

Total Economic Impact

New Technology: The Projected Total Economic Impact™ Of Microsoft Dynamics 365 Contact Center With Teams Phone Extensibility

Cost Savings And Business Benefits Enabled By Dynamics 365 Contact Center With Native Teams Phone Integration

A FORRESTER NEW TECHNOLOGY PROJECTED TOTAL ECONOMIC IMPACT STUDY COMMISSIONED BY MICROSOFT, AUGUST 2025

The Forrester logo is displayed in white, serif, all-caps font within a black rectangular box. The box is positioned on the left side of a large, abstract graphic that features flowing, organic shapes in various shades of green and teal, set against a black background.

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Executive Summary

Organizations are increasingly looking to more tightly integrate telephony into their digital technology stacks, especially contact centers, and often as part of a broader unified-communications-as-a-service (UCaaS) or contact-center-as-a-service (CCaaS) initiative. Tighter integration between contact center and telephony systems can reduce management effort and technology costs and improve contact center representatives' effectiveness, which can lead to increased revenues. Better telephony integration is becoming more important with the rise of AI usage in contact centers. Organizations using Dynamics 365 Contact Center can realize these benefits through Microsoft Teams Phone extensibility, a way to natively integrate Microsoft Teams Phone into their solution stack.

Microsoft Dynamics 365 Contact Center (D365 Contact Center) is a CCaaS solution embedded with Microsoft Copilot that can integrate with an organization's preferred CRM solution. Microsoft Teams Phone (Teams Phone) enables public switched telephone network (PSTN) calling and advanced call handling capabilities, and it's fully integrated into Microsoft Teams. As cloud-based solutions, each is designed to simplify management and eliminate on-prem hosting costs. Natively integrating Teams Phone with D365 Contact Center can reduce management effort and costs by providing a unified technology stack and management tools, and it can also improve contact center effectiveness and efficiency by allowing organizations to take full advantage of Microsoft's collaboration solutions, including Microsoft 365 Copilot generative AI (genAI).

Microsoft commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Dynamics 365 Contact Center with the Teams Phone extensibility integration.¹ The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of D365 Contact Center and Teams Phone integration on their organizations.

100% - 345%

Projected return on investment (ROI) ⓘ

\$792K - \$2.7M

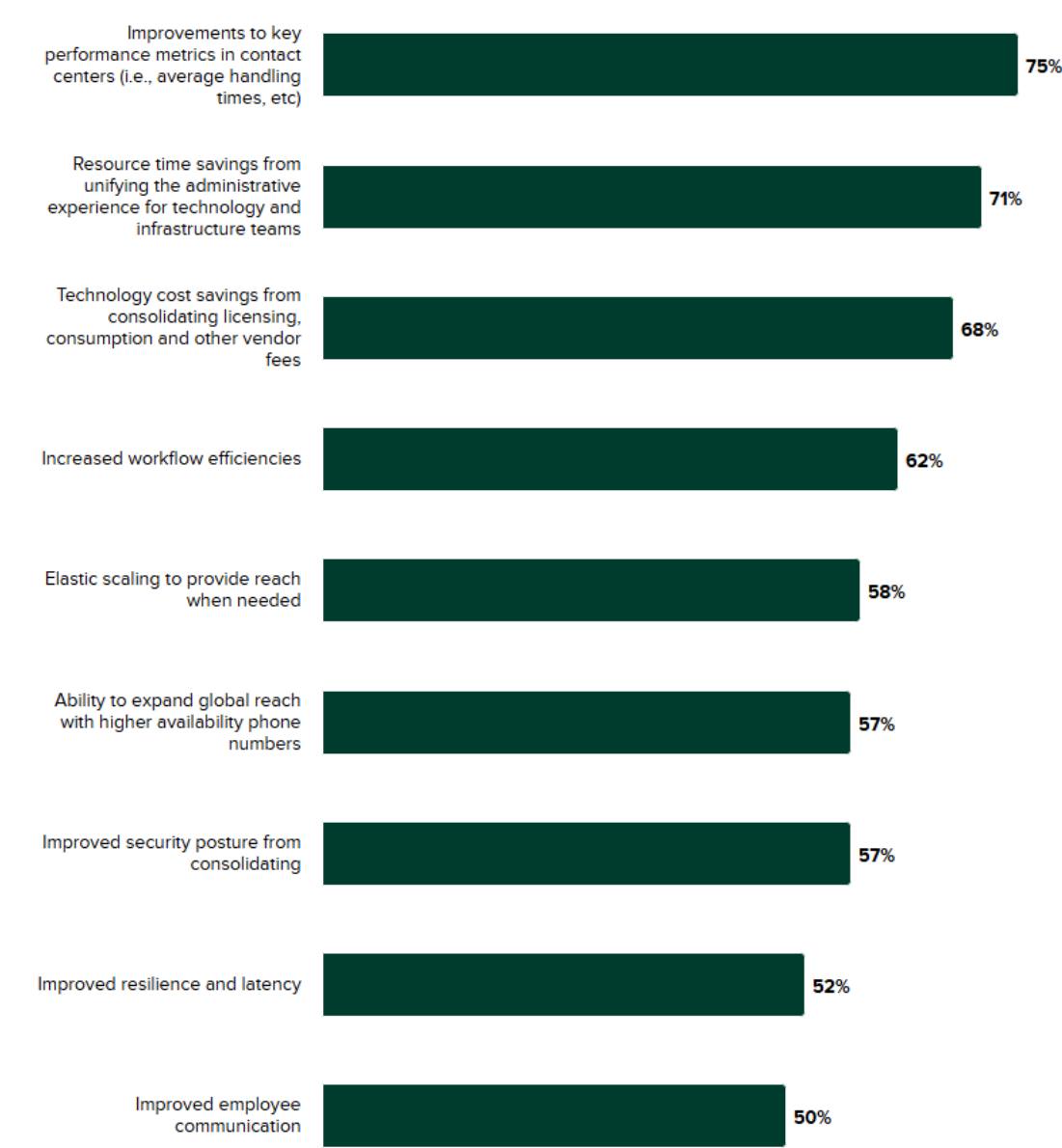
Projected net present value (NPV) ⓘ

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed six decision-makers from organizations that are in the early stages of using Dynamics 365 Contact Center with Microsoft Teams Phone integration and surveyed 170 respondents from organizations that have combined or expect to combine their CCaaS and telephony solutions. For the purposes of this study, Forrester aggregated the interviewees' and survey respondents' experiences and combined the results into a single composite organization that is a B2C company with \$1.5 billion in annual revenues and 1,100 contact center representatives (reps).

Interviewees said that prior to using D365 Contact Center with Teams Phone extensibility integration, their organizations had complex, customized integrations between multiple cloud-based systems that led to call reliability issues, high technology management burden, and ongoing difficulties maintaining and improving integrations. These challenges led to high costs, contact center performance issues, and difficulty in modifying contact center processes to meet changing business requirements.

After the investment in D365 Contact Center with Teams Phone, the interviewees' organizations had more tightly integrated solution stacks that one team could manage. Key results from the investment include lower management effort and costs, improved contact center rep uptime and performance, and more business agility.

“Which of the following benefits are most important for your contact center and telephony environment?”



Base: 170 decision-makers from organizations that have combined or expect to combine their CCaaS and telephony solutions
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2025

Key Findings

Quantified projected benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Elimination of legacy telephony licenses.** The cost of Microsoft Teams Phone licenses replaces the composite organization’s prior telephony license and consumption costs. The eliminated per-user per-month (PUPM) costs range from \$12 to \$22 depending on the vendor, the features included, and call volumes. Over three years, these savings are worth \$328,000 (low) to \$602,000 (high) to the composite.
- **Reduction of integration service fees.** The composite’s prior solution required the integration of cloud-based solutions from multiple vendors, so the organization incurred monthly integration fees ranging from \$1,000 to \$2,000, depending on the solution providers and the complexity of the integrations. Reducing or eliminating these fees is worth \$70,000 (low) to \$157,000 (high) over three years.

- **Reduction of infrastructure management effort by up to 25%.** The composite's infrastructure management team consists of six full-time equivalent (FTE) resources, and prior to integrating Teams Phone and D365 Contact Center, the team spent 20% of its time on telephony and contact center infrastructure management. By simplifying integrations and using a unified management solution, the team saves between 15% and 25% of this time in Year 3. Including a productivity recapture rate of 50% because not all time saved is used for productive work, the composite's labor savings are worth \$26,000 (low) to \$43,000 (high) over three years.
- **Reduction of telephony and CCaaS solution administration by up to 50%.** In addition to the infrastructure management team, the composite organization has four system administrators who previously spent 25% of their time managing its telephony and CCaaS solutions. With D365 Contact Center and Teams Phone integration, this effort is reduced between 35% and 50% in Year 3. Applying a 50% productivity recapture rate, these time savings are worth \$38,000 (low) to \$55,000 (high) over three years.
- **Reduction of IT effort to support contact center reps by up to 34%.** Each contact center rep with the composite's IT help desk previously spent 1.5 hours on support activities each year. By integrating D365 Contact Center and Teams Phone, the organization's technology stack is simpler and more tightly integrated, so fewer help desk tickets are raised. This results in a decrease in IT support effort between 23% and 34% in Year 3. With the 50% productivity recapture rate, this is worth \$19,000 (low) to \$27,000 (high) to the composite over three years.
- **Reduction of voice-related downtime for contact center reps by up to 55%.** Because the composite's contact center reps have less downtime, they spend more time assisting customers. Incidents that lead to downtime for a rep are reduced between 25% and 55% in Year 3. All of these time savings are included in the financial analysis because it's assumed the composite's contact center workers are closely monitored and new calls are always routed to them when available. These time savings are worth \$843,000 (low) to \$2 million (high) over three years.
- **Reduction in call handling times by up to six weeks.** Better integration between the composite's contact center and telephony systems reduces its call handling times between 13% and 40%.² The organization completes its Teams Phone integration six weeks faster than it can with third-party integrations, so Forrester modeled that this benefit only includes the value for six weeks in the initial year the composite's contact center is moved to the integrated solution. In total, the reduction in call handling times is worth between \$251,000 (low) and \$649,000 (high) to the composite over three years.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Additional technology cost savings.** The composite organization previously used a cloud-based solution, but if a company transitions from using an on-prem telephony solution, there may be additional hardware and data-center cost savings because it can eliminate the consumption costs for unused phone numbers.
- **Better contact center reporting and insights.** Interviewees said using a unified solution enables easier monitoring and reporting on contact center operations and technology performance. The composite organization uses these insights to further improve how the technology supports the contact center and business processes, which helps increase customer satisfaction.
- **Faster onboarding of new contact center reps.** The composite organization onboards new hires more quickly because there is less training required for the unified Microsoft stack and because workers become comfortable using the tools faster.
- **Increased customer satisfaction.** By streamlining contact center and telephony providers to a single vendor, the composite organization realizes faster response times during incidents or downtime events. This results in better performance and availability of voice channels in the contact center, and interviewees said better contact center performance in terms of availability and voice quality can increase customer satisfaction. This can result in better customer retention and lifetime value.
- **Ability to meet security and compliance standards.** D365 Contact Center and Teams Phone both incorporate Microsoft's security and compliance solutions, and interviewees said this makes it easier to implement and manage than other solutions. It can also help demonstrate compliance to internal auditors and regulators.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Teams Phone with Teams Calling Plan licenses.** Microsoft offers a variety of Teams Phone license options, and the composite organization uses the Teams Phone with Teams Calling Plan option (which includes domestic calling) at a PUPM cost of \$17. Over three years, this costs the composite a total of \$547,000. If an organization has Microsoft 365 E5 licenses that include entitlement to a Teams Phone license, the costs of Teams Phone telephony will be lower (please see the Unquantified Benefits section for more details).
- **Implementation and ongoing management effort costs of \$245,000.** The composite organization’s integration is phased over time, with one contact center deployed during the initial period as a proof of concept. It deploys an additional contact center in Year 1 and the remaining one in Year 2. The organization also dedicates an additional 384 hours per year to ongoing training and support for the solutions.

Forrester modeled a range of projected low-, medium-, and high-impact outcomes based on evaluated risk. This financial analysis projects that the composite organization accrues the following three-year net present value (NPV) for each scenario by enabling Microsoft Dynamics 365 Contact Center and Teams Phone integration:

- Projected high impact of a \$2.7 million NPV and projected ROI of 345%.
- Projected medium impact of a \$1.5 million NPV and projected ROI of 192%.
- Projected low impact of a \$792,000 NPV and projected ROI of 100%.

“[My organization has] a leaner infrastructure now. I don’t have to send colleagues to trainings for three different systems. I just have Microsoft Teams, and that’s it. Additionally, I only support one system and not three systems anymore, and that makes things much easier with respect to operating those kinds of solutions.”

IT manager, manufacturing

Key Statistics

100% - 345%

Projected return on investment (PROI) ⓘ

\$1.6M - \$3.5M

Projected benefits PV ⓘ

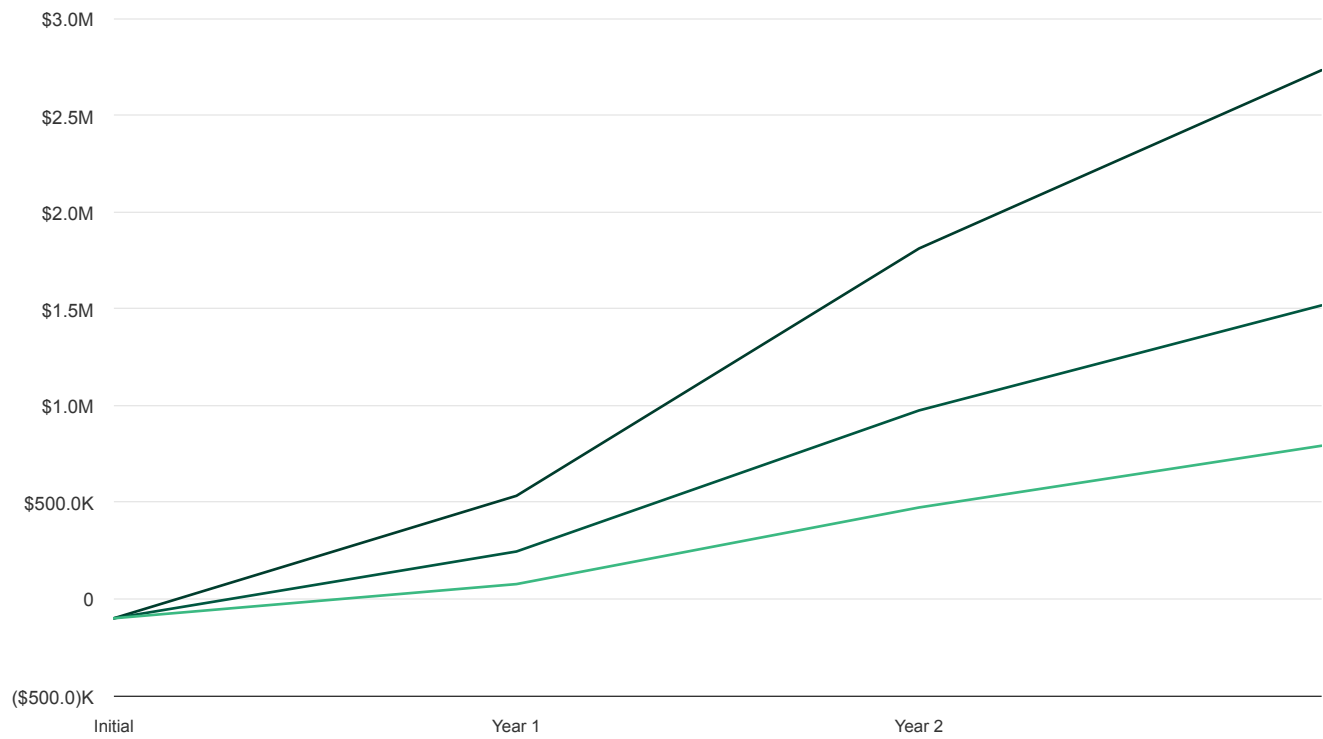
\$792K - \$2.7M

Projected net present value (PNPV) ⓘ

\$792K

Total costs ⓘ

Three-Year Projected Financial Analysis For The Composite Organization



Market Overview

Unifying CCaaS And Telephony To Embolden Contact Center Operations And Outcomes

Contact centers that are overcrowded with technology and vendors overload their leaders with both systems and relationships to manage. According to Forrester research: “Contact center managers generally have too many vendor relationships, and CCaaS vendors help here with a broad set of capabilities from self-service to [rep] assist tools, analytics, workforce optimization, and more in a single offering. A broad suite of capabilities simplifies life in the contact center with a unified platform and a single number to call when things go wrong.”³

Additionally, contact centers of the past were islands unto themselves and were often further segmented by lines of business, products, customer channels, etc. As a result, reps were less effective as they had limited reach within and across their organizations.

Forrester research asserts: “Unified communications (UC) systems enable contact center collaboration, bridging organizational gaps and increasing support flexibility for the contact center, allowing [reps] more ways of getting assistance. For example, [a rep] can send a customer query in a chat to [a subject matter expert outside of the contact center] instead of requiring customers to do a long hold or transfer. ... When integrated with CCaaS systems, joint UC and CC provides simpler customer query escalations, easier purchasing, and unified support. Even standalone UC improves communications [flexibility for the contact center].”⁴

In the end, customers want answers to their questions as quickly as possible, and organizations want highly productive reps in their contact centers. Therefore, there is a strong correlation between rep efficiency and customer satisfaction.

Breaking down silos in contact centers not only makes reps more effective, but it can also empower those reps to further organizational goals by increasing transparency into company objectives and opening the channel between frontline reps and the organizations they support to inform decision-making with customer service data and insights. Joint UC and contact center contracts simplify purchasing while empowering internal and external team collaboration and connecting service reps to the rest of the organization, which facilitates better knowledge sharing and support.

Finally, when examining the current contact center vendor landscape, decision-makers must consider the future. According to Forrester Research, the future involves transitioning to AI-led customer service interactions that human experts support in the background.⁵ To do this, vendors need to develop next-gen rep workspaces that effectively capture and harness reps’ tacit knowledge. And to do that, your organization’s customer service reps must be connected to and incorporated within enterprisewide goals to effectively recommend actions.

Forrester research states: “Unlike traditional systems, next-gen workspaces will tap into an end-to-end view of the customer and be configured to align with broader business objectives like driving revenue growth, increasing efficiency, or improving customer satisfaction. These next-gen workspaces will be inherently adaptable and will dynamically adjust recommendations in real time based on incoming data and context. This will necessitate a broader view of the customer than just the service experience, incorporating insights from sales, marketing, product usage, and more.”⁶

The Microsoft Dynamics 365 Contact Center With Teams Phone Extensibility Customer Journey

Drivers leading to the Dynamics 365 Contact Center with Teams Phone extensibility investment

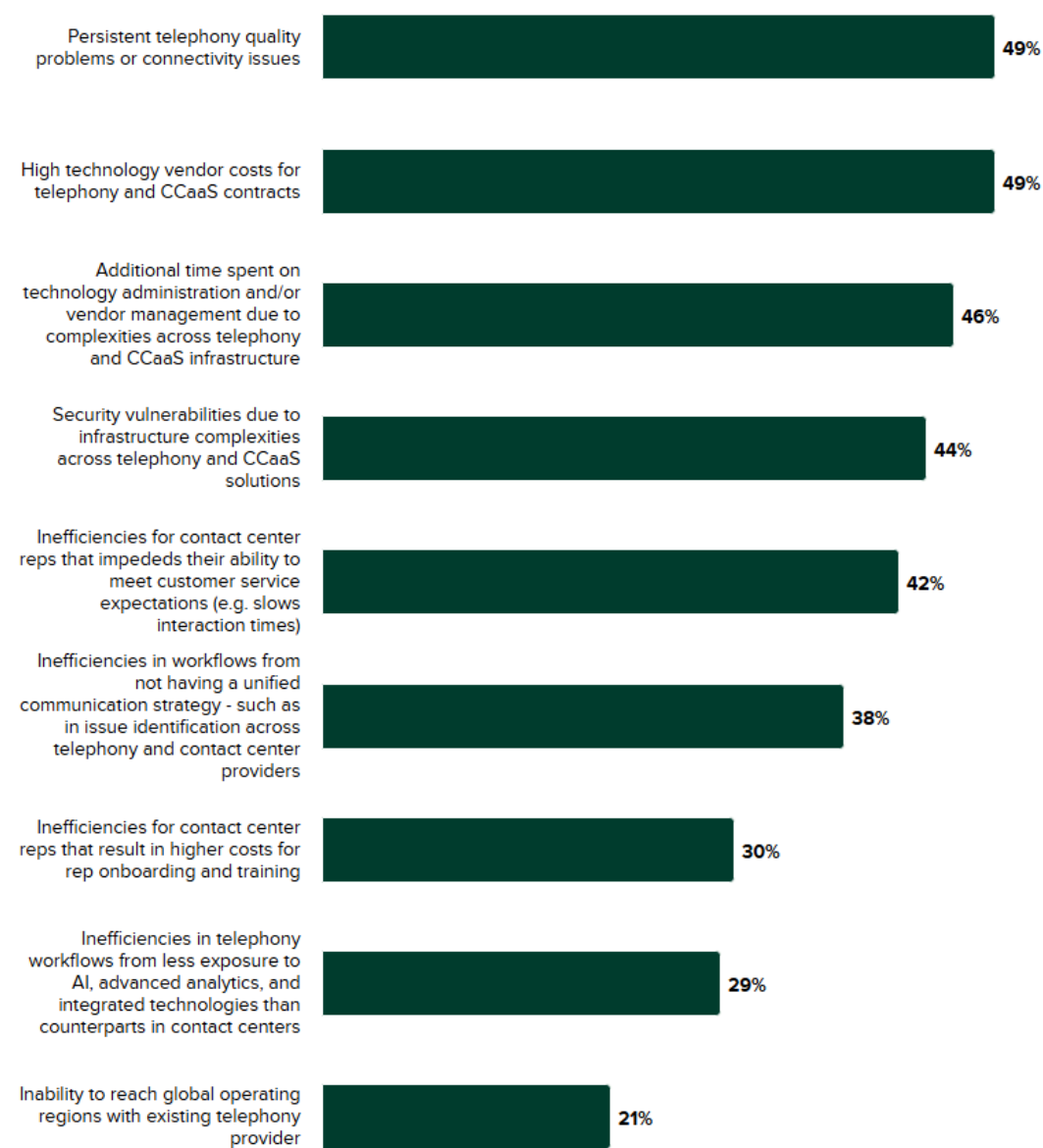
Interviews			
Role	Industry	Region	Contact Center Reps
Product manager	Manufacturing	EMEA	1,000
Platform developer	Travel	EMEA	100
IT manager	Real estate	North America	170
IT manager	Manufacturing	EMEA	350
External consultant	Nonprofit	EMEA	80
Director of business technology and services	Manufacturing	EMEA	22

Key Challenges

Interviewees said their organizations struggled with common challenges prior to integrating D365 Contact Center and Microsoft Teams Phone, including:

- **Technology performance issues due to complex integrations.** Having disparate contact center and telephony support business requirements necessitated complex integrations that led to performance issues, most notably call reliability. This had negative impacts, including decreased customer and employee satisfaction.
- **Excessive management effort.** Complex integrations created more work for various teams, including infrastructure management, system administration, and IT support. These teams were already stretched thin, so there was a strong need to reduce effort.
- **Lack of agility.** Using multiple systems with complex integrations meant that making changes to meet new business requirements could be difficult and take too long, and interviewees said they expected this to be even more of an issue in the near future with the increasing use of AI in contact centers.

“Which of the following challenges do you face in your current contact center and telephony environment?”



Base: 170 decision-makers from organizations that have combined or expect to combine their CCaaS and telephony solutions
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, April 2025

“I was sitting here sometimes with three headsets, and when one was ringing, [it would be easy to] pick up the wrong headset. We got a lot of user complaints over time. That was the first point when we decided that three telephone systems was two systems too many.”

IT manager, manufacturing

Composite Organization

Based on the interviews and survey, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees’

and survey respondents' organizations, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

- **Description of composite.** The composite organization is a global B2C company with \$1.5 billion in annual revenues, which Forrester holds constant for simplicity. It has three contact centers around the world, and 1,100 contact center reps. IT teams that work with the contact center and telephony solutions include six FTEs on the infrastructure management team, four system administration FTEs, and 10 IT help desk FTEs. The organization already has Microsoft Teams, which is a prerequisite for Microsoft Teams Phone.
- **Deployment characteristics.** During the initial period, the composite organization conducts a proof of concept at a contact center with 100 reps to prove the value of D365 Contact Center and Microsoft Teams Phone integration. It migrates a second contact center with 500 reps in Year 1 and the last contact center with another 500 reps in Year 2.

KEY ASSUMPTIONS

- \$1.5 billion revenue
- Three contact centers
- 1,100 contact center representatives
- 20 IT resources spend part of their time supporting contact centers

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Projected Benefits					
Benefit	Year 1	Year 2	Year 3	Total	Present Value
Total projected benefits - Low	\$397,914	\$800,533	\$745,643	\$1,944,090	\$1,583,551
Total projected benefits - Mid	\$583,759	\$1,203,430	\$1,043,700	\$2,830,889	\$2,309,407
Total projected benefits - High	\$900,363	\$1,867,331	\$1,547,300	\$4,314,994	\$3,524,271

Telephony License Savings From Eliminating Legacy Solutions

Evidence and data. Interviewees noted that before integrating Microsoft Teams Phone and D365 Contact Center, their organizations employed multiple solutions, often from different vendors, to meet contact center and telephony needs. As such, they experienced high technology vendor costs for legacy telephony licenses or spend on redundant licenses within the same vendor. With the Microsoft integration, the organizations eliminated legacy telephony solutions and replaced them with Teams Phone to realize technology cost savings from consolidating vendors and optimizing spend with remaining licenses and contracts.

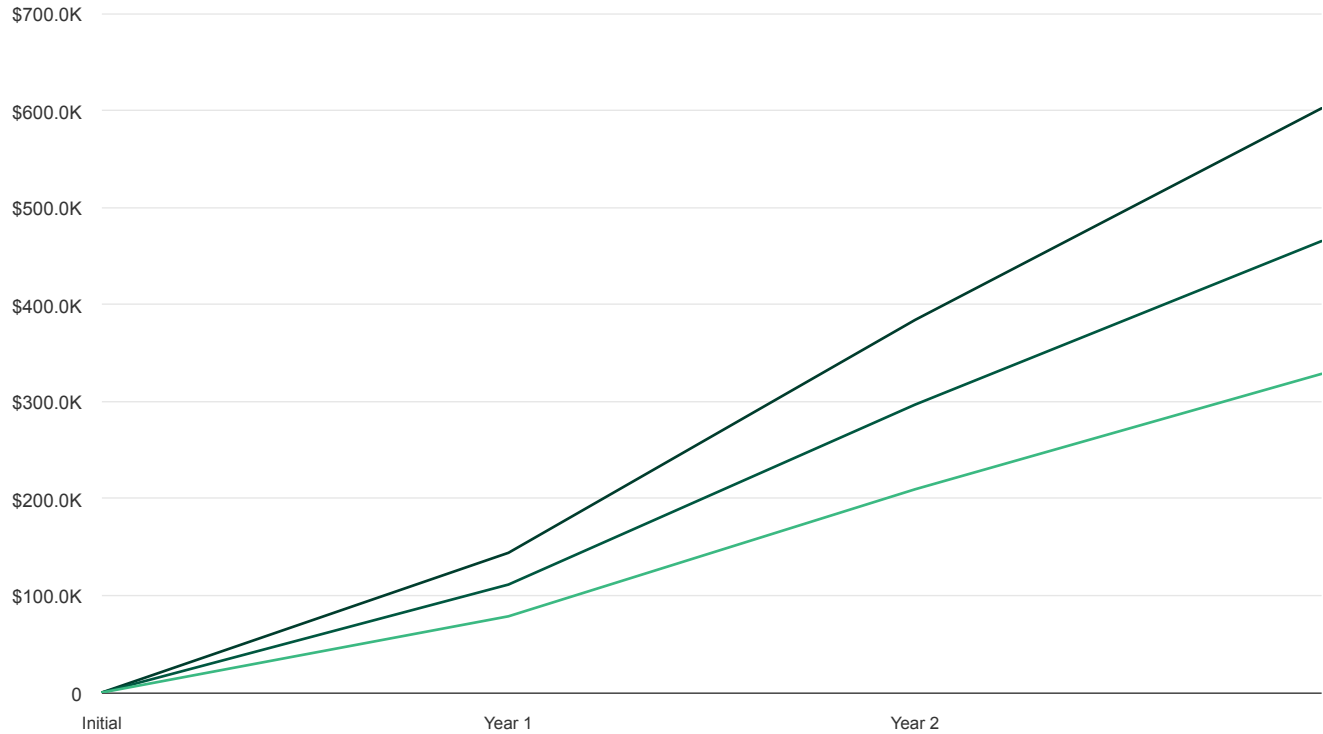
- Fifty-eight percent of survey respondents indicated their organization has or expects to save on technology costs by consolidating licensing, consumption, and other vendor fees with a unified contact center and telephony solution.
- Sixty percent of survey respondents indicated their organization has or expects to reduce PUPM voice license contract costs by replacing voice solutions with a unified contact center and telephony solution.
- An external consultant at a nonprofit indicated that by streamlining CCaaS and telephony providers to a single vendor, their organization not only made its environment easier to manage, but it also reduced licensing and maintenance costs. They said: “We have some third-party solutions in place [for telephony]. We will not need those anymore. And if you compare it to our model today, our current solution is three times more expensive, so we will save money fast on licensing.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization is an existing D365 Contact Center customer.
- Prior to the Team Phone investment, the composite used multiple telephony solutions from different vendors.
- The organization rolls out the D365 Contact Center and Teams Phone integration capabilities to individual contact centers during the three-year investment period.

Results. This yields a three-year projected PV ranging from \$328,000 (low) to \$602,000 (high).

Telephony License Savings From Eliminating Legacy Solutions Module: Range of Three-Year Cumulative Impact, PV



Telephony License Savings From Eliminating Legacy Solutions					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Reps live on Microsoft integration	Composite	600	1,100	1,100
A2 _{Low}			\$12	\$12	\$12
A2 _{Mid}	PUPM cost of legacy telephony solution	Composite	\$17	\$17	\$17
A2 _{High}			\$22	\$22	\$22
At _{Low}			\$86,400	\$158,400	\$158,400
At _{Mid}	Telephony license savings from eliminating legacy solutions	A1*A2*12 months	\$122,400	\$224,400	\$224,400
At _{High}			\$158,400	\$290,400	\$290,400
Three-year projected total: \$403,200 - \$739,200			Three-year projected present value: \$328,463 - \$602,182		

Integration Service Fee Reduction

Evidence and data. Interviewees from organizations that utilized different vendors for CCaaS and telephony said their company was required to pay monthly service fees to integrate the disparate solutions and that those fees were eliminated after streamlining CCaaS and telephony to Microsoft solutions.

- The product manager at a manufacturing organization explained that in their company’s prior environment, with different telephony and CCaaS vendors in place, it paid a service fee of \$2,500 per month to its telecom provider for the session initiation protocol (SIP) trunks. They indicated that by consolidating those solutions to Microsoft products and by effectively making Microsoft the telecom provider, it eliminated the monthly fee and replaced it with Teams licensing fees, which were less expensive.

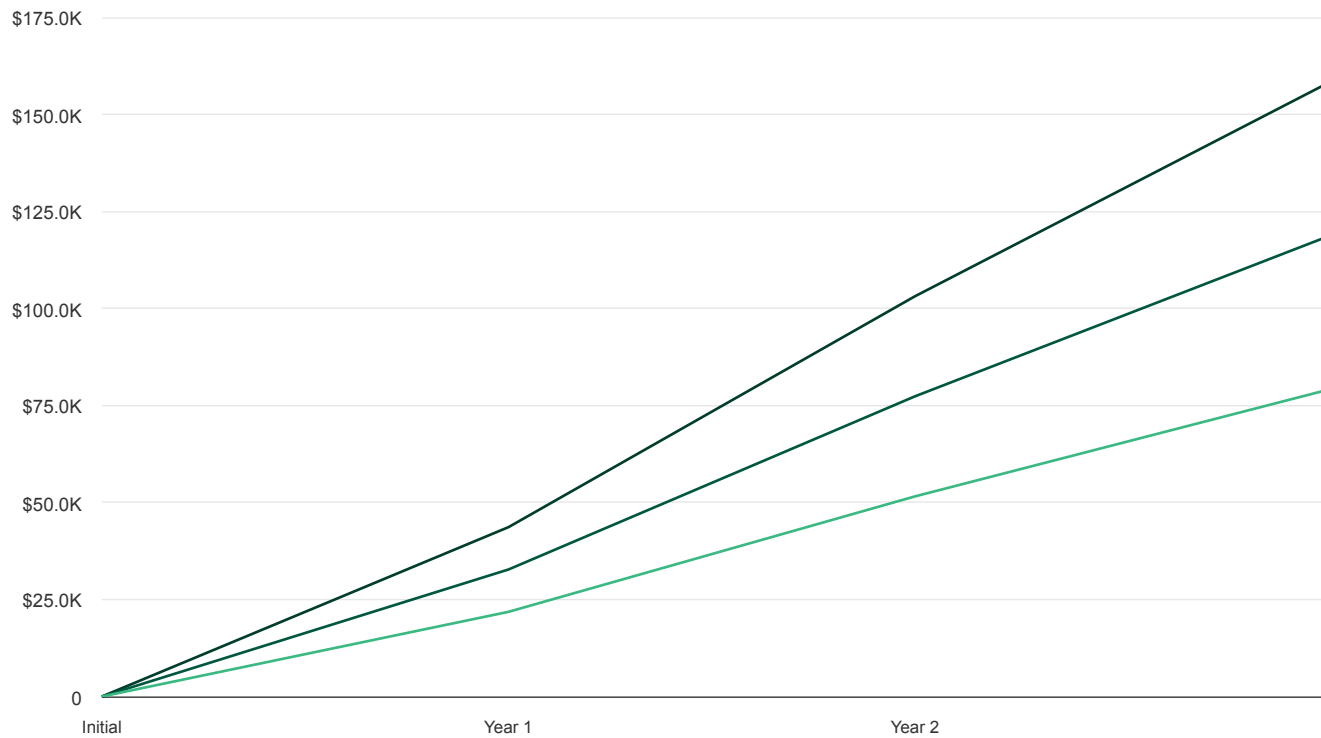
- A platform developer at a travel organization said their company currently spends \$2,000 per month on integration service fees but that they anticipate cost savings with a unified contact center and telephony solution: “I think we will see big savings on the [network provider] fees because that’s one of the more expensive parts of the setup for us. We will no longer have to pay the [network provider] to host and manage our telephony for us anymore because that will be part of the Teams license costs.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization previously used different solution vendors for telephony and CCaaS, and this required paying monthly fees for integration services.
- The composite rolls out the integration capabilities to individual contact centers during the three-year investment period to realize additional cost savings.

Results. This yields a three-year projected PV ranging from \$79,000 (low) to \$157,000 (high).

Integration Service Fee Reduction Module: Range of Three-Year Cumulative Impact, PV



Integration Service Fee Reduction					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Contact centers live on Microsoft integration	Composite	2	3	3
B2 _{Low}			\$1,000	\$1,000	\$1,000
B2 _{Mid}	Monthly integration service fees for legacy solution	Composite	\$1,500	\$1,500	\$1,500
B2 _{High}			\$2,000	\$2,000	\$2,000
Bt _{Low}			\$24,000	\$36,000	\$36,000
Bt _{Mid}	Integration service fee reduction	B1*B2*12 months	\$36,000	\$54,000	\$54,000
Bt _{High}			\$48,000	\$72,000	\$72,000
Three-year projected total: \$96,000 - \$192,000			Three-year projected present value: \$78,618 - \$157,235		

Reduction In Resource Time Spent On Infrastructure Management

Evidence and data. In addition to vendor and service fee reductions, interviewees also said they expect their organizations' infrastructure management teams to realize resource time savings by streamlining the back-end infrastructure that powers their contact centers.

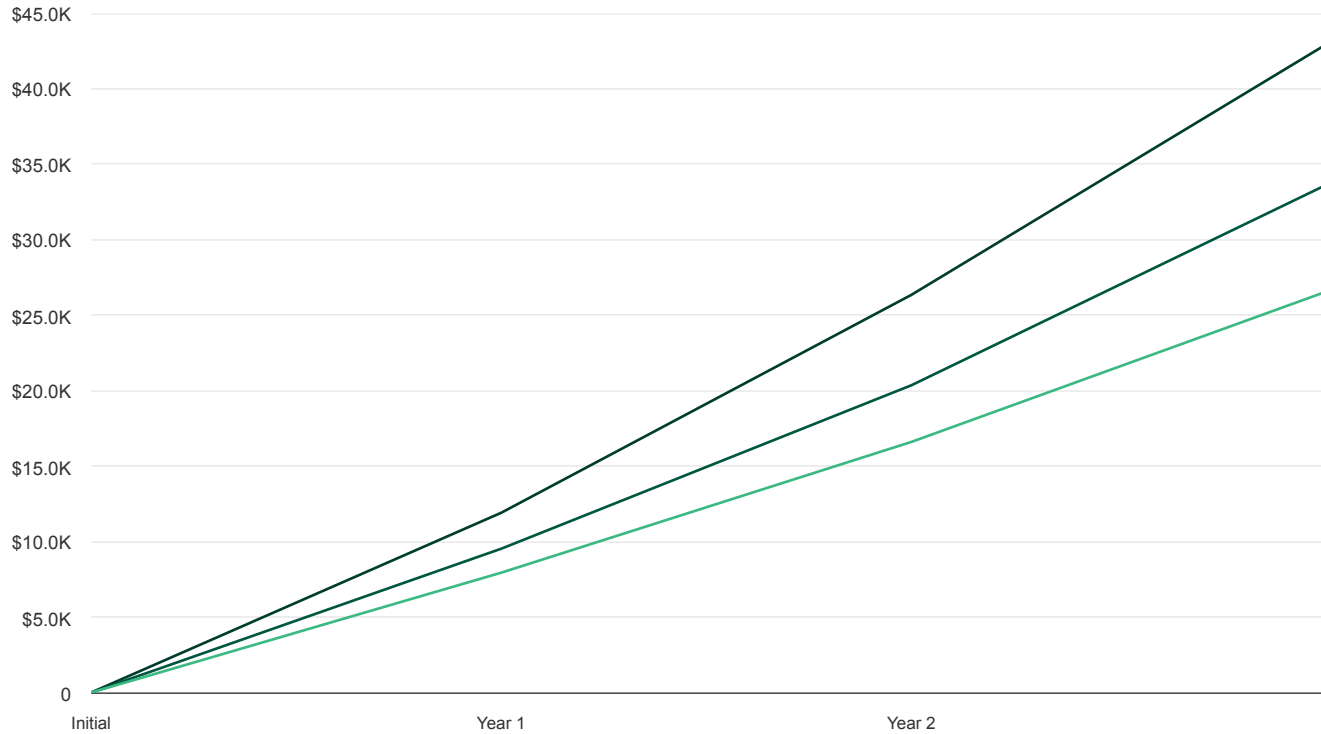
- Survey respondents said their organizations spend an average of 68 hours per month on infrastructure management in their current CCaaS and telephony environments.
- Survey respondents said that by consolidating CCaaS and telephony providers to a single vendor, their organizations have reduced or expect to reduce the time spent on infrastructure management. They indicated an average reduction of 24% in time spent on infrastructure management by streamlining the back-end architecture.
- An IT manager at a real estate organization said that with the Microsoft integration capabilities, their company simplified its contact center and telephony environments and dedicates less time to managing that environment.
- The director of business technology and services at a manufacturing organization estimated that their company's one infrastructure management FTE saved 10% of their time by no longer having to manually set up routing between the organization's telephony provider and Teams environment. This organization had only rolled out the integration capabilities to a single, small contact center, so the director said they expect these time savings to scale as the company scales implementation of the native integration.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The infrastructure management team consists of six FTEs who spend 20% of their time on infrastructure management for telephony and CCaaS solutions.
- The time savings the composite experiences for infrastructure management scales for the low-, mid-, and high-range scenarios in direct correlation to the level of complexity of the prior state environment.
- The composite redistributes 50% of the time saved for infrastructure management resources to value-added work.
- Time savings for the composite's infrastructure management team scales during the three-year investment period as the integration capabilities are extended to more contact centers, further simplifying the overall environment.

Results. This yields a three-year projected PV ranging from \$26,000 (low) to \$43,000 (high).

Reduction In Resource Time Spent On Infrastructure Management Module: Range of Three-Year Cumulative Impact, PV



Up to 25%

Reduction in resource time spent on infrastructure management by Year 3

Reduction In Resource Time Spent On Infrastructure Management					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Infrastructure management team members	Composite	6	6	6
C2	Percentage of time dedicated to telephony and contact center infrastructure management	Composite	20%	20%	20%
C3 _{Low}			10%	12%	15%
C3 _{Mid}	Time savings on infrastructure management from Microsoft integration	Composite	12%	15%	20%
C3 _{High}			15%	20%	25%
C4 _{Low}			250	300	374
C4 _{Mid}	Subtotal: Time saved on infrastructure management with Microsoft integration (hours)	C1*(C2*2,080 hours)*C3	300	374	499
C4 _{High}			374	499	624
C5	Productivity recapture rate	TEI methodology	50%	50%	50%
C6	Fully burdened hourly rate for an infrastructure resource	Composite	\$70	\$70	\$70
Ct _{Low}			\$8,750	\$10,500	\$13,090
Ct _{Mid}	Reduction in resource time spent on infrastructure management	C4*C5*C6	\$10,500	\$13,090	\$17,465
Ct _{High}			\$13,090	\$17,465	\$21,840
Three-year projected total: \$32,340 - \$52,395			Three-year projected present value: \$26,467 - \$42,743		

Administrator Time Savings From Streamlined Solution Management

Evidence and data. Interviewees said before the integration of D365 Contact Center and Teams Phone, administrators in their organizations' contact centers spent additional time training representatives and managing system operations across the different tools and solutions in place. After the integration, administrators saw efficiencies from streamlining solutions in the contact center because it eliminated the need for additional training sessions and provided better manager or supervisor views across contact center operations. Interviewees from organizations that were existing D365 customers prior to the integration said their companies saw additional administrator time savings by extending a familiar interface to contact center resources, reducing onboarding timelines and accelerating time to value.

- A platform developer from a travel organization indicated their company was an existing D365 customer that extended the solution to its contact center as part of a larger digital transformation project. They said: “[With the D365 Contact Center and Teams Phone integration,] everything is in one place. The reps were already used to using Dynamics, so it was a very smooth transition. It didn’t take us long [to see value]. We didn’t have long training sessions, and we didn’t need to educate the supervisors on how they were going to do administrative tasks in Dynamics.”
- An IT manager in the manufacturing industry said that their organization was using multiple telephony providers in its contact centers prior to the integration of D365 Contact Center and Teams Phone. As such, it previously managed training sessions across the three different telephony providers for reps. Since the investment, the organization streamlined its telephony providers to Teams Phone and reduced time spent managing user training. The interviewee said, “We can now offer fewer trainings for users just on Teams, not the other three phone providers.”
- An external consultant at a nonprofit organization indicated that by bringing CCaaS and telephony solutions together under a single vendor, the nonprofit enabled better manager or supervisor views across contact center operations. They said, “[Since the integration of D365 Contact Center and Teams Phone,] our contact center

managers have a better view of call data, such as calls that were routed to different reps in real time, as well as historical data.”

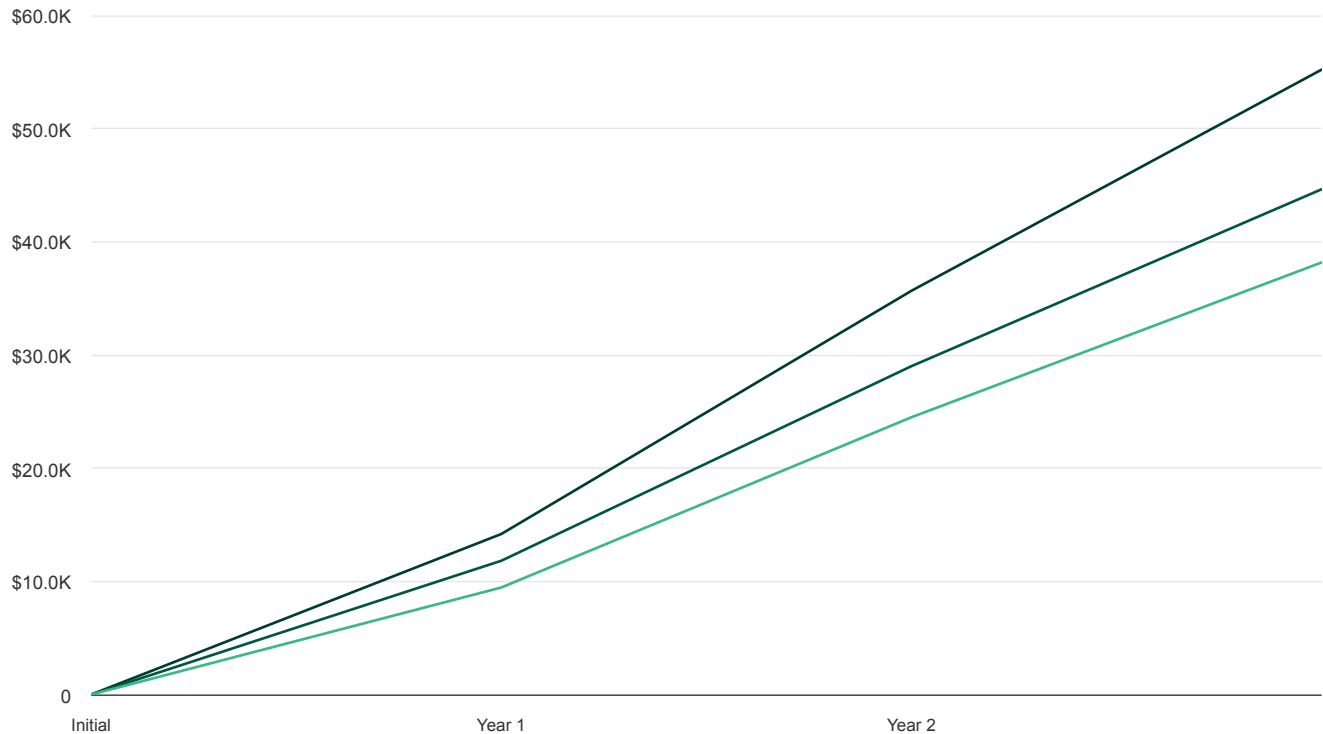
- Survey respondents estimated their organizations spend an average of 56 hours per month on system administration in their current environments. They also said their organizations realized or expect to realize a 29% reduction in time spent on system administration from streamlining CCaaS and telephony providers.
- Survey respondents said their organizations reduced or expect to reduce the time spent on IT support by 23% by consolidating CCaaS and telephony solutions to a single vendor.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- A team of four system administrator FTEs spends 25% of its time on system administration for telephony and CCaaS solutions.
- The time savings the composite experiences for system administration scales over the low-, mid-, and high-range scenarios in direct correlation to the functionality enabled by the organization within its contact centers as well as the relationship with D365 that existed prior to the integration.
- Fifty percent of the time saved for administrator resources is redistributed to value-added work.
- Time savings for administrators scales during the three-year investment period as the composite extends integration capabilities to more contact center operations and individual administrators.

Results. This yields a three-year projected PV ranging from \$38,000 (low) to \$55,000 (high).

Administrator Time Savings From Streamlined Solutions Management Module: Range Of Three-Year Cumulative Impact, PV



Up to 50%

Administrator time savings by Year 3

Administrator Time Savings From Streamlined Solution Management					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	System administrators (FTEs)	Composite	4	4	4
D2	Percentage of time dedicated to system admin and management for contact center and telephony solutions	Composite	25%	25%	25%
D3	Total time spent on system admin and management before the Microsoft integration (hours)	D1*2,080 hours*D2	2,080	2,080	2,080
D4 _{Low}			20%	35%	35%
D4 _{Mid}	Reduction in time spent on system admin and management with Microsoft integration	Composite	25%	40%	40%
D4 _{High}			30%	50%	50%
D5	Productivity recapture rate	TEI methodology	50%	50%	50%
D6	Fully burdened hourly rate for a systems administrator	Composite	\$50	\$50	\$50
Dt _{Low}			\$10,400	\$18,200	\$18,200
Dt _{Mid}	Administrator time savings from streamlined solution management	D3*D4* ² D5*D6	\$13,000	\$20,800	\$20,800
Dt _{High}			\$15,600	\$26,000	\$26,000
Three-year projected total: \$46,800 - \$67,600			Three-year projected present value: \$38,170 - \$55,204		

IT Support Productivity From Improved Telephony Performance

Evidence and data. Interviewees said that in their organizations' prior environments, they experienced high volumes of incidents or connectivity issues that negatively impacted telephony quality in the contact center. Additionally, when there was an incident or issue that required problem-solving or mitigative action, the time to resolve was prolonged due to the sheer number of vendors and solutions involved in the contact center's calling architecture. Interviewees explained that by streamlining contact center and telephony solutions with Microsoft, their organizations improved telephony performance by shortening the chain of vendors involved, which allowed them to get to resolutions sooner.

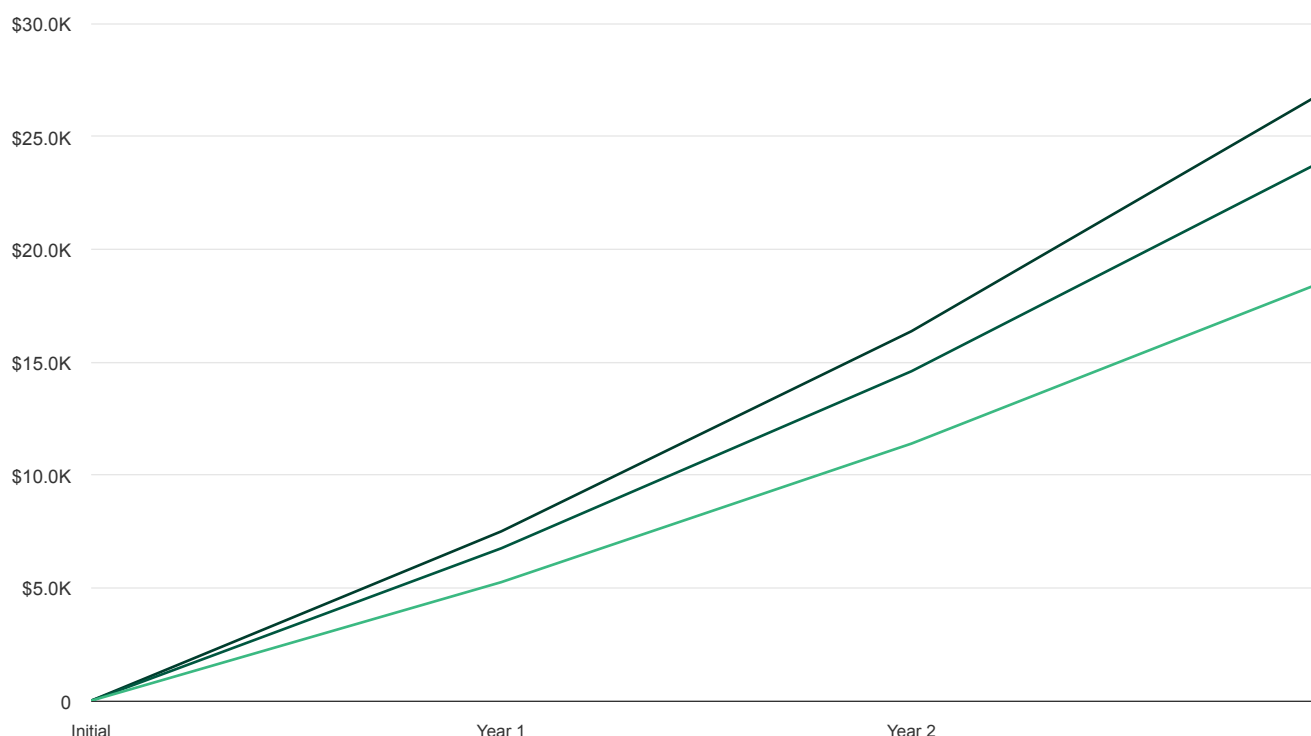
- Forty-nine percent of survey respondents indicated their organization's current contact center and telephony environments have persistent telephony quality problems or connectivity issues.
- Additionally, survey respondents estimated that IT teams currently spend an average of 48 hours per month (1.5 hours per rep per year) on support for telephony solutions.
- Survey respondents said their organizations have experienced or expect to experience a 23% reduction in time spent on IT support by consolidating CCaaS and telephony solutions to a single vendor.
- The platform developer at a travel organization expounded on the challenges related to issue mitigation in their company's contact center before integrating D365 Contact Center and Teams Phone as it related to customer satisfaction: "Every time there was an outage or even a minor incident, we did not know where the issue originated. We would have to reach out to our CCaaS provider, our network provider, and our telephony provider. It took our four IT service desk resources 20 minutes to log tickets across all the involved vendors each time."
- An IT manager at a manufacturing organization said that since their company integrated D365 Contact Center and Teams Phone, it has experienced far fewer performance issues in its contact center, resulting in fewer support tickets logged. They said: "For the telephone system, we had something in place to count how many tickets were raised with our external service provider. Today, we do not have the volume of tickets that we had in the past because we do not have the amount of performance incidents that we had in the past either."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite has 1,100 total reps across three contact centers.
- The composite's IT support resources are responsible for logging tickets related to incidents or downtime events in the contact center due to telephony issues.
- The time savings experienced by the composite organization on IT support scales over the low-, mid-, and high-range scenarios in direct correlation to the level of performance experienced with prior telephony solutions as well as the volume of telephony solutions replaced by Teams Phone during the implementation project.
- Time savings for IT support resources scales during the three-year investment period as the integration capabilities are extended to more contact centers.

Results. This yields a three-year projected PV ranging from \$19,000 (low) to \$27,000 (high).

IT Support Productivity From Improved Telephony Performance Module: Range Of Three-Year Cumulative Impact, PV



Up to 34%

IT support time savings from improved telephony performance by Year 3

"[In my organization's previous state,] we had the bandwidth external operator and the network provider, and we had telephony in addition to Microsoft Dynamics. So, it was a rather long chain. The more we simplify this, the better it is. If we can simplify the steps to getting to a stable environment, it will be easier to troubleshoot and maintain going forward."

Product manager, manufacturing

IT Support Productivity From Improved Telephony Performance					
Ref.	Metric	Source	Year 1	Year 2	Year 3
E1	Total reps	Composite	1,100	1,100	1,100
E2	IT support time for telephony per rep in prior environment (hours)	Composite	1.5	1.5	1.5
E3	Total IT support time spent logging tickets in prior environment (hours)	E1*E2	1,650	1,650	1,650
E4	Average time spent logging tickets per incident across multiple vendors in prior environment (minutes)	Composite	20	20	20
E5	Incidents in contact center in prior environment	(E3*60)/E4	4,950	4,950	4,950
E6 _{Low}			14%	18%	23%
E6 _{Mid}	Decrease in IT support time spent logging tickets related to contact center and telephony solutions with the Microsoft integration	Composite	18%	23%	30%
E6 _{High}			20%	26%	34%
E7	Productivity recapture rate	TEI methodology	50%	50%	50%
E8	Average fully loaded hourly compensation for an IT support staff member	Composite	\$50	\$50	\$50
E _{tLow}			\$5,775	\$7,425	\$9,488
E _{tMid}	IT support productivity from improved telephony performance	E3*E6*E7*E8	\$7,425	\$9,488	\$12,375
E _{tHigh}			\$8,250	\$10,725	\$14,025
Three-year projected total: \$22,688 - \$33,000			Three-year projected present value: \$18,515 - \$26,901		

Reduced Downtime For Reps

Evidence and data. Citing poor telephony quality experienced in the before state, interviewees indicated some incidents inevitably impacted reps and resulted in downtime. But they said after the investment in D65 Contact Center with Teams Phone, their companies improved telephony performance in their contact centers and reduced downtime for reps.

- A platform developer at a travel organization explained that their company's contact center used to have major outages four times per year. During those incidents, it could take up to two weeks for the prior operator provider to respond to an issue.
- The IT manager at a real estate company indicated their organization previously had 72 hours of downtime in a single month. During that time, customers were blocked from dialing emergency services. The interviewee said: "As a housing company, our reps need to be reachable. It won't affect revenue, but it will help us avoid fines, customers complaints, and a bad reputation in the market."
- The IT manager at a real estate company tied better telephony uptime in their company's contact center to reduced rep churn. They said: "Our current churn rate is quite high. If the systems are more reliable, then stress levels should come down and reduce churn rate. I would estimate a 5% to 10% reduction in churn rating."

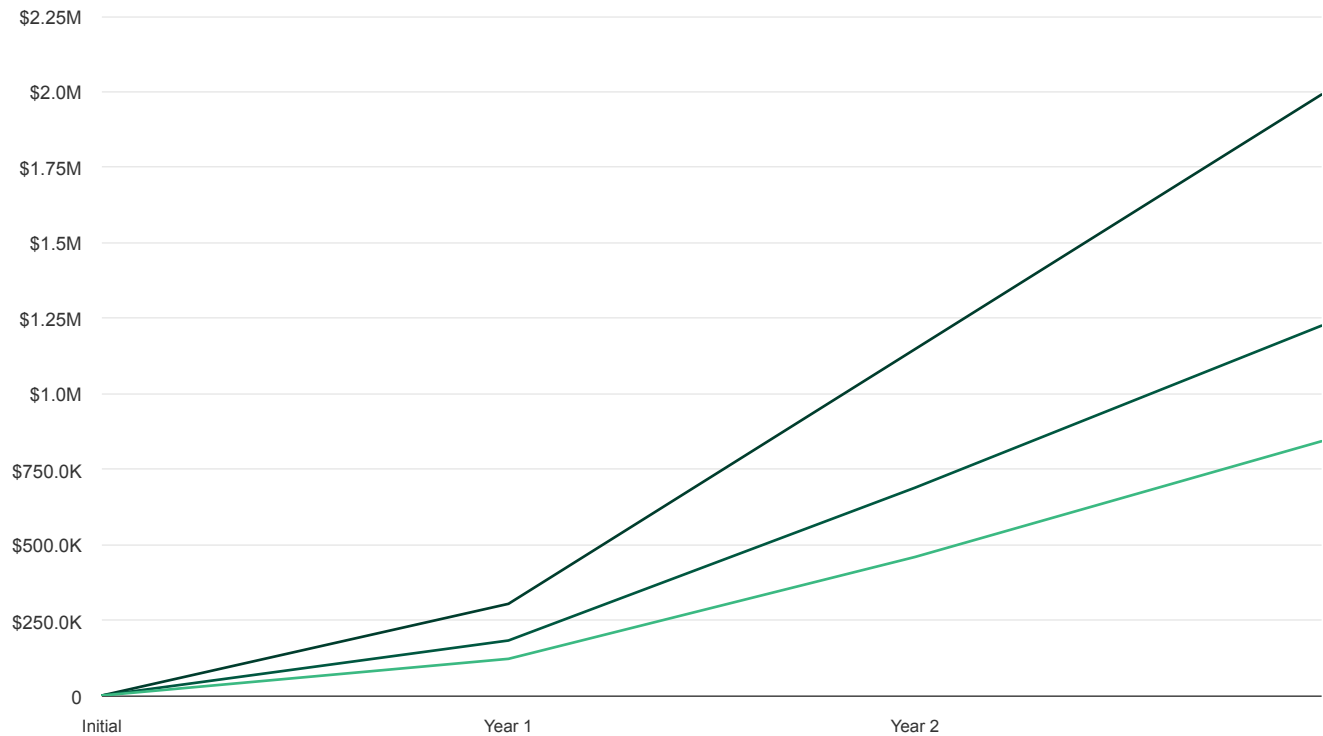
Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Of the incidents the composite experienced in the contact center in its previous environment, 20% caused downtime for reps. During downtime for an incident, IT support resources spend 50% of their time logging tickets and initiating investigations.

- The scale of value across low-, mid-, and high-range scenarios reflects improved performance from using Microsoft for both CCaaS and telephony.
- The scale of value over the three-year investment period reflects the additional contact centers that go live with the integration each year.

Results. This yields a three-year projected PV ranging from \$843,000 (low) to \$2 million (high).

Reduced Downtime For Reps Module: Range Of Three-Year Cumulative Impact, PV



Up to 74,869 hours

Avoided downtime for reps by Year 3

Reduced Downtime For Reps					
Ref.	Metric	Source	Year 1	Year 2	Year 3
F1	Incidents in contact center in prior environment	E5	4,950	4,950	4,950
F2	Percentage of incidents that caused rep downtime in prior environment	Composite	20%	20%	20%
F3	Downtime for reps per incident in prior environment (minutes)	E4*50%	10	10	10
F4	Reps on shift	Composite	450	825	825
F5 _{Low}			12%	20%	25%
F5 _{Mid}	Reduction in downtime for reps with Microsoft integration	Composite	18%	30%	35%
F5 _{High}			30%	50%	55%
F6 _{Low}			8,910	27,225	34,031
F6 _{Mid}	Rep downtime avoided with Microsoft integration (hours)	(F1*F2*F3*F4*F5)/60	13,365	40,838	47,644
F6 _{High}			22,275	68,063	74,869
F7	Average fully burdened hourly rate for a rep	Composite	\$15	\$15	\$15
Ft _{Low}			\$133,650	\$408,375	\$510,465
Ft _{Mid}	Reduced downtime for reps	F6*F7	\$200,475	\$612,570	\$714,660
Ft _{High}			\$334,125	\$1,020,945	\$1,123,035
Three-year projected total: \$1,052,490 - \$2,478,105			Three-year projected present value: \$842,520 - \$1,991,259		

Accelerated Time To Value In Contact Centers

Evidence and data. Interviewees said integrating D365 Contact Center and Teams Phone made reps more efficient, which generated value in contact centers through metrics such as decreased wait times, abandonment rates, or handling times. They also explained that using Microsoft for both CCaaS and telephony accelerated time to value from shorter or fewer ongoing integration projects and the familiarity with Microsoft tools and the Microsoft ecosystem for the technology resources responsible for implementation.

- Seventy-five percent of survey respondents indicated that improvements to key performance metrics in contact centers were or are most important when considering a combined contact center and telephony environment.
- Survey respondents estimated that streamlining telephony and CCaaS solutions to a single vendor improved or would improve handling times by an average of 13%. A prior TEI study looking at the value of Microsoft D365 Contact Center stated the impact of reduced handling times is up to 40%.⁷
- The product manager at a manufacturing organization attributed improvements to key performance metrics within their company's contact center to the Microsoft D365 Contact Center and Teams Phone integration: "We've seen the wait time decrease by 27% and abandonment rates decrease by 14% when we measured it for voice channels. I think it's even more in chat. Now, we have one place where we are routing and assigning all the incoming interactions to reps and have them in one place where the rep can pick it up and handle it. Reps don't need to multitask in different applications, and we don't need to route calls in different ways to determine where a voice call should go based on rep capacity, knowledge, etc."
- The same interviewee estimated that prior integration projects between telephony and CCaaS solutions took about nine months of combined effort from various internal teams.
- The IT manager at a real estate organization said that if their company moved all reps to Teams Phone, it would avoid the cost of a third-party contractor in addition to the accelerated project timeline. They said, "If we move fully

to Teams Phone, it will only take days, and we will not need contractors to make the move.”

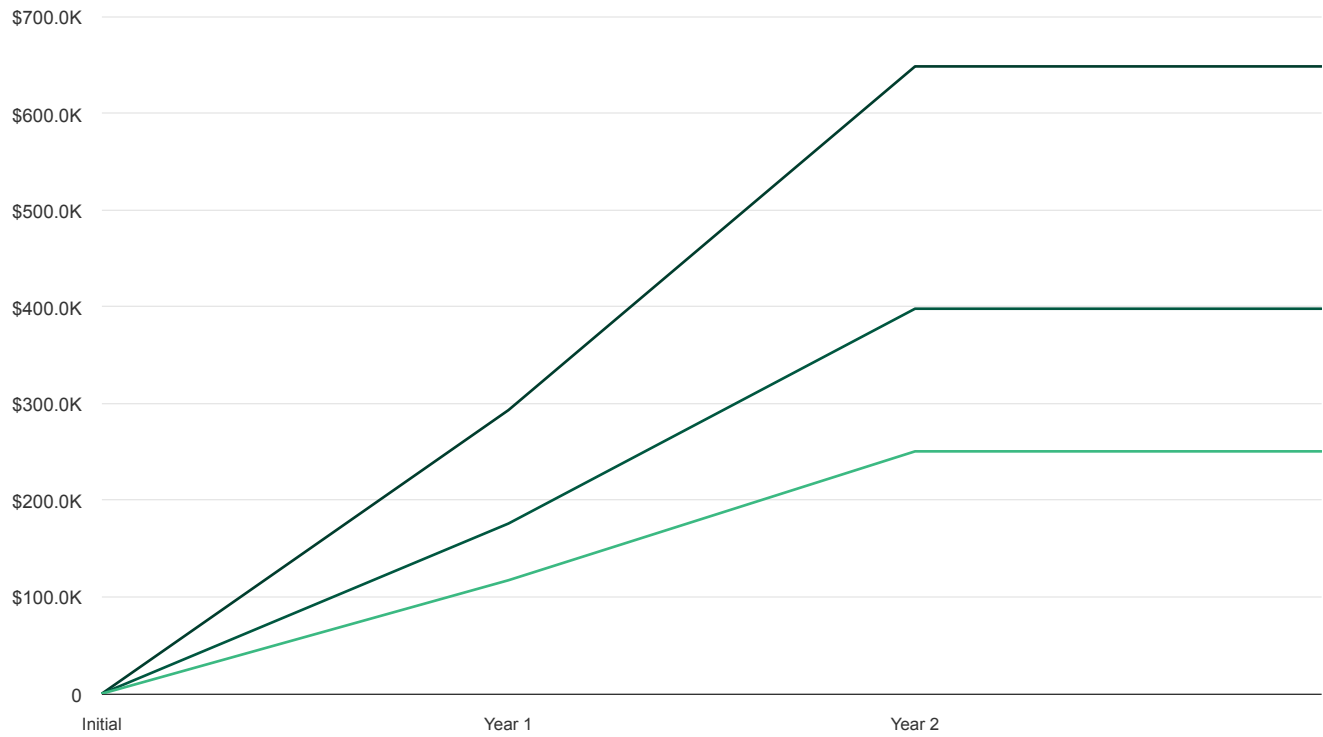
- The platform developer at a travel organization credited the accelerated project timeline to the simplified setup of the integration and the availability of more out-of-the-box functionality. They stated, “There are cost savings associated with the simplified setup of Teams telephony.”
- The IT manager at a manufacturing organization said there’s value in enabling an integration between two solutions from the same vendor: “It is much easier to integrate one Microsoft system into another Microsoft system. Microsoft supports the integration, which makes it easier to roll out telephone features into the CCaaS. And, of course, we only do have one big partner at the background with Microsoft.”
- An external consultant at a nonprofit organization said they expect future cost savings from avoiding ongoing integration projects to extend more functionality to the contact center through third-party or point solutions. As such, they said reps benefitted from more productivity tools and better solutions to manage their work without waiting for available capacity and funds to conduct the integration projects associated with enabling third-party solutions.
- A director of business technology and services at a manufacturing organization said out-of-the-box functionality available through the Teams Phone integration enabled their organization to avoid custom integration projects to deliver functionality to contact center reps. They said those projects typically required multiple developers and could take up to three months to complete.
- The same interviewee said they believe rep productivity would improve from streamlining and consolidating the tools available to handle customer inquiries: “The real problem with having multiple different tools from different vendors available to our reps is the possibility of them navigating away from the website or browser and missing inbound calls.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite measures additional value in contact centers as a reduction in handle times from simplifying tools available to reps, thus minimizing context switching and screen toggling. Integrating CCaaS and telephony solutions arms the composite’s reps with more data and smarter tools to resolve customer calling inquiries sooner.
- The composite sees value in the simplified integration project to set up the integration capabilities. Additionally, the functionality available through the native integration allows the organization to avoid future integration projects to enable more functionality through third-party tools.
- With the integrated solutions, the composite’s contact center reduces handle times by six weeks.

Results. This yields a three-year projected PV ranging from \$251,000 (low) to \$649,000 (high).

Accelerated Time to Value In Contact Centers Module: Range Of Three-Year Cumulative Impact, PV



Up to 40%

Reduction in call handle times by Year 3

6 weeks

Additional value in contact centers from improved handle times

Accelerated Time To Value In Contact Centers					
Ref.	Metric	Source	Year 1	Year 2	Year 3
G1	Net new reps who use integration from additional contact center implementations	Composite	600	500	0
G2	Daily time a rep spends in the contact center (hours)	Composite	6	6	6
G3	Baseline percentage of daily time spent on customer call interactions	Composite	75%	75%	75%
G4	Average time spent on customer call interactions per rep in prior environment (hours)	G2*G3*260 workdays	1,170	1,170	1,170
G5 _{Low}			10%	15%	15%
G5 _{Mid}	Improvement to handling time with Microsoft integration	Composite	15%	25%	25%
G5 _{High}			25%	40%	40%
G6 _{Low}			117	176	176
G6 _{Mid}	Time saved on customer calling interactions per rep with the integration (hours)	G4*G5	176	293	293
G6 _{High}			293	468	468
G7	Average blended hourly rate for a part-time or full-time support rep (rounded)	Composite	\$15	\$15	\$15
G8 _{Low}			\$1,053,000	\$1,320,000	\$0
G8 _{Mid}	Increase in support rep productivity through improved handling time	G1*G6*G7	\$1,584,000	\$2,197,500	\$0
G8 _{High}			\$2,637,000	\$3,510,000	\$0
G9	Time saved due to accelerated time to value in contact center with Microsoft integration (weeks)	Composite	6	6	6
Gt _{Low}			\$128,939	\$161,633	\$0
Gt _{Mid}	Accelerated time to value in contact centers	(G8/49)*G9	\$193,959	\$269,082	\$0
Gt _{High}			\$322,898	\$429,796	\$0
Three-year projected total: \$290,572 - \$752,694			Three-year projected present value: \$250,798 - \$648,747		

Unquantified Benefits

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Additional technology cost savings.** Interviewees said there are additional opportunities for technology cost savings depending on the prior environment, the architecture in place, and existing relationships with Microsoft.
 - **Microsoft license optimization.** Interviewees from organizations with Microsoft 365 E5 licenses in place prior to the integration said their companies saw additional savings on PUPM costs for Teams Phone licenses. They explained that the remaining license cost covers the standalone add-on cost for the Teams Domestic Calling Plan. Table XX below estimates the cost of the extension for the composite, which was an existing D365 E5 user.
 - **Cost savings related to prior on-premises telephony solutions.** Interviewees from organizations that moved from an on-prem telephony solution to Teams Phone said their companies realized additional hardware and datacenter cost savings. Some used the integration project as an opportunity to pursue larger digital transformation initiatives across contact center platforms. An external consultant at a nonprofit organization said:

“We have old platforms in place, and one goal of this project is to eliminate those platforms. We have some systems that were implemented in 1999, and it is time to get rid of them.”

- **Reduced telephony consumption costs.** Unused phone numbers were eliminated, reducing consumption costs. A product manager at a manufacturing organization said they expect their organization would reduce consumption costs by reducing overall calls handled to the tune of “some thousands of seconds per month,” which would translate into hundreds of dollars of savings per month. The IT manager at a different manufacturing organization saw having a fresh license agreement with Microsoft for Teams Phone as an opportunity to eliminate old phone numbers and realize consumption costs in that way. An IT manager at a real estate organization estimated that through the Teams Phone integration, their company might see \$80,000 to \$100,000 of telephony consumption cost savings.

Costs To Microsoft For Teams Phone Integration For An Existing E5 User						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
XX1	Reps using the Teams Phone extension	Composite	100	600	1,100	1,100
XX2	Additional PUPM cost for Teams Phone in contact centers	Composite	\$8	\$8	\$8	\$8
XX3	Months live with integration	Composite	6	12	12	12
XX4	Total additional cost for Teams Phone extension	XX1*XX2*XX3	\$4,800	\$57,600	\$105,600	\$105,600
XXt	Costs to Microsoft for Teams Phone integration	XX4	\$4,800	\$57,600	\$105,600	\$105,600
	Risk adjustment	↑15%				
XXtr	Costs to Microsoft for Teams Phone integration (risk-adjusted)		\$5,520	\$66,240	\$121,440	\$121,440
Three-year total: \$314,640			Three-year present value: \$257,341			

- **Better contact center reporting and insights.** Interviewees said using a unified solution enables easier monitoring and reporting across contact center operations and provides a more detailed view of technology performance. These insights can be used to further improve how technology supports the contact center and business processes, which can contribute to higher customer satisfaction.
- **Faster onboarding of new contact center reps.** Interviewees explained that new hires in the contact center can onboard more quickly because there is less training required on a unified Microsoft stack. Additionally, they said because reps and administrators are often familiar with different aspects of the Microsoft integration (e.g., the D365 interface, the Teams ecosystem), which increases their comfort with the tools sooner. An IT manager at a real estate organization stated that with the D365 Contact Center and Teams Phone integration, their company’s contact center operations eliminated 3 to 4 hours of voice-related training for new reps.
- **Increased customer satisfaction.** Interviewees said that by streamlining D365 Contact Center and telephony providers to a single vendor, their organizations have faster response times during incidents or downtime events, resulting in better performance and availability of voice channels in the contact center. They explained that having better contact center performance in terms of availability and voice quality can increase customer satisfaction and lead to better customer retention and lifetime value. The IT manager at a real estate organization said, “When we have better uptime in our contact center, customers are more confident that they can reach us, and therefore, have higher satisfaction with us.” The same interviewee said they see rep productivity as a means to further invest in contact center resources by adding to the volume of reps, thereby further increasing availability for customers.
- **Ability to meet security and compliance standards.** Interviewees said D365 Contact Center and Teams Phone both incorporate Microsoft’s security and compliance solutions, making it easier to implement and manage and to demonstrate compliance to internal audit and regulators. An IT manager at a real estate organization said, “[My company’s Teams Phone] environment is quite secure with SSO (single sign-on) and MFA (multi-factor authentication).”

Flexibility

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement D365 Contact Center and Teams Phone integration and later realize additional uses and business opportunities, including:

- **Meeting growth goals both within the contact center as well as at the organizational level.** Eighty-four percent of survey respondents either agreed or strongly agreed that combining their organization's telephony and contact center solutions has reduced or would reduce ongoing IT administration associated with implementing new phone systems in existing or new regions or territories. Minimizing or eliminating the barrier to providing best-in-class technology and tools to reps in contact centers can enable an organization to scale the investment globally and see additional value.

Interviewees highlighted the importance of enabling AI in contact centers. An IT manager at a real estate organization said: "The D365 Contact Center and Teams Phone integration will help us meet growth goals by having a more stable and productive contact center. We need automated systems, clever IVR (interactive voice response), and AI to meet those objectives." Forrester research predicts CCaaS vendors will need to change or perish: "As the shift to AI-led customer service unfolds over time, [agent] seat counts will decrease and vendors that rely on a seat-based commercial model will have to adapt.⁸ The focus will shift from managing human rep capacity to ensuring robust telephony infrastructure and maximizing AI scalability. Hyperscalers hold a distinct advantage here and could erode market share from traditional contact center vendors if they do not keep up with market demands."

Specifically, technology leaders should be aware of current barriers in contact centers around capturing tacit knowledge to continuously improve AI and make it more valuable in the context of the contact center. These barriers include flawed customer service data, uneven distribution of automated tasks, and poor-quality transcripts that miss crucial context to inform decision-making. Unifying CCaaS and telephony improves reporting and business insights across contact center operations to enhance customer service data and better track the distribution of tasks. Forrester research also states that genAI improves call summary and analytics that will supplement or improve transcriptions.⁹

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Total Economic Impact Approach](#)).

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs							
Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Htr	Costs to Microsoft for Teams Phone integration	\$11,730	\$140,760	\$258,060	\$258,060	\$668,610	\$546,851
Itr	Implementation costs	\$88,320	\$62,928	\$62,928	\$62,928	\$277,104	\$244,813
	Total costs (risk-adjusted)	\$100,050	\$203,688	\$320,988	\$320,988	\$945,714	\$791,664

Costs To Microsoft For Teams Phone Integration

Evidence and data. Interviewees’ organizations had existing relationships with Microsoft, albeit to different degrees. Some were existing D365 Contact Center customers, while most had Teams Phone enabled to some level. Additionally, more mature organizations were enterprise customers of Microsoft and made use of existing Microsoft 365 E5 licenses to mitigate the cost of the Teams Phone integration extensibility project within their contact centers. Due to this variability, pricing may vary. Contact Microsoft for additional details.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite is an existing D365 Contact Center customer that chooses to enable Teams Phone in its contact centers to take advantage of the native integration capabilities.
- The organization pays \$17 PUPM for Teams Phone licensing based on the number of seats as well as the average calling cost given the scale of the contact center operations.

Risks. Costs to Microsoft may vary depending on the following:

- The size and scale of the organization’s contact center operations.
- The nature of the organization’s and contact center’s existing relationships with Microsoft.
- The vendor in place for calling plans (e.g., if the organization uses a third-party vendor for the calling plan in different markets, the calling plan costs could be lower).

Results. To account for these risks, Forrester adjusted this cost upward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$547,000.

Costs To Microsoft For Teams Phone Integration						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
H1	Reps using the Microsoft integration	Composite	100	600	1,100	1,100
H2	Additional PUPM cost for Teams Phone in contact centers	Composite	\$17	\$17	\$17	\$17
H3	Months live with integration	Composite	6	12	12	12
H4	Total additional cost for Teams Phone integration	H1*H2*H3	\$10,200	\$122,400	\$224,400	\$224,400
Ht	Costs to Microsoft for Teams Phone integration	H4	\$10,200	\$122,400	\$224,400	\$224,400
	Risk adjustment	↑15%				
Htr	Costs to Microsoft for Teams Phone integration (risk-adjusted)		\$11,730	\$140,760	\$258,060	\$258,060
Three-year total: \$668,610			Three-year present value: \$546,851			

Implementation Costs

Evidence and data. While most interviewees indicated that part of the value proposition of unifying telephony and CCaaS to Microsoft solutions was the potential ease of the integration project, they said their organizations also dedicated resource time to integration and implementation activities, including technology implementation and contact center resource training management.

- The product manager at a manufacturing organization noted that rolling out D365 Contact Center and Teams Phone integration required a mix of internal employees and external consultants to deliver the implementation work and to manage ongoing maintenance of the solution.
- The IT manager at a real estate organization estimated that the internal effort to get the integration capabilities up and running took five to six FTEs (including technology resources and line of business support) about 4 months. Additionally, there is a single resource responsible for ongoing maintenance, but this resource is heavily weighted toward CCaaS management as the telephony solution does not require much effort.
- The platform developer at a travel company indicated that their organization's internal resources are responsible for planning training sessions for both reps and supervisors.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization dedicates six resources to the initial implementation of the integration in one contact center. The same resources are involved in future integration rollouts, but they collectively dedicate less time to the project.
- Four resources are involved in ongoing support and training efforts for the unified CCaaS and telephony solutions.

Risks. Internal resource time spent on the investment may vary depending on the following:

- The size and scope of the intended integration rollout in terms of the number of contact centers targeted and the size of each.
- The solutions the organization currently has in place to support contact center and telephony.
- The organization's use of an external consultant or vendor support provided through professional services to augment internal resource time spent on the investment.

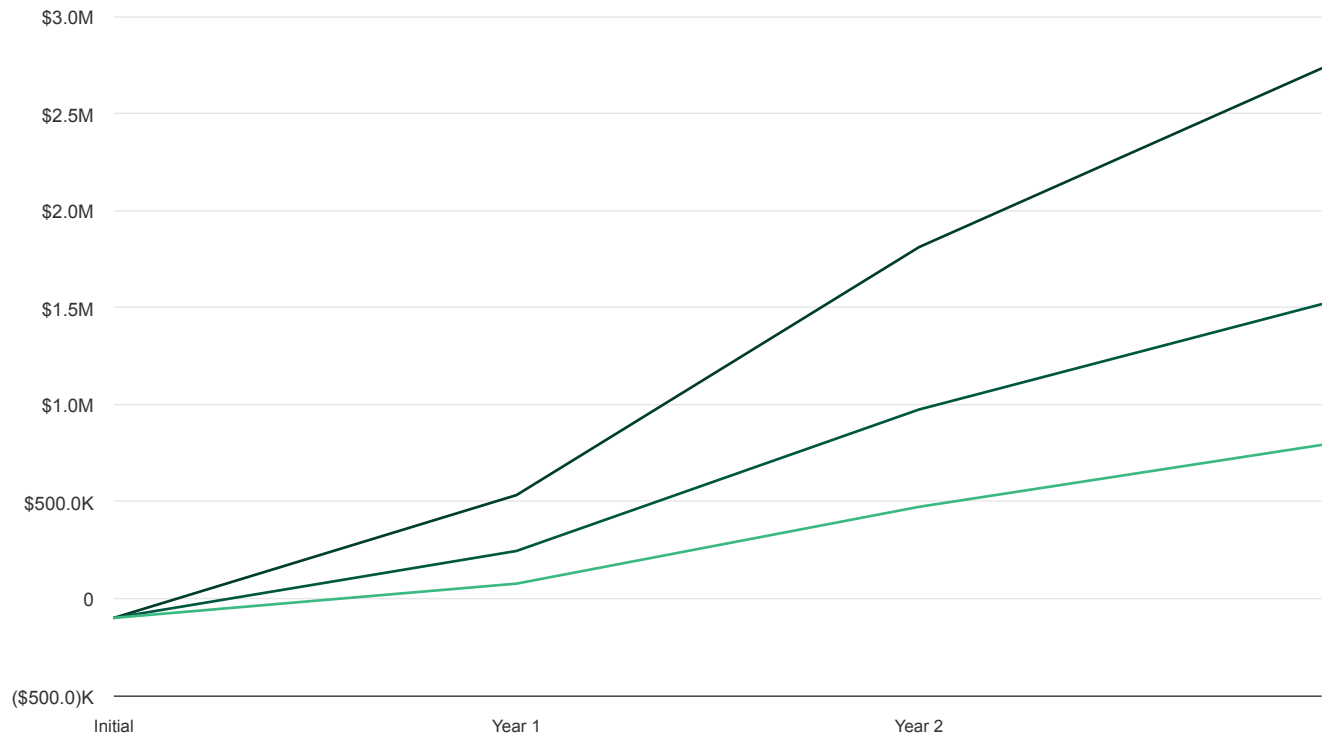
Results. To account for these risks, Forrester adjusted this cost upward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$245,000.

Implementation Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
I1	Resources involved in integration projects	Composite	6	6	6	6
I2	Time required for integration (hours)	Composite	160	50	50	50
I3	Fully burdened hourly rate for a resource involved in integration	Composite	\$80	\$80	\$80	\$80
I4	Integration costs	I1*I2*I3	\$76,800	\$24,000	\$24,000	\$24,000
I5	Resources involved in ongoing training and support	Composite	0	4	4	4
I6	Time for ongoing training and support (hours)	Composite	0	96	96	96
I7	Fully burdened hourly rate for a resource involved in training and support	Composite	\$80	\$80	\$80	\$80
I8	Resource cost of ongoing training and support	I5*I6*I7	0	\$30,720	\$30,720	\$30,720
It	Implementation costs	I4+I8	\$76,800	\$54,720	\$54,720	\$54,720
	Risk adjustment	↑15%				
Itr	Implementation costs (risk-adjusted)		\$88,320	\$62,928	\$62,928	\$62,928
Three-year total: \$277,104			Three-year present value: \$244,813			

Financial Summary

Consolidated Three-Year, Risk-Adjusted Metrics

Three-Year Projected Financial Analysis For The Composite Organization



Cash Flow Analysis (Risk-Adjusted)						
	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$100,050)	(\$203,688)	(\$320,988)	(\$320,988)	(\$945,714)	(\$791,664)
Total benefits (low)	\$0	\$397,914	\$800,533	\$745,643	\$1,944,090	\$1,583,551
Total benefits (mid)	\$0	\$583,759	\$1,203,430	\$1,043,700	\$2,830,889	\$2,309,407
Total benefits (high)	\$0	\$900,363	\$1,867,331	\$1,547,300	\$4,314,994	\$3,524,271
Net benefits (low)	(\$100,050)	\$194,226	\$479,545	\$424,655	\$998,376	\$791,887
Net benefits (mid)	(\$100,050)	\$380,071	\$882,442	\$722,712	\$1,885,175	\$1,517,743
Net benefits (high)	(\$100,050)	\$696,675	\$1,546,343	\$1,226,312	\$3,369,280	\$2,732,607
PROI (low)						100%
PROI (mid)						192%
PROI (high)						345%

Please Note

The financial results calculated in the Benefits and Costs sections can be used to determine the PROI and projected NPV for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

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

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.

New Tech TEI Framework And Methodology

From the information provided in the interviews and survey, Forrester constructed a New Technology: Projected Total Economic Impact™ (New Tech TEI) framework for those organizations considering an investment in the integration of Dynamics 365 Contact Center and Teams Phone.

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 projected impact that D365 Contact Center and Teams Phone integration can have on an organization.

Due Diligence

Interviewed Microsoft stakeholders and Forrester analysts to gather data relative to Dynamics 365 Contact Center and Teams Phone integration.

Early-Implementation Interviews And Survey

Interviewed six decision-makers at organizations using Dynamics 365 Contact Center and Teams Phone integration in a pilot or beta stage and surveyed 170 decision-makers from organizations that have combined or expect to combine their CCaaS and telephony solutions to obtain data about projected costs, benefits, and risks.

Composite Organization

Designed a composite organization based on characteristics of the interviewees' and survey respondents' organizations.

Projected Financial Model Framework

Constructed a projected financial model representative of the interviews and survey using the New Tech TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees and survey respondents.

Case Study

Employed four fundamental elements of New Tech TEI in modeling the investment's potential 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.

Glossary

Total Economic Impact Approach

Projected benefits

Projected benefits represent the projected value the solution delivers to the business. The New Tech TEI methodology places equal weight on the measure of projected benefits and projected costs, allowing for a full examination of the solution's effect on the entire organization.

Projected costs

Projected costs comprise all expenses necessary to deliver the proposed value, or benefits, of the solution. The methodology captures implementation and ongoing costs associated with the solution.

Flexibility

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. The ability to capture that benefit has a PV that can be estimated.

Risks

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."

Financial Terminology

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.

Projected net present value (PNPV)

The projected 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.

Projected return on investment (PROI)

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%.

Appendixes

APPENDIX A

NEW TECHNOLOGY: Projected Total Economic Impact

New Technology: Projected Total Economic Impact (New Tech TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists solution providers in communicating their value proposition to clients. The New Tech TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.

APPENDIX B

Survey Demographics

ROLE	
Manager (manage a team of functional practitioners)	35%
Director (manage a team of managers and high-level contributors)	34%
Vice president (in charge of one/several large departments)	17%
C-level executive (e.g., CEO, CMO)	14%

INDUSTRY	
Manufacturing and materials	19%
Financial services and/or insurance	14%
Technology and/or technology services	14%
Retail	14%
Healthcare	11%
Transportation and logistics	5%
Energy, utilities, and/or waste management	4%
Travel and hospitality	4%
Telecommunications services	4%
Consumer product goods	2%
Education	2%
Agriculture, food, and/or beverage	2%
Government	2%
Chemicals and/or metals	1%
Consumer services	1%
Electronics	1%
Media and/or leisure	1%
Nonprofit	1%

HEADQUARTERS	
United States	34%
Singapore	15%
United Kingdom	14%
Australia	11%
France	11%
Germany	8%
New Zealand	7%

NUMBER OF CONTACT CENTER REPRESENTATIVES	
Fewer than 50	1%
50 to 99	6%
100 to 249	25%
250 to 499	35%
500 to 999	24%
1,000 or more	9%

APPENDIX C

Endnotes

¹ Total Economic Impact is a methodology developed by Forrester Research that enhances a company’s technology decision-making processes and assists solution providers in communicating their value proposition to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.

² Source: The Total Economic Impact™ Of Microsoft Dynamics 365 Customer Service, a commissioned study conducted by Forrester Consulting on behalf of Microsoft, March 2024.

³ Source: [The Forrester Wave™: Contact-Center-As-A-Service Platforms, Q2 2025](#), Forrester Research, Inc., April 10, 2025.

⁴ Source: [The Forrester Tech Tide™: Contact Centers For Customer Service, Q4, 2024](#), Forrester Research, Inc., October 30, 2024.

⁵ Source: [Tacit Knowledge Will Power The AI-Led Contact Center](#), Forrester Research, Inc., January 23, 2025.

⁶ Ibid.

⁷ Source: The Total Economic Impact Of Microsoft Dynamics 365 Customer Service, a commissioned study conducted by Forrester Consulting on behalf of Microsoft, March 2024.

⁸ Source: [Tacit Knowledge Will Power The AI-Led Contact Center](#), Forrester Research, Inc., January 23, 2025.

⁹ Source: Max Ball, [CCaaS Vendors Thrive In A Wild Market](#), Forrester Blogs.

Disclosures

Readers should be aware of the following:

This study is commissioned by Microsoft and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

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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 Dynamics 365 Contact Center and Teams Phone integration.

Microsoft 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.

Microsoft provided the customer names for the interviews but did not participate in the interviews.

Forrester fielded the double-blind survey using a third-party survey partner.

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