

Executive Summary of The Total Economic Impact™ Of Kimble

As professional services organizations demand higher operational efficiency, they must replace manual and error-prone operational processes. Professional services automation (PSA) is a technology that helps organizations automate full-scale project and service delivery, including pipeline management, resource planning, customer collaboration, project delivery, and project financial management. It helps to achieve successful project delivery and long-term business growth.

Kimble and Salesforce commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study to examine the potential return on investment (ROI) enterprises may realize by deploying Kimble. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Kimble on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed six customers with experience using Kimble. For the purposes of this study, Forrester aggregated the experiences of the interviewed customers and combined the results into a single composite organization.

This executive summary will focus on the impact of Kimble and its value to their organizations. For detailed information about the composite organization and the financial model, please read the full study.

INVESTMENT DRIVERS

The interviewees cited several common challenges, including:



Return on investment (ROI)
489%



Net present value (NPV)
\$20.5M

- **Limited visibility in resourcing and revenue forecast.** Prior to using Kimble, these organizations lacked a tool to help them easily understand the status and volume of upcoming projects, as well as consultant capacity. Managers often overestimated future revenue, and delivery resources were underutilized or did not get staffed on the best-fit projects.
- **Inconsistent and time-consuming time entry for billable consultants.** For any professional services organization, getting accurate and timely data on billable hours is crucial to its operation. The organizations with relatively small consulting teams were using spreadsheets for time entry, which became difficult to maintain when the team got bigger. The organizations with an existing on-premises system also faced barriers to prevent time-entry errors and provide more user-friendly features.
- **Disintegrated operational systems that were not easy to scale.** Interviewees stated that they had to use multiple different systems to manage



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time entry, expenses, invoicing, and forecasting, which were not integrated. Some interviewees also had custom-built systems. As their teams expanded, it required more effort to manage and scale the usage of these systems.

KEY RESULTS

After the investment in Kimble, customers experienced better visibility into revenue and resources, and Kimble delivered several benefits to the organizations. Forrester modeled these benefits for the composite organization:

Increased overall project margin by 8%. The composite organization completes a companywide digital transformation, including cloud migration, data integration, Salesforce and Kimble deployment, and change management. The companywide transformation achieves an average 8% project margin increase; 5% of the margin increase can be attributed to Kimble's ability to provide better visibility on project margins in real time:

- **Project margin improvement worth \$4.05 million.** Over three years and a cumulative total of 3,920 projects, Kimble-influenced project margin improvement is worth more than \$4.05 million to the organization.

Improved utilization of billable resources by 10%.

The composite organization expands sales and delivery capabilities to new markets, which increases the number of deals. Kimble allows executives and project managers to see resource availability in real time to identify underutilized resources.

More rigorous time entry and billing features in Kimble prevent human errors and improve the accuracy of reported billable utilization. The billable utilization improves by 10% with Kimble; 10% can be attributed to Kimble's ability to identify underutilized resources and reduce revenue leakage:

- **Billable utilization improvement worth \$12.33 million.** Over three years, Kimble-influenced

“We are able to view project margin and compare the actual versus projected at any time in Kimble.”

Director of client success, business and IT consulting

“We have a higher grade of predictable revenue. Being able to see the peaks and drops in a year helps us from a resourcing perspective.”

Head of service delivery, IT consulting

billable utilization improvement is worth more than \$12.33 million.

Improved financial cycle closing efficiency by 50%, and consultant admin efficiency by 75%.

The time needed to close the monthly financial cycle decreases from four to two days. The time required for consultants to complete timesheets and expense reports decreases from 1 hour to 15 minutes a week:

- **Productivity gain from improved efficiency worth \$6.38 million.** Over three years, the productivity gain from improved efficiency is worth about \$6.38 million.

“The ability to enter time and get it approved through a mobile device was a big win for us.”

Senior director of services operations, software, hardware, IT consulting

Saved costs from decommissioned systems and admin resources. Kimble replaces several disintegrated systems and the three extra admin resources required to manage those systems (who are reassigned):

- **Savings from decommissioned systems worth \$1.94 million.** Over three years, the savings from decommissioned systems is worth nearly \$1.94 million.

“With Kimble, we don’t have to administer several other systems, so we can keep the same size of operational team but double the delivery team.”

Senior director of services operations, software, hardware, IT consulting

Maintained business continuity during the pandemic. One organization launched Kimble when the pandemic started. If the organization had not had Kimble, the billing team would have had to go into the office to complete the whole billing process, which would have been a challenge during the lockdowns.

Costs. Risk-adjusted PV costs include:

- **Consultant and full-access licenses cost \$2.03 million over three years.** The composite organization uses two types of licenses: Consultant licenses include access to time and

expense reporting, and full-access licenses include access to all features.

- **Implementation and learning efforts cost \$1.79 million.** Throughout the eight-month implementation phase, the organization needs support from Kimble and from dedicated employees and SMEs internally. As part of system launch, users also go through some training.
- **Maintenance efforts cost \$376K over three years.** This includes the cost of system admins employed internally.

The customer interviews and financial analysis found that a composite organization experiences benefits of \$24.7M over three years versus costs of \$4.2M, adding up to a net present value (NPV) of \$20.5M, an ROI of 489%, and a payback period of less than six months from the launch of Kimble.

TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full study: “The Total Economic Impact™ Of Kimble,” a commissioned study conducted by Forrester Consulting on behalf of Kimble and Salesforce, April 2021.

STUDY FINDINGS

Forrester interviewed six decision-makers at organizations with experience using Kimble and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits include:

- Kimble-influenced project margin improvement, worth \$4.05 million to the organization.
- Kimble-influenced billable utilization improvement, worth \$12.33 million.
- Productivity gain from improved efficiency, worth \$6.38 million.
- Savings from decommissioned systems, worth \$1.94 million.



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489%



Net present value (NPV)
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DISCLOSURES

The reader should be aware of the following:

- The study is commissioned by Kimble and Salesforce and delivered by Forrester Consulting. It is not meant to be 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 Kimble.
- Kimble 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.
- Kimble provided the customer names for the interviews but did not participate in the interviews.

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.

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