summary of the Cost Savings and Business Benefits Enabled By QuickBase, A Low-Code Platform for Citizen Development

Organizations are on the hunt for simple, flexible technology that can help them improve the efficiency and automation of their business processes, and are turning to QuickBase to support these endeavors. To better understand the benefits, costs, and risks associated with QuickBase, Forrester Consulting conducted a Total Economic Impact™ (TEI) study, based on interviews from organizations that have used QuickBase. QuickBase is a cloud-based platform that allows organizations to quickly build and deploy customizable business applications. The product is a flexible, agile, database-centric application platform that uses low-code/no-code techniques to empower nontechnical business users — “citizen developers” — to build and deploy custom applications that are vital to their day-to-day business process needs. QuickBase also provides value for rapid application development for more technical business analysts and pro developers. This summary of the business impact enterprises may realize by deploying QuickBase is based on a full TEI study, which can be downloaded from <http://bit.ly/FullTEIreport>.

Based on the TEI analysis, a representative organization has experienced a 6 month payback period with benefits of \$9,979,313 over the three years analyzed, and costs of \$2,772,829 over those three years, resulting net present value (NPV) of \$7,206,484. This results in a NPV per user of \$3,603.25. Readers can use this representative organization to understand the economic impact of deploying QuickBase and apply or adapt it to their own situation and experience.

Financial Summary Of Three-Year Risk-Adjusted Results


ROI
260%


NPV
\$7.2M


NPV Per User
\$3,603.25

Source: Forrester Research, Inc.

The Driving Forces Behind the Need for QuickBase

Forrester interviewed four existing QuickBase customers to understand the drivers behind why they needed a solution like QuickBase. These interviews uncovered that:

- › **Line-of-business users are demanding new applications at a faster rate to improve the efficiencies and automation of their processes.** Organizations want to improve their day-to-day processes in order to improve their daily employee productivity and make their activities more efficient. Whether through the IT team or an organization’s business operations team or center of excellence, the organizations are tasked with finding technology that can drive digital transformation to maximize the efficiency and effectiveness of their workforce.

SUMMARY

Results from the QuickBase-commissioned study, “The Total Economic Impact Of QuickBase.”

METHODOLOGY

QuickBase, Inc. commissioned Forrester to conduct a Total Economic Impact (TEI) study to provide IT and business leaders an understanding of the potential return on investment (ROI) they may realize by deploying QuickBase.

Forrester developed a TEI analysis based on four in-depth interviews with existing QuickBase customers.

COMPOSITE ORGANIZATION

This analysis uses a composite or representative organization, based on the characteristics of the interviewed organizations. The financial model the study is based on is populated with the cost and benefit details obtained from the interviews and applied to the composite organization. This organization is a U.S.-based company of 8,000 employees with 2,000 QuickBase users and 138 total applications on the QuickBase platform.

› **IT organizations are spread too thin to keep up with application SLAs for the business.**

While the business need is there, organizations told us they struggle to balance the high demand for business applications against an IT organization that is under-resourced.

Organizations struggle with an overwhelming IT backlog. Both IT and the business teams felt the pressure and frustration of this environment.

› **This has led to unsanctioned rogue IT sprawl.** The high demand from the business organization, coupled with scarce, expensive IT resources has created a risky IT environment with unsanctioned IT solutions being brought in. This creates an expensive, inefficient use of technology within organizations, with little governance or control. Organizations report that this approach creates a dangerous environment of heavily siloed data; due to this, organizations reported that their teams waste time gathering, aggregating, and reporting on data, as it's hard to find. The attempts to improve their business processes through unauthorized rogue IT solutions have ultimately made the business less agile.

› **Organizations are on the hunt for a platform that aligns and unifies their IT and business organizations.** Our interviews revealed that each of our organizations understood that, to ultimately transform their business processes, they needed to find an environment that balanced the need for productivity with the proper IT governance to ensure an optimized process. Organizations want to balance the business needs with IT governance to empower digital transformation within their companies.

The interviews revealed that QuickBase was selected not only because it solves the above goals, but because it:

› **Enables custom application development by nontechnical business users, or “citizen developers.”** By deploying QuickBase to their organizations, organizations were able to quickly develop needed business applications without relying heavily on the IT organization. Using QuickBase and citizen developers dramatically cut down on the time it took to develop and update applications; our interviews revealed that QuickBase not only cut down on wait time but drastically reduced development time as well. Our organizations saw a 60% to 85% reduction in development times.

› **Has flexible, joint development models that allow IT and the business to collaborate to more quickly develop vital business applications.** Interviewees used QuickBase to create a unique development process that blended IT and LOB users together to efficiently create applications that met the exact need of the business. Development models differed: some of our interviewed organizations had the IT team take the lead, while other organizations use IT only in a limited fashion, with the business users creating, customizing, and deploying apps that align with their different needs based on their business unit. The organizations that utilized this method found that using citizen developers was critical to their ability to scale the business and keep up with the changing needs of the organization. Ultimately, QuickBase offered a spectrum of development models that play to either the organization's specific needs or the needs of a specific set of applications.

› **Allows IT to be in the know and decide how involved it wants to be.** Because they are able to leverage flexible development models, the IT organization did not need to be involved throughout the entire development process with QuickBase. IT organizations played a key role in instituting governance and control procedures, particularly around roles, permissioning, and integrations, but they were also able to step back and let the citizen developers take control in an IT-sanctioned platform.

› **Meets needs across business functions.** QuickBase met the needs of many different business units. Having one platform that is flexible and agile enough to build apps that meet the needs of the entire business created many benefits for our organizations. Our interviewees told us how QuickBase provided solutions in areas such as asset management, case management, order management, marketing management, project management, CRM/sales management, and IT/technology management. We also heard that while QuickBase was traditionally brought in to support one business unit, other units quickly realized the value of the platform. QuickBase enabled these organizations to quickly scale the solution and bring on additional business units.

› **Increases the visibility of data, reducing duplication of work, errors, and miscommunications.** Data is only as valuable as how you can use it. By having all their data in one central hub, organizations found that, with QuickBase, they were able to build applications that helped to break down silos of data. This helped them solve problems and improve

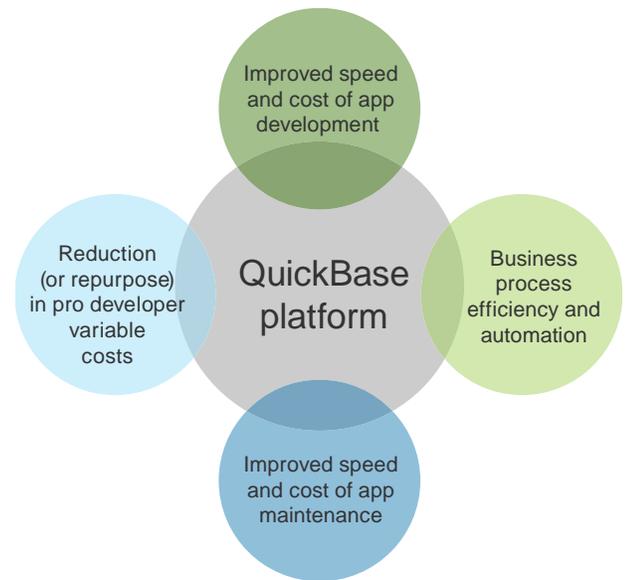
processes across the entire organization. QuickBase's automated reporting capabilities ensured users had the right data at the right time and provided them with a clearer picture of the processes and what needed to be done. Reporting helped our interviewed organizations be more informed and ultimately make smarter, better business decisions.

- › **Is an easy-to-use, intuitive platform that drives fast app builder and end user adoption.** Our interviews reported that the training needed for both IT developers and citizen developers was significantly less than for other solutions they had looked at, and end users were quickly able to utilize the applications with limited training involved. They were up and running on the platform very quickly when they decided to deploy; could quickly scale to add more users or business units to the solution; and were able to avoid additional infrastructure costs. However, QuickBase also has powerful capabilities required for professional developers, particularly for data tracking, gathering, and reporting applications. More advanced training is available for these power users.

QuickBase Helps Improve Productivity and Save Time and Costs

The representative organization's process improvements, cost savings, and time savings are based on the past and current experiences of the four interviewed organizations. Over three years, the representative organization expects risk-adjusted total benefits to be a present value (PV) of more than \$9.9 million, as shown in Table 1, based on:

- › **Reduced time and cost to develop applications.** The composite organization saved an average of eight weeks of development time per application utilizing the QuickBase platform. The organization also saved on resource costs by utilizing citizen development resources instead of traditional IT resources. The composite organization saw a cost saving of \$19,231 per application developed. This time and cost savings meant the composite organization was able to build 55 net-new applications each year, resulting in a three-year, risk-adjusted total cost savings over the prior application development method of \$2,538,462.
- › **Faster time-to-business-value (due to reduced time-to-delivery).** Users In addition to being able to develop applications faster, the composite organization benefits from the additional business value each of these applications brings to the company. The business value of these applications is derived from employee productivity increases, business process time savings, improved effectiveness of these processes, and the additional bottom-line value these applications bring to the business. The composite organization sees additional business value of \$4,418,835 over the three years of analysis.
- › **A faster time to update and maintain applications.** Not only are these applications faster to develop, but the organization benefits from time and cost savings associated with updating and maintaining them. The composite organization saves development time and uses a more affordable resource, and it no longer has to wait a month or two to make its updates; instead, it can make updates in real time through line-of-business citizen development. This results in a three-year, risk-adjusted cost savings of \$4,513,641.
- › **Avoided headcount in IT.** The composite organization avoided hiring two IT developers by deploying QuickBase. This could include hiring new developers for added development resources, but it could also represent the repurposing of existing IT pro developers on tier 1 strategic applications such as an ERP system. The value of this avoided cost over the three years was \$612,000.
- › **Cost savings from solution reduction/ reduced IT sprawl.** Through the investment in QuickBase, the composite organization eliminated the use of several redundant solutions across its workgroups. Not only does this save the



Source: Forrester Research, Inc.

organization money, but it also avoids use of disconnected and siloed IT applications, creating a more efficient IT and business model. Forrester estimates that the composite organization saves \$75,000 each year by reducing other solutions.

TABLE 1: Total Benefits (Risk-Adjusted)

Ref.	Benefit Category	Year 1	Year 2	Year 3	Total	Present Value
Atr	Reduced time and cost to develop applications	\$846,154	\$846,154	\$846,154	\$2,538,462	\$2,104,259
Btr	Faster time-to-delivery — business value	\$879,397	\$1,472,945	\$2,066,493	\$4,418,835	\$3,569,348
Ctr	Faster time to update and maintain applications	\$859,741	\$1,504,547	\$2,149,353	\$4,513,641	\$3,639,851
Dtr	Avoided headcount in IT	\$204,000	\$204,000	\$204,000	\$612,000	\$507,318
Etr	Cost savings from solution reduction/reduced IT sprawl	\$63,750	\$63,750	\$63,750	\$191,250	\$158,537
	Total benefits (risk-adjusted)	\$2,853,042	\$4,091,396	\$5,329,749	\$12,274,187	\$9,979,313

Source: Forrester Research, Inc.

QuickBase Costs Include Licensing, Planning and Training

The representative organization experienced the following risk-adjusted costs:

- › **Annual software licensing fees of \$660,000.** These are fees paid on a monthly basis to QuickBase.
- › **Time spent for internal planning and support.** The composite organization spent time planning for and implementing QuickBase. In addition, the composite organization has internal resources that support and maintain its QuickBase deployment. This works out to a three-year risk-adjusted cost of \$845,250.
- › **Training costs.** These include the costs of creating and administrating training programs for IT developers, citizen developers, and end users of the applications. This represents a risk-adjusted cost of \$71,938. Forrester notes that QuickBase is currently rolling out a new application developer training program, which could change these costs.

Table 2 shows the total of all risk-adjusted costs as well as associated present values (PVs), discounted at 10%.

TABLE 2: Total Costs (Risk-Adjusted)

Ref.	Cost Category	Initial	Year 1	Year 2	Year 3	Total	Present Value
Gtr	Licensing costs	\$726,000	\$726,000	\$726,000	\$0	\$2,178,000	\$1,986,000
Htr	Internal planning and support costs	\$120,750	\$241,500	\$241,500	\$241,500	\$845,250	\$721,325
Itr	Training	\$1,161	\$70,777	\$0	\$0	\$71,938	\$65,504
	Total costs (risk-adjusted)	\$847,911	\$1,038,277	\$967,500	\$241,500	\$3,095,188	\$2,772,829

Source: Forrester Research, Inc.

Benefit And Cost Results Are Risk Adjusted

Risk adjustment is included in the TEI analysis to allow that a proposed investment in QuickBase may deviate from the original or expected requirements, resulting in higher costs than anticipated, or the business or technology needs of the

organization may not be met by the investment in QuickBase, resulting in lower overall total benefits. Benefit and cost results have been adjusted by a factor based on the likelihood and severity of any deviation from estimated results. Benefit adjustments range from 10% to 20%; costs were increased by 10 to 15%. Readers are urged to apply their own risk ranges.

QuickBase Investment Today Can Help Future Opportunities

Flexibility represents an investment in additional capacity or capability that could be turned into future opportunity or business benefit for some future additional investment. This provides an organization with the ability to engage in future initiatives at a lower incremental cost, but not the obligation to do so.

The representative organization identified several areas that they might consider in the future:

- Two straightforward scenarios that help realize additional benefits in the future include adding more end users or creating new applications in QuickBase. This will help the organization see additional benefits tied to user productivity and development cost savings.
- Another scenario that will help realize additional benefits in the future is using QuickBase to aid in prototyping. IT developers and business stakeholders can use the platform to work together and speed up application development. This is particularly powerful in a mission-critical application situation, where IT needs to take the lead but can hand off development to citizen developers. Using this process can save time and money, as well as continue to help align IT and the business, which results in more impactful applications that drive business transformation goals across the organization.

Financial Summary

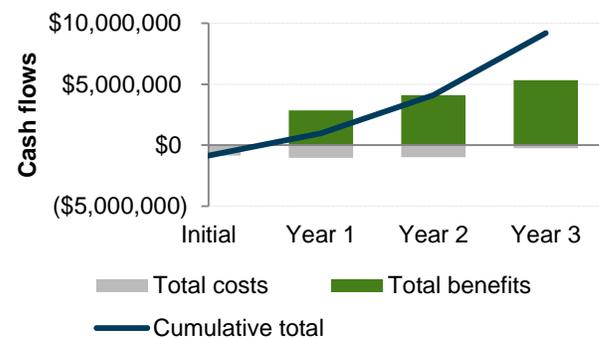
The risk-adjusted financial results calculated in the Benefits and Costs sections (including expected growth in client deployment) can be used to determine the ROI, NPV, and payback period for the representative organization's investment in QuickBase. Table 3 shows the risk-adjusted ROI, NPV, and payback period values.

To download the full, more detailed version of the Total Economic Impact (TEI) analysis of the benefits and costs of QuickBase, visit: <http://bit.ly/FulITEIreport>

[Learn more about Low-Code Rapid Application Development from QuickBase.](#)

TABLE 3: Cash Flow and Financial Summary

Financial Analysis (risk-adjusted)



	Result
Present Value of Costs	(\$2,772,829)
Present Value of Benefits	\$5,329,749
Net Present Value (NPV)	\$5,088,249
ROI	260%
Payback period (months)	6

Source: Forrester Research, Inc.

DISCLOSURES

The reader should be aware of the following:

- › The study is commissioned by QuickBase, Inc. 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 report to determine the appropriateness of an investment in QuickBase.
- › QuickBase reviewed and provided feedback to Forrester. 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.
- › QuickBase provided the customer names for the interviews but did not participate in the interviews.

ABOUT FORRESTER CONSULTING

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ABOUT TEI

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility. <http://www.forrester.com/marketing/product/consulting/tei.html>