Dell PC as a Service Executive Summary: With Dell PC as a Service Customers Reduce Device Lifecycle Services Costs by 20% and Provide Employees with Devices That Are Two Years Newer on Average

With an increase in the variety of devices available to organizations and the workstyles of the employees who use them, management of the device lifecycle is more complicated and expensive than it has ever been, especially in light of the recent global trend of remote or flexible work. IT organizations must support a wide range of device and technology options to an increasingly dispersed and mobile workforce while maintaining low user disruption, all amid cost uncertainty. The rise of subscription services for traditional IT categories, such as devices, known to Forrester as device as a service (DaaS), shifts employee device purchasing from a one-time fixed cost to a continuous expenditure, an initiative that can improve digital employee experience while offering budget, hiring, and project flexibility to the IT organization.

Dell Technologies and Intel commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Intel vPro-enabled devices with Dell PC as a Service. The purpose of the study is to provide readers with a framework to evaluate the potential financial impact of Dell's PC as a Service on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed 10 Dell PC as a Service customers using Intel vPro-enabled devices and four noncustomers over two years (eight in 2020, six in 2018) and conducted a survey of 101 IT decision-makers (in 2018). For the purpose of the study, Forrester aggregated the experiences of the interviewed customers and

Employees use **devices two years newer** on average, improving employee experience, while reducing lifecycle associated costs

Reduction in device lifecycle service costs
20%

Average deployment time saved
Five business days

Annual in-house device lifecycle services hours saved
5 hours

Average improvement to resolution times of support tickets
Five business days

Three-year net present value savings per 1,000 devices via reduced lifecycle services costs and hardware expenditure costs
$183K

combined the results into a single composite organization.

INVESTMENT DRIVERS

Though varied in geography, industry, and sector, the interviewed organizations struggled with common challenges across their device lifecycle, including:

- **Limited FTE resources.** Interviewees repeatedly stated that the deployment and support of end-user devices required a significant amount of time and that they struggled finding and allocating the appropriate resources internally. In addition, this limited the amount of time or resources IT could allocate to business-critical, high-ROI digital transformation projects.

- **Pressure to reduce IT costs.** Among budget uncertainty in 2020, interviewees stressed the importance of optimizing the cost efficiency for deploying and supporting end-user devices for their organizations.

- **Technical debt with older, non-standardized devices.** Inconsistent or longer (more than three years) device refresh cycles meant older devices remained in the field longer and maintaining a standard set of devices was nearly impossible. This drove support costs up as hardware aged, affected user productivity, and represented a security risk.

- **Inconsistent support service delivery.** Interviewees noted a differing support experience between primarily on-site employees and "on-the-go" or remote employees. In some cases, support turnaround times for remote workers in instances where devices needed to be serviced were reported as high as 14 business days, with an average of five business days.

PC AS A SERVICE FEATURES

The interviewed Dell customers highlighted several important features of PCaaS, including:

- **A reduced burden on IT resources.** Interviewees have reduced the involvement of internal IT and other resources in the deployment and support activities for end-user devices. Leveraging Dell's ProDeploy, ProSupport, and Asset Resale and Recycling services, organizations collectively save over 5 hours per device per year on the associated procurement, deployment, support, refresh, and recovery tasks

- **Faster deployment times.** Before Dell PCaaS, customers struggled with quickly deploying new hardware. Average deployment times were eight days, with some taking as long as two weeks. With Dell PCaaS, deployment times shrunk by an average of five business days – a marked improvement from their prior state.

- **Faster support resolution times for user.** Leveraging Dell's ProSupport greatly increases the average support request resolution time for end users. The interviewed companies reported an improvement of ticket resolution times by up to six business days through a more streamlined and consistent support experience.

> **"We moved to Dell's PC as a Service because we wanted devices managed end to end. Dell is managing everything from providing the devices to managing the security through device recovery and recycling. For the next two years, most of our IT personnel are not going to touch anything to do with laptops, devices, or peripherals."**
>
> *IT Director, Financial Services*

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- **Flexibility for the IT organization.** By reducing the organizations' device service requirements, interviewees have an increased ability to execute business-critical digital transformation projects.

- **End users have newer devices and get them faster.** With Dell PCaaS, organizations can adhere to a best-device policy: Most organizations maintain 36-month refresh cycle, which keeps newer, higher-end devices in the hands of its users, improving access to the newest features, functionality, and security standards while driving support costs for older devices down across the organization. In addition, Dell customers reported an average user wait time to device at initial procurement or refresh of three days, versus up to 14 days before leverage PCaaS.

KEY RESULTS

A composite organization based on the interviewed organizations experiences the following business benefits:

Avoided Device Lifecycle Service Costs

- **Reduced device lifecycle service costs by 20.32%.** With Dell PCaaS, organizations can realize cost savings in each phase of the PC lifecycle. Based on two years' worth of interview and survey data, Forrester estimated the average monthly cost per device that the composite organization would incur if it delivered these services with internal resources. These tasks include procurement services, imaging services, physical installation and basic setup, final preparation and migration, system management, support, asset disposition, and retirement.

- Forrester then also estimated these costs for the composite organization fully leveraging Dell's PCaaS**.** Considering a large organization with 4,000 end-user devices, an average hardware refresh cycle of three years, and a given mix of

office, remote, and mobile workers, Forrester estimated that this organization reduces its monthly PC lifecycle costs per device from $24.34 to $19.39 corresponding to a savings of 20.32%, or just over 5 hours (5.26) of support labor per device.

Avoided Device Acquisition and Refresh Costs

- **Reduced device-related hardware costs by 5%.** Organizations that consolidate device-providing vendors and standardize device offerings can supply their organizations at a lower cost. Based on four Dell PCaaS customer and noncustomer interviews in 2020, Forrester conservatively assumes a 5% reduction of the average prices for Dell devices as compared to prices paid by the composite organization for like-devices from other providers.

TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full report "The Total Economic Impact™ of Dell PC as a Service", commissioned by Dell and delivered by Forrester Consulting.

STUDY FINDINGS

Forrester interviewed 10 organizations with experience using the PC as a Service and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits include:

- Avoided device lifecycle services costs, totaling $2.9 million over three years.

- Avoided device acquisition and refresh costs, totaling $3.9 million over three years.

Return on investment (ROI)

12%

Payback

<6 Months

Net present value (NPV) savings per 1,000 devices

$183K

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

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