Gains From Dell Technologies Unified Workspace Solution Offset Hardware And IT Costs

Dell Technologies' Unified Workspace is an approach to end-user computing modernization that brings together software, services, and security to provide enhanced efficiencies for IT and end users.[1] Devices are managed from the cloud, freeing up IT resources, improving the employee experience, and enabling rapid, secure policy changes.

To better understand the benefits, costs, and risks associated with Unified Workspace, Dell Technologies commissioned Forrester Consulting to use the Total Economic Impact™ (TEI) framework to measure its financial impact. Forrester interviews five large organizations to explore and understand the impact of the solution; Forrester also used key data from historical Dell TEI case studies, covering:

- Dell and partners workforce productivity benefits, including Dell best device experience and Unified Endpoint Management (UEM).[2]
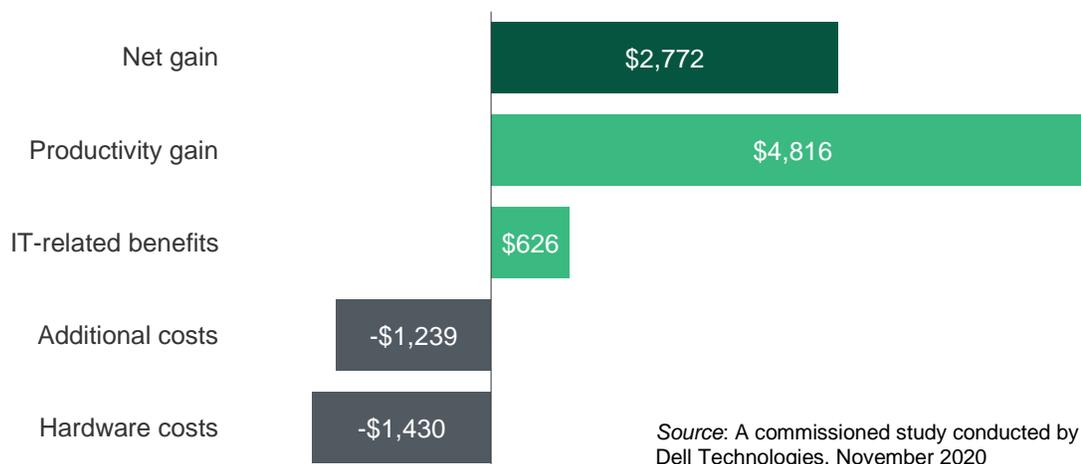
- Dell PC lifecycle services.[3]

- Dell specialized devices.[4]

The aggregate analysis of these studies shows that the productivity benefits of implementing Unified Workspace more than offset hardware costs. In other words, if organizations invest in Unified Workspace, they essentially get the device at no cost.

UNIFIED WORKSPACE DELIVERS $2,772 IN NET BENEFITS PER USER OVER THREE YEARS

Figure 1 shows benefits versus costs per user over three years of a sample investment in Unified Workspace. Productivity gains and IT-related benefits amount to $5,442 per user while costs total $2,669, leading to a net gain of $2,772. Note that in order to be conservative, average device costs were assumed to be high at $1,500; furthermore, the cost avoidance benefit of acquiring alternative hardware was not included in the analysis.

Figure 1: Net Gain Per User From Investment In Unified Workspace Over Three Years

Net gain	$2,772
Productivity gain	$4,816
IT-related benefits	$626
Additional costs	-$1,239
Hardware costs	-$1,430

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell Technologies, November 2020

INVESTMENT DRIVERS

Interviewees for this study shared challenges that drove them to look for an alternative to their traditional PC lifecycle management (PCLM) setup:

- **Technology was restrictive, inhibiting employees' ability to work effectively and efficiently.** Access to applications required multiple logins, mobile access was limited because of security policies, and employees spent time waiting for IT to resolve device configuration and application access issues.

- **IT teams struggled to cope with disparate systems and policies.** IT staff spent a lot of time configuring and repairing devices, managing security policies, and supporting multiple platforms and technology stacks.

- **Employee engagement was low.** The employee experience is crucial to strong business performance and is also intrinsically linked to customer experience and revenue.

UNIFIED WORKSPACE CUSTOMER JOURNEY

Although the decision-makers whom Forrester interviewed were in different phases of their modernization journeys, they shared a few important common points:

- **Their organizations were losing a lot of time, both for users and the IT support team, in configuring and supporting devices.** The legacy setups were complex and typically comprised multiple moving parts.

- **The deployments were implemented on a regional basis.** Some organizations started in large developing countries; success there could more easily be replicated in countries with more mature infrastructure. Others focused on their most important markets first.

- **The impact was felt not only within teams but also between them.** Not only did firms enable

efficiencies across the workforce and within the IT departments, but the two groups also worked better together post-deployment.

- **IT staff could focus on more strategic projects.** Rather than configuring devices, updating policies, and addressing help desk tickets, IT employees could address important organizational technology priorities, such as cloud migration, data and AI, and the future direction for internet of things (IoT).

> **"In some cases we have seen a 50% productivity impact. Device configuration is key: it is now done in a single shot. Furthermore, employees no longer have to navigate four different support teams."**
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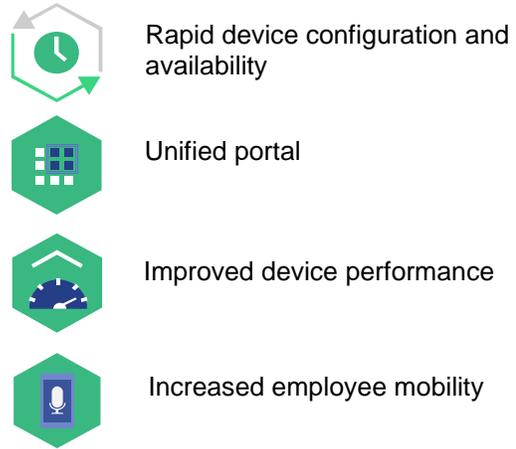> *Head of global technology delivery, finance*

BENEFITS ANALYSIS

Forrester built the analysis for an organization with 1,000 users: 25% frontline workers ($30,000 average salary) and 75% knowledge workers ($75,000 average salary). As shown in Figure 1, Forrester has identified two categories of benefits, with increased productivity being the most significant.

The impact on employee productivity is profound.

Dell's best device policy means users benefit from higher-end devices, refreshed every three years, as well as lifecycle services and support. Previous studies show that a best device policy — whereby employees can choose their hardware including PCs and peripherals refreshed every three years — and Unified Endpoint Management (UEM), a consolidated device management solution that works across operating systems and has added cloud manageability, both drive employee productivity by around 10%. Forrester has adjusted these in this analysis to account for different types of workers; Forrester assumes ~15% are new employees or

contractors (thus requiring a new or refreshed device). As per standard TEI best practice, Forrester has applied a 50% productivity conversion factor to account for the time freed that is not put back to productive use.

Figure 2: Productivity Improvement Drivers

 Rapid device configuration and availability

 Unified portal

 Improved device performance

 Increased employee mobility

PRODUCTIVITY ANALYSIS

The productivity impact of Dell's best device policy ranges between 9.7% and 12.0%; the impact of UEM ranges between 7.9% and 11.8%. Forrester has adjusted for an overlap (both solutions enable faster device delivery and increase mobility) and reduced the impact (only half of the time is assumed to be put back into productive use), **resulting in a net impact of $2,772** over three years. The extent to which productivity is impacted varies by:

- **Geographic location.** The average employee fully loaded salary depends on where they are located; in this case, Forrester assumes employees are globally dispersed, with an annual fully loaded salary of $75,000 for knowledge workers and $30,000 for frontline workers.

- **Employee location.** The higher the portion of employees based out of the office, the higher the impact because they no longer lose time relying on office-based IT staff; in this case, Forrester assumes 55% are office based.

- **The age of PCs previously used.** Older PCs tend to be less reliable and have lower performance. In this case, Forrester assumes devices are no older than five years; Forrester applies a 35% risk adjustment to reduce such uncertainty.

- **The extent to which specialized devices are adopted.** Forrester did not include this, but a previous study shows that ruggedized and high-performance laptops can transform the experience of certain employees and processes.

There are several ways in which employee efficiency and effectiveness can improve:

- **Fully configured devices become available from day one.** All interviewees highlighted that new employees, employees requiring a new device, and incoming contractors no longer need to wait for new devices to be delivered and configured. In some cases, this saves weeks, not only for the devices to become ready, but also for application access to be enabled.

> **"Faster onboarding was the most important benefit. Previously, there was a long approval process, and it would typically take a week or more to configure a new device and make it available to new employees."**
>
> *Head of global technology delivery, finance*

- **Resources are available through a unified portal across all devices.** All applications are made available through a single portal, with a single sign-on across all devices. Previously, different sign-ins were required, and applications were not always available on all devices because of security restrictions. Employees also become more self-sufficient; they can, for instance, install additional applications without needing to wait for approval and update passwords without IT support.

- **A better suited device enables employees to complete tasks faster.** Better-performing devices enable employees to complete application tasks in a shorter time. Specialized devices such as ruggedized laptops and high-performance mobile workstations can have drastic impacts on employee productivity for frontline workers. Older devices also tend to become less reliable.

- **Device-agnostic access increases employee mobility.** Access to all resources on mobile and bring-your-own devices (BYODs) enable employees to more easily work while on the move and from remote locations. This not only enables them to get more done, but they are more flexible and have greater autonomy, which is the second highest driver of employee engagement.[5]

IT cost efficiencies stem from lower PC management costs, cost avoidance of legacy support platforms, and reduced support requirements. These come to more than $600 altogether over the course of a year, on a per-user basis.

- **IT resources are freed from managing PCs.** As per the PC lifecycle services TEI, the average lifecycle management cost of a PC is $24.34. Instead, the cost of the PC lifecycle service provided by Dell averages $19.39, which is included in the costs of this analysis.

- **Some legacy support platforms can be discontinued.** This might include platforms for managing PCs, security patching, and mobile management. Forrester assumes the average saving is $5 per user per month.

A single full-time employee can be saved from a team of 10 supporting 1,000 users.

- **Help desk and inventory management costs decrease.** Help desk tickets typically decrease between 20% and 35%, freeing up IT staff resources for more strategic projects. Furthermore, by consolidating vendors, firms manage less inventory, and compatibility issues decrease. Forrester assumes that firms can save

1 full-time employee (FTE) from a team of 10 supporting 1,000 users. Several interviewees highlighted the increasing need to support IoT opportunities as a new focus, particularly given that some UEM solutions like VMware WorkspaceONE can manage other devices such as sensors, robots, and drones.

UNQUANTIFIED BENEFITS

In addition to the benefits outlined above, organizations experienced a few other upsides that were not possible to quantify:

- **Intangible upsides of a good employee experience.** While Forrester integrated the impact of high employee engagement on productivity into the analysis above, which includes discretionary effort and reduced absenteeism, improving the employee experience carries additional benefits. Device strategy and faster employee onboarding are critical in many cases to attracting and retaining talent. Engaged employees are also better able and more willing to help customers. Research has shown that improved employee engagement positively impacts the customer experience, profitability, and productivity.[6]

- **IT teams are better appreciated.** Interviewees shared that the IT teams can now better support employees to do their jobs and as a result are no longer seen purely as troubleshooters. Furthermore, there are fewer internal conflicts, such as those between application and security specialists.

- **Organizations become more agile.** By having all users and devices managed centrally, organizations can change policies quickly and easily if circumstances evolve, such as compliance requirements. Employees can more easily move to different roles and/or departments. Different roles and personas can be managed, so

it becomes easier to respond to pandemics, wildfires, and other unforeseen circumstances. Furthermore, by reducing the onus on the IT team to provide support, IT can focus on other strategic focus areas such as cloud migration, data management, and IoT.

COSTS ANALYSIS

As shown in Figure 1, Forrester has included two categories of costs in this analysis.

Hardware acquisition costs include the upfront costs of acquiring new PCs and related peripherals. They are absolute costs, not incremental costs: the cost avoidance of acquiring alternative hardware has not been included. Forrester assumes:

- **The average knowledge worker acquires 1.1 devices, each of which costs $1,500.** The implementation of a Dell best device policy typically means: employees choose higher-end PCs and devices; they are refreshed every three years; and Dell's PC lifecycle services are leveraged. Typically only C-level executives and other leaders can choose a second device, such as a tablet, leading to the 1.1 device average.

- **The average knowledge worker acquires 2.5 peripherals, each of which costs $200.** Typical peripherals include monitors, docking stations, spare batteries and headsets.

- **Frontline workers adopt lower cost ($700) devices and fewer peripherals.**

Implementation and ongoing costs include: the cost of deploying a UEM platform from scratch across 1,000 employees (75% knowledge workers, 25% frontline workers); the annual fees for this platform; the ongoing cost of supporting this platform; and the fees associated with PC lifecycle services.

- **Implementation costs include internal effort and third-party services.** Implementing a UEM platform for 1,000 users requires an estimated 3
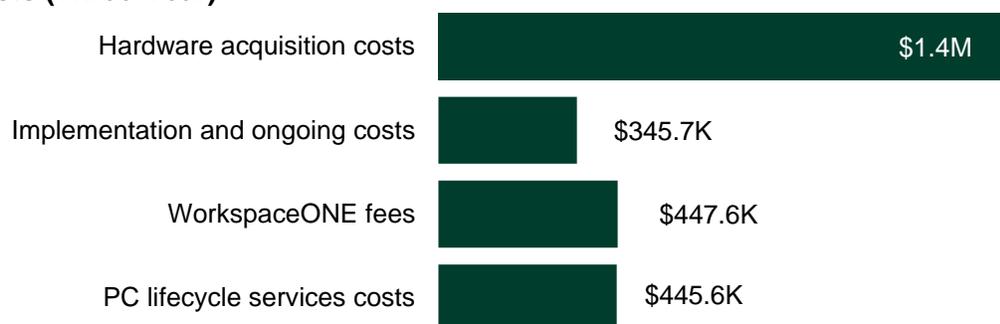
FTEs, each of whom exerts six months of effort; the average salary is $50,000. VMware consulting services fees came to $100,000.

- **Ongoing support and maintenance of the UEM platform require 2 FTEs to each spend a month annually.** Forrester assumes per-user UEM fees to be $15 per month.

- **PC lifecycle services cost just under $20 per PC per month.** This number is taken directly from the PC lifecycle services TEI, a link to which can be found in Appendix B: Endnotes. There are

700 devices to refresh across 1,000 users altogether.

Overall, these costs, on a per-user basis, total: $1,430 for hardware acquisition, and $1,239 for all additional costs, including implementation and ongoing support.

Costs (Three-Year)

Hardware acquisition costs	$1.4M
Implementation and ongoing costs	$345.7K
WorkspaceONE fees	$447.6K
PC lifecycle services costs	$445.6K

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell Technologies, November 2020

METHODOLOGY

Forrester interviewed five decision-makers at organizations with experience using WorkspaceONE, Dell best device policy and PC lifecycle services.

No. of employees	Industry	Interviewee role	Regional presence
235,000	Finance	Head of global technology delivery	Global
130,000	Healthcare	IT director	Global
120,000	Technology	Chief solution architect	Global
12,000	Media	VP IT	North America
8,000	Technology	CIO	Global

This analysis builds on customer interviews and survey data compiled from other Forrester projects (see links in Appendix B: Endnotes):

- The Dell Workforce Enablement TEI included an online survey of 732 decision-makers and eight customer interviews.

- The Dell PC Lifecycle Services TEI included a 101-respondent online survey and six customer interviews.

- The Dell Specialized Devices TEI included another six customer interviews.

Appendix A: Related Research

"The Employee Experience Technology Ecosystem," Forrester Research, Inc., February 14, 2019

"Understand The Differences Between EX And CX," Forrester Research, Inc., June 22, 2020

"The Forrester Wave: Unified Endpoint Management," Forrester Research, Inc, Q4 2019, November 11, 2019

Appendix B: Endnotes

[1] Source: "A Technical Brief Framework For Dell Technologies' Unified Workspace," Forrester Consulting report prepared for Dell, March 2020.

[2] Source: "Dell And Partners Workforce Productivity Benefits," Forrester Consulting report prepared for Dell, January 2019.

[3] Source: "The Total Economic Impact Of Dell's PC Lifecycle Services," Forrester Consulting report prepared for Dell, February 2018.

[4] Source: "Dell Specialized Devices Deliver Workforce Productivity Benefits," Forrester Consulting report prepared for Dell, April 2019.

[5] Source: "Forrester's EX Index: A Deeper Look At The Data," Forrester Research, Inc., March 4, 2020.

[6] Source: Sue Jones, "Engaged Employees Lead to More Profitable Business Outcomes," VRM intel, January 5, 2017 (vrmintel.com/engaged-employees-lead-profitable-business-outcomes/).