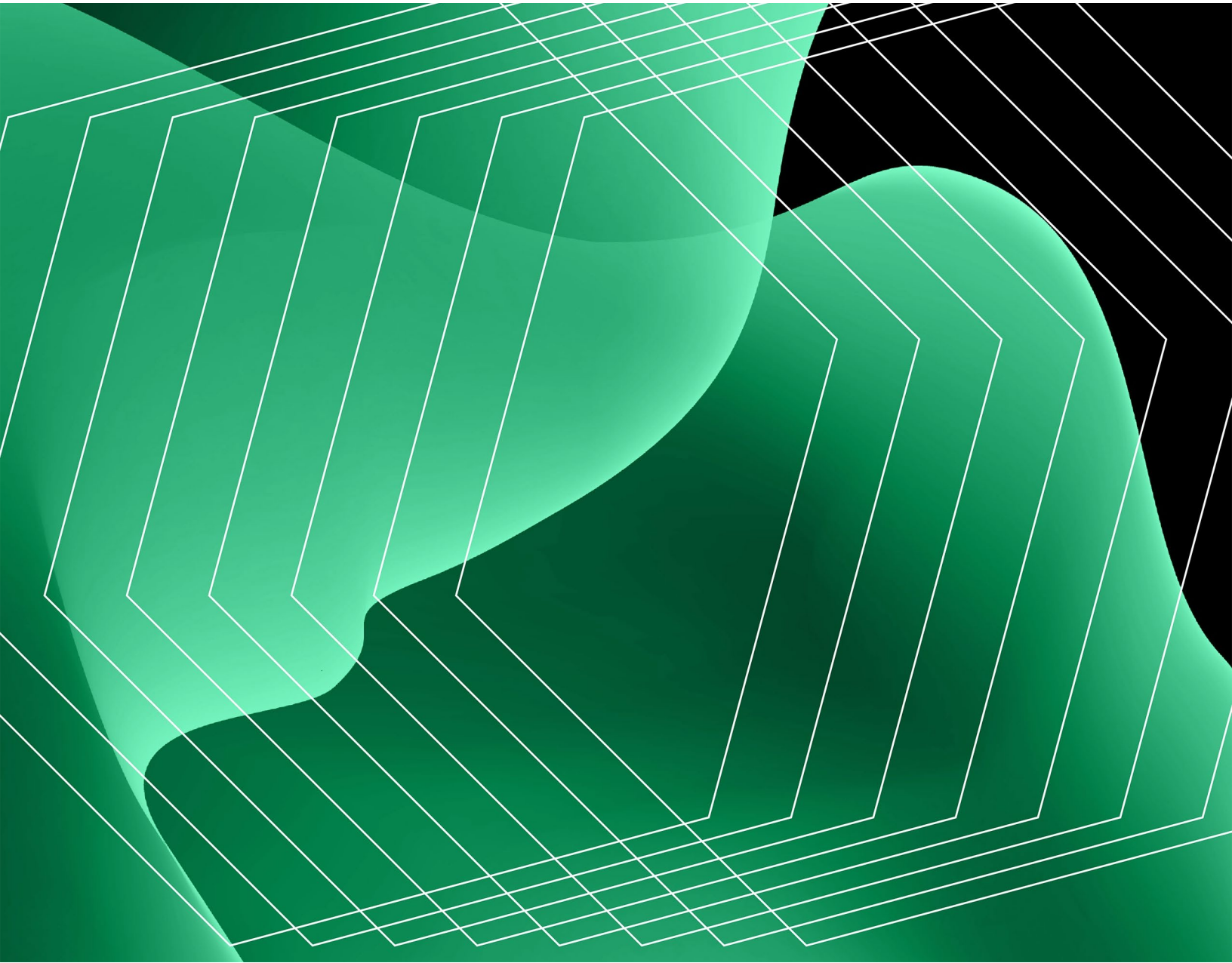
FORRESTER®

The Total Economic Impact™ Of Pipefy

Cost Savings And Business Benefits Enabled By Pipefy

A FORRESTER TOTAL ECONOMIC IMPACT STUDY
COMMISSIONED BY PIPEFY, AUGUST 2024



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ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key outcomes. Fueled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute their specific priorities using a unique engagement model that ensures lasting impact. For more information, visit forrester.com/consulting.

Executive Summary

Organizations require automation to optimize their operations. Advances in digital process automation (DPA) software and low-code features can accelerate digital transformation. DPA software visually defines, continuously improves, and effectively manages process applications. By bridging the gap between people and system endpoints, DPA solutions help organizations streamline and automate processes, reduce manual effort, foster collaboration, accelerate agility, and drive productivity.

Pipefy is a low-code/no-code business process automation platform that supports businesses in automating and streamlining their processes, allowing users to create, implement, and customize workflows. Pipefy orchestrates simple and complex processes in a single platform, supporting different teams and departments.

Pipefy commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Pipefy.[1] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Pipefy on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed four representatives with experience using Pipefy. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a global organization with headquarters in North America that generates $1 billion of annual revenue and has 5,000 employees.

Interviewees said that prior to using Pipefy, their organizations faced significant challenges in automating and optimizing tasks and processes. Their previous solutions were time-consuming and unable to adapt to specific needs, making it costly and challenging to cover the full range of desired automations.

Return on investment (ROI)
260%

Net present value
$1.86M

Moreover, scalability was an issue, leaving many critical processes to be performed manually or automated poorly across different business units. These limitations led to substantial manual efforts from business employees on repetitive tasks as well as significant IT development efforts on inefficient and localized automations.

After the investment in Pipefy, the interviewees' organizations obtained a DPA platform that allowed them to automate a large array of manual tasks and complex processes across various departments and business lines. Key results from the investment include IT cost savings and avoidance, streamlined development, rapid automation deployment, and time efficiencies for business users impacted by the newly automated processes.

KEY FINDINGS

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

- **Time savings on manual efforts and processes.** The new automation solution allows the composite organization to replace previous automations that were not efficient and automate processes and operations that were either too challenging to automate previously or not covered by legacy systems. A significant reduction in manual effort, with an average time savings of 40% on the automated tasks, is achieved. This results in a time savings equivalent of $2.5 million over three years.
- **IT cost savings for planned automations.** With Pipefy's DPA solution, the composite organization develops process automations faster and more easily. As a result, development time is reduced by 50%. Pipefy also enables the composite organization to shift some process automation development tasks from IT to business users, thereby reducing IT costs. Additionally, the composite organization eliminates legacy solutions that no longer adapt to its needs. Over three years and a cumulative total of 36 processes, the IT cost savings and avoidance are worth about $118,000 to the composite organization.

Time savings on automated tasks and processes

40%

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

- **Reduced rollout deployment times.** Pipefy accelerates rollout deployment times by enabling replicability of automations and processes, eliminating lengthy development steps. Its user friendly low-code/no-code approach empowers citizen developers to independently create automations and rules, eliminating the need for IT intervention. As a result, the composite organization reduces rollout times for new processes and automations.
- **Enhanced focus on higher-value tasks for IT.** By shifting certain automation tasks from IT to business users, Pipefy frees up IT resources from routine activities. As a result, the composite organization's IT team can dedicate more time and attention to strategic initiatives, innovation, and high-impact projects, thereby adding greater value to the composite organization.
- **Increased ease of integration with environments.** Pipefy provides seamless integration capabilities, allowing easy connections with other systems, databases, and APIs. This enhances data flow, collaboration, and overall efficiency across the composite organization.
- **Improved employee and user experience.** Pipefy offers an intuitive interface that empowers non-IT users to create and manage processes. Additionally, the newly automated processes Pipefy enables directly impact the composite organization's employees and customers triggering these automations who previously had to perform certain manual tasks.
- **Augmented visibility over processes.** Pipefy provides centralized insights into process performance. With detailed analytics and dashboard, the composite organization gains visibility into its operations, enabling data-driven decision-making and continuous improvements.

- **Improved activity expansion.** Pipefy adapts easily to business needs. As business operations and requirements evolve, the composite organization can expand its automated processes without significant development effort, ensuring scalability and agility.

> "Pipefy is flexible and easy to integrate by IT and quick to adopt by end users. It also comes at a very competitive cost. It opens the door for our organization to embrace the concept of hyperautomation."
>
> GLOBAL PORTFOLIO PRODUCT MANAGER, PROFESSIONAL SERVICES

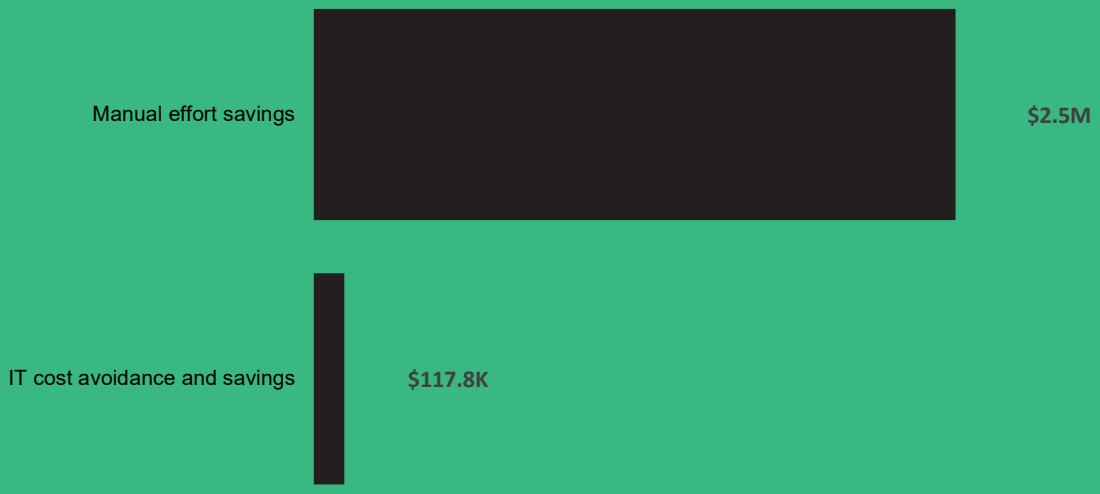
Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Implementation costs of $122,000.** The cost of implementing Pipefy for the composite organization includes internal IT labor to deploy the solution, training time for line-of-business users, and a one-time onboarding fee.
- **Ongoing management labor costs of $472,000.** Ongoing labor costs for Pipefy include time and efforts for line-of-business users allocated to develop automations, monitor and integrate the solution, and manage the relationship.
- **Licensing costs of $124,000.** The licensing fee cost is composed of a fixed monthly fee of $40 per licensed user. Licensed users can create and modify automations and processes and work on solving requests. Pipefy does not charge users who submit and track requests only.

The representative interviews and financial analysis found that a composite organization experiences benefits of $2.58 million over three years versus costs of $717,000, adding up to a net present value (NPV) of $1.86 million and an ROI of 260%.

ROI	BENEFITS PV	NPV	PAYBACK
260%	**$2.58M**	**$1.86M**	**<6 months**

Benefits (Three-Year)



TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Pipefy.

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 impact that Pipefy can have on an organization.

DISCLOSURES

Readers should be aware of the following:

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

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Pipefy.

Pipefy 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.

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

1. **Due Diligence**
   Interviewed Pipefy stakeholders and Forrester analysts to gather data relative to Pipefy.
2. **Interviews**
   Interviewed four representatives at organizations using Pipefy to obtain data about costs, benefits, and risks.
3. **Composite Organization**
   Designed a composite organization based on characteristics of the interviewees' organizations.
4. **Financial Model Framework**
   Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.
5. **Case Study**
   Employed four fundamental elements of TEI in modeling the investment 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.

The Pipefy Customer Journey

Drivers leading to the Pipefy investment

Interviews				
Role	**Industry**	**Region**	**Revenue**	**Employees**
Global portfolio product manager	Professional services	EMEA HQ; global operations	>$10 billion	>10,000
Digital transformation and innovation director	Professional services	Regional subsidiary; EMEA HQ; global operations	>$10 billion	>10,000
Head of application management	CPG	EMEA HQ; global operations	$1 billion to $10 billion	>10,000
Digital and IT process improvement coordinator	Industrial manufacturing	LATAM HQ; global operations	<$500 million	5,000 to 10,000

KEY CHALLENGES

Before adopting Pipefy, the interviewees noted their organizations faced challenges finding a dedicated, scalable, and modern process automation solution that could meet all their requirements. Many tasks were performed manually by line-of-business employees across departments, and the development of automated processes by the IT team was both time-consuming and expensive, resulting in lengthy rollout periods.

The interviewees noted how their organizations struggled with common challenges, including:

- **Long manual processes for line-of-business users.** Before implementing Pipefy, the interviewee's line-of business users struggled with time-consuming manual tasks. Existing processes were either inadequately automated or not automated at all. As a result, business users spent valuable time on redundant operations.
- **Decentralized processes.** Interviewees reported that the absence of a dedicated digital process automation platform led to decentralized and often

manual processes alongside a lack of centralized resources for managing workflows and automations.

- **Poor UX.** The interviewees' previous environments suffered from several user experience issues. Lengthy deployment times for automations, ticket-based requests with limited progress visibility, and manual tasks all contributed to a poor experience for business users, as well as task requesters and end customers. The absence of a scalable, modern low-code/no-code solution also impacted the IT team's experience. The lack of autonomy for business users to create simple automations resulted in IT handling a significant volume of simple, low-value requests.
- **Long rollout periods to create workflows, customizations, and automations.** Prior to employing Pipefy, the interviewees' organizations were forced to take a multistep approach to the development and deployment of automations, which resulted in lengthy rollout periods. The absence of low-code/no-code capabilities and the inability to replicate certain workflows further hindered the development process of automations.
- **Limited customizations.** In the interviewees' organizations' previous workflow environments, automation customization options were restricted. Prolonged development cycles hindered the ability to tailor automations to specific and complex business needs. As a result, the interviewees' organizations faced limitations in adapting processes to unique requirements, impacting overall efficiency and agility.
- **Limited coverage of processes and workflows.** The interviewees' previous solutions failed to automate certain critical processes and could not adapt to changing needs of the business, resulting in persistent manual workarounds.
- **Limited integrations.** The lack of integrations in the interviewees' organizations' previous environments posed challenges due to siloed data and disjointed processes.

SOLUTION REQUIREMENTS

The interviewees' organizations searched for a solution that could:

- Automate repetitive and complex tasks.
- Be flexible and adapt to the business' changing needs.
- Increase the speed and velocity of processes deployment.
- Enable business users to take ownership of process automation while IT maintained oversight and governance.

> "The main driver of choosing Pipefy is the ability to shift responsibilities to the business. With Pipefy, the business teams can start basic processes from scratch. We can be really agile, and they no longer need to reach out to IT to active or deactivate simple processes."
>
> HEAD OF APPLICATION MANAGEMENT, CPG

> "We brought Pipefy in as a flexible and fast solution to implement workflows and orchestrate decentralized processes."
>
> DIGITAL TRANSFORMATION AND INNOVATION DIRECTOR, PROFESSIONAL SERVICES

COMPOSITE ORGANIZATION

Based on the interviews, 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 four interviewees, 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 is an industry-agnostic organization with global operations that is headquartered in North America. The composite generates $1 billion in annual revenue with an employee base of 5,000 people.

Deployment characteristics. The composite deploys Pipefy for business processes automatization and orchestration across several teams and departments. IT develops 12 business processes per year with the solution, impacting directly a total of 180 line-of-business employees every year. It creates six automations per process per year on average. It has 80 Pipefy licenses in Year 1 that are applied to employees who can create processes and automations or work directly on the process resolution. Its number of licensed users increases in Years 2 and 3.

KEY ASSUMPTIONS

$1 billion revenue

5,000 employees

HQ in the US with global operations

Deploys 12 processes per year with Pipefy

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Benefits						
Ref.	**Benefit**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Atr	Manual effort savings	$511,680	$1,023,360	$1,535,040	$3,070,080	$2,464,214
Btr	IT cost avoidance and savings	$34,391	$48,235	$62,079	$144,705	$117,769
	Total benefits (risk-adjusted)	$546,071	$1,071,595	$1,597,119	$3,214,785	$2,581,983

MANUAL EFFORT SAVINGS

Evidence and data. The interviewees mentioned that before the investment in Pipefy, their organizations faced scalability challenges to automate processes. As a result, line-of-business employees were burdened with manual tasks for simple and repetitive processes, such as sending emails, filling forms, and seeking approvals and updates, that could have otherwise been automated. Moreover, the solutions in place were outdated and lacked modern automation capabilities, requiring manual interventions even for automated tasks. The interviewees reported that with Pipefy, their organizations gained the ability to automate repeatable tasks and processes as well as more complex tasks with modern capabilities. As a result, they could streamline workflows, ensure consistency, and obtain efficient, scalable process automations across departments, resulting in what added up to significant time savings for business users in their day-to-day activities.

- The head of application management at a CPG company described the impact of Pipefy's automations on their business users: "With Pipefy, we free up time in the business. … For every use case, the effect is immediate. We can save a few days per month up to a few weeks for these processes being automated. It's almost invisible."
- This interviewee further described the time savings gained due to automating processes with Pipefy: "Pipefy allows us to focus on more important tasks and

unlock business potential that we couldn't access before because we were buried in a manual workload. … There are so many business processes we can optimize; we just need to pick our priority."

- The digital transformation and innovation manager at a regional subsidiary of a global professional services firm highlighted how Pipefy enabled their organization to automate difficult and lengthy processes: "There are a lot of complex processes and automations that we run on Pipefy that we wouldn't be able to do just over email or with other solutions. … With Pipefy, it's very quick and easy."

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

- Processes impact 180 unique employees in business roles in Year 1, 360 in Year 2, and 540 in Year 3.
- Pipefy's automations replace 10 manual tasks per impacted business employee on average.
- Prior to implementing Pipefy, each of the manual tasks took an average of 10 minutes to be completed.
- Pipefy reduces the manual workload by 40% on average.
- The fully burdened hourly rate for employees responsible for these manual processes is $41.

Risks. The improvement in manual efforts to create and track tasks will vary depending on:

- The number of processes and automations developed with Pipefy.
- The number of individual employees impacted by processes and the volume of tasks created by each employee.
- The number of tasks replaced with Pipefy's processes and automations per employee.
- The amount of time devoted to the completion of each manual task before the investment in Pipefy.
- The salary rates of employees impacted by Pipefy's processes and automations.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 20%) of $2.5 million.

Reduction in manual workload with Pipefy's automations

40%

"With Pipefy, we can uncover new potential we couldn't explore in the past."

HEAD OF APPLICATION MANAGEMENT, CPG

Manual Effort Savings					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Number of individual employees impacted by Pipefy	Interviews	180	360	540
A2	Average number of daily manual tasks performed by employees automated by Pipefy	Interviews	10	10	10
A3	Average time per manual task prior to Pipefy (minutes)	Interviews	10	10	10
A4	**Subtotal: Annual time spent per employee on manual tasks prior to Pipefy (minutes)**	**A2*A3*260 working days**	**26,000**	**26,000**	**26,000**
A5	Time reduction with Pipefy processes and automation	Interviews	40%	40%	40%
A6	**Subtotal: Time savings per line of business employee with Pipefy (hours)**	**A4*A5/60**	**173**	**173**	**173**
A7	Fully burdened hourly rate for line of business FTE	TEI standard	$41	$41	$41
A8	Manual efforts savings with Pipefy	A1*A6*A7	$1,279,200	$2,558,400	$3,837,600
A9	Productivity recapture rate	Assumption	50%	50%	50%
At	Manual effort savings	A8*A9	$639,600	$1,279,200	$1,918,800
	Risk adjustment	↓20%			
Atr	Manual effort savings (risk-adjusted)		$511,680	$1,023,360	$1,535,040
	Three-year total: $3,070,080			**Three-year present value: $2,464,214**	

IT COST AVOIDANCE AND SAVINGS

Evidence and data. Interviewees noted that Pipefy enabled their IT team to drastically reduce the effort required for developing solutions around processes and workflow automations. They highlighted Pipefy's flexibility, integration capabilities, ease of use, and ability to replicate and configure existing processes and automations, thereby accelerating development. The low-code/no-code features of Pipefy also allowed IT to delegate some automation tasks to business users, reducing the IT team's workload on low-complexity requests and enabling them to focus on higher-value tasks and projects, while also allowing their organizations to embrace the concept of citizen developers. Additionally, they retired some legacy solutions and manual workarounds that could no longer adapt to their automation needs.

- The global portfolio product manager at a professional services firm described the impact of Pipefy on their IT development process: "With Pipefy, we can make

rule changes much faster, and they don't have to go through a release because we have changed from development to configuration. We are now operating in a way that has reduced dependency on the IT department."

- This interviewee also noted shorter times during initial phases of development: "We can prototype and test our solutions much faster. … If there is an idea or requirement coming from business, we are able to showcase it and build a prototype solution very fast. We can mock up integrations by using Pipefy's import function, so we can now showcase what the automation will look like when deployed. We can also create these prototypes without leaning on IT to build anything during that phase."
- The head of application management at a CPG highlighted Pipefy's flexibility and the reusability of automated processes. This transition from custom development to configuration contributed to faster development of automated processes compared to their previous workflow environment. The interviewee said: "We used to have local, custom-developed solutions that existed because some people had priorities to optimize certain processes; since they were custom developed, however, we couldn't reuse them in other countries or scenarios. With Pipefy, we are truly flexible. We can take lessons we've learned from one country and apply them to another. And if there are any different legal requirements from one country to another, we can adapt quickly. So suddenly it's no longer custom developed; it's just out-of-the-box processes."
- The digital transformation and innovation director at a regional subsidiary of a professional services company noted: "With Pipefy, we start a project with the solution already built in; we don't have to reconstruct a workflow or process. It's very fast to create a workflow. … We see a 15% increase in productivity with Pipefy by itself. When thinking about intelligent orchestration between Pipefy and other platforms, that rises to 40% to 50% increase in productivity."
- The digital and IT process improvement coordinator at an industrial manufacturing firm said: "With Pipefy, it's easier and faster to develop processes. It's also easy and fast to customize any parts of a workflow that's already implemented. … It is at least 50% faster than our previous setup from a workflow development perspective [and] from a process visualization and reporting perspective as well.

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

- The composite organization creates 12 processes per year with Pipefy.
- It creates 72 automations in Year 1, 144 in Year 2, and 216 in Year 3.
- Before Pipefy implementation, the average time spent to develop a single process was 20 hours.
- With Pipefy, the average time spent developing a single process is cut in half.
- Prior to Pipefy, the average time spent creating a single automation was 4 hours.
- With Pipefy, the average time spent developing a single automation is halved.
- With Pipefy, business users gradually take on a share of automation development previously handled by IT. They take on a 15% share in Year 1, 18% in Year 2, and 20% in Year 3.
- The fully burdened hourly rate for a developer is $88.

Risks. The improvement in manual efforts to create and track tasks will vary depending on.

- The organization’s previous environment and cost of legacy solutions.
- The organization’s previous efforts to develop processes and automations.
- The number of workflows and automations created with Pipefy.
- The salary rates of IT team employees.
- The share of automations created by IT and business users.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of %118,000.

Reduction in process automation development time

50%

“With Pipefy, we are able to deploy much faster. Before, deployment required code release, so it often took a while before the users could put their hands on the solution. Now, we are able to clone workflows and configure them easily.”

GLOBAL PORTFOLIO PRODUCT MANAGER, PROFESSIONAL SERVICES

IT Cost Avoidance And Savings					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Number of hours IT spends to create a single process prior to Pipefy	Composite	20	20	20
B2	Reduction in development time IT dedicates to create a process with Pipefy	Interviews	50%	50%	50%
B3	Number of new processes created with Pipefy	Composite	12	12	12
B4	IT labor cost avoidance with Pipefy (hours)	B1*B2*B3	120	120	120
B5	Fully burdened hourly rate for a developer	TEI standard	$88	$88	$88
B6	**Subtotal: Processes development cost avoidance with Pipefy**	**B4*B5**	**$10,560**	**$10,560**	**$10,560**
B7	Number of yearly process automations built with Pipefy	Interviews	72	144	216
B8	Average time spent by IT per automation prior to Pipefy (hours)	Interviews	4	4	4
B9	Reduction in time per automation with Pipefy (hours)	Interviews	2	2	2
B10	Reduction in IT dependency with Pipefy for process automations	Interviews	15%	18%	20%
B11	IT time savings on process automations (hours)	((B7*B8)-(B7*B9))* 100-B10	166	331	497
B12	**Subtotal: IT labor savings on process automations**	**B11*B5**	**$14,573**	**$29,146**	**$43,718**
B13	Yearly cost of retired solutions	Interviews	$3,068	$3,068	$3,068
B14	Consulting fees from previous environment	Interviews	$8,000	$8,000	$8,000
B15	**Subtotal: Legacy systems retirement**	**B13+B14**	**$11,068**	**$11,068**	**$11,068**
Bt	IT cost avoidance and savings	B6+B12+B15	$36,201	$50,774	$65,346
	Risk adjustment	↓5%			
Btr	IT cost avoidance and savings (risk-adjusted)		$34,391	$48,235	$62,079
	Three-year total: $144,705			**Three-year present value: $117,769**	

UNQUANTIFIED BENEFITS

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

- **Reduced rollout deployment times.** Interviewees noted that Pipefy contributed to a significant reduction in deployment times for automated processes. They highlighted the replicability of processes, which helped eliminate lengthy

development steps. In addition, Pipefy's low-code/no-code approach enabled those business users with little development knowledge to create simple automations and rules, therefore eliminating the need for IT intervention and resulting in shorter development cycles. The global portfolio product manager at a professional services firm said: "To deploy a simple rule, it took us three weeks with additional time for the release window [prior to Pipefy]. So it was sometimes one to two months until a rule was deployed. With Pipefy, this has immensely reduced. It has transformed the business and how we operate it. As the business is changing, requesters are now expecting the change the day after."

The digital transformation and innovation director at a regional subsidiary of a professional services company noted: "It's very fast to create a workflow [with Pipefy]. A simple process might take one day or a more complex one might take a few days depending on the complexity, APIs, and number of forms." The digital and IT process improvement coordinator at an industrial manufacturing firm highlighted the ability to configure existing automations, accelerating the deployment process. They said: "With Pipefy, it's easy to develop a process quickly and customize any part of a workflow that is already implemented. It's also easy to scale and duplicate workflows, only needing to apply customizations."

- **Enhanced focus on higher-value tasks for IT.** Interviewees mentioned that by freeing up IT resources from simple requests and activities, their organizations' IT teams were able to dedicate more time to high-value initiatives. The global portfolio product manager at a professional services firm said: "We now have a huge backlog of new solutions we can build. Before, most requests coming to IT were low complexity. We got rid of them because of the simplicity of Pipefy. Now our roadmap backlog is very different. It's about 'Let's integrate this genAI [generative AI] tool,' or 'Let's integrate this AI model.' For the product team, it's more meaningful, value-added work."
- **Increased ease of integration with environments.** The interviewees highlighted the seamless integrations of Pipefy with their existing structures and environments, contributing to enhanced data flow, collaboration, and efficiency. The global portfolio product manager at a professional services firm said: "Because Pipefy is so easy to integrate and very flexible in how we can configure it, we were able to create a very modular design structure. This is something that

we could have maybe done ourselves, but at a much higher cost because we'd have to build all the integrations features. With Pipefy, we just got this out of the box."

- **Improved employee and user experience.** All interviewees praised the improved employee and user experience resulting from the implementation of Pipefy within their organizations. They highlighted the ease of use of the low-code/no-code capabilities and the automations it provided to users. The digital and IT process improvement coordinator at an industrial manufacturing firm highlighted the simple layout of the solution and the improved accessibility: "Pipefy's simple layout and the fact that users can access the platform allows for easier use and for more suggestions for improvements. We didn't have that before, and that improved the user experience." The global portfolio product manager at a professional services firm highlighted the impact of the low-code/no-code capabilities of Pipefy on user experience: "Since we made the migration to Pipefy, we see that end users like it and enjoy working with it. They are even asking if they can be operators of the solution. They really like this low-code/no-code aspect of the solution."
- **Augmented visibility over processes.** Pipefy equipped the interviewees' organizations with a single, central view and orchestration point for their different processes and automations across departments and use cases. With the Pipefy solution, the interviewees' organizations have gained visibility into the progress of automated requests, contributing to improved decision-making. The digital and IT process improvement coordinator at an industrial manufacturing firm noted: "Pipefy gives us a lot of visibility into processes and [development] stages. It allows us to see where the requests are in real time, make decisions faster, and be more agile. It provides better information transparency, reliability, and accountability." The digital transformation and innovation director at a professional services provider said, "Pipefy is very good for complex projects with multiple and scattered inputs of information across departments."
- **Improved activity expansion.** Some of the interviewees mentioned that because of Pipefy's agility and the possibility to automate processes without significant development investments or efforts, they were able to adapt the solution to their business needs, ultimately supporting their activity expansion into new regions. The digital and IT process improvement coordinator at an

industrial manufacturing firm noted, “With Pipefy, we gained a more robust solution that allowed us to scale up and support more departments within our business, including our international expansion.”

> “Before, it was taking sometimes one to two months for a simple rule to be deployed because of the production process and release window. With Pipefy, it has immensely reduced. This has literally transformed the business and how we operate it.”
>
> **GLOBAL PORTFOLIO PRODUCT MANAGER, PROFESSIONAL SERVICES**

> “Pipefy gave us visibility and control over our processes. We now have a centralized view of all the information, and we can track it, audit it, and scale and amplify our international presence.”
>
> **DIGITAL AND IT PROCESS IMPROVEMENT COORDINATOR, INDUSTRIAL MANUFACTURING**

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Pipefy and later realize additional uses and business opportunities, including the ability to cover new business processes as well as the ability to reproduce some existing workflows and processes across different countries, regions, and departments within an organization. All the interviewees praised Pipefy's flexibility and integration capabilities, ultimately enabling them with great potential to explore new opportunities.

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

> "[With Pipefy], the opportunities are endless. … There are so many business processes we can optimize; it's just a matter of priorities."
>
> HEAD OF APPLICATION MANAGEMENT, CPG

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**
Ctr	Implementation costs	$121,571	$0	$0	$0	$121,571	$121,571
Dtr	Internal labor dedicated to solution management	$0	$165,038	$191,404	$217,965	$574,406	$471,979
Etr	License costs	$0	$40,320	$50,400	$60,480	$151,200	$123,747
	Total costs (risk-adjusted)	$121,571	$205,358	$241,804	$278,445	$847,177	$717,297

IMPLEMENTATION COSTS

Evidence and data. Interviewees described the implementation and deployment of Pipefy. The cost of implementation included the following:

- Internal IT resources and efforts to deploy the solution over a few weeks.
- Training of business developers on the low-code/no-code solution over a few weeks.
- A one-time, fixed deployment fee charged by Pipefy. This cost varied based on the number of automations and integrations created with Pipefy.

Modeling and assumptions. To calculate this cost, Forrester assumes the following about the composite organization:

- Two IT developers are fully dedicated to the implementation and deployment of Pipefy over eight weeks.
- The fully burdened weekly rate for an IT developer is $3,520.
- Fifteen line-of-business users are taking part in the initial training and dedicate 50% of their time to training over four weeks.

- The average weekly fully burdened salary of a line-of-business user employee is $1,640.

Risks. This cost will vary with:

- The previous environment and ecosystem.
- IT resources and salaries.
- Business users' knowledge of low-code/no-code solutions.
- Business users' salaries.
- The number of automations and integrations created with Pipefy.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $122,000.

Implementation Costs						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
C1	IT developers on implementation team (FTEs)	Interviews	2			
C2	Fully burdened weekly rate for an IT developer salary	TEI standard	$3,520			
C3	Implementation duration (weeks)	Interviews	8			
C4	**Subtotal: Implementation labor costs**	**C1*C2*C3**	**$56,320**	**$0**	**$0**	**$0**
C5	Lines of business FTEs trained during implementation	Interviews	15			
C6	Training duration (weeks)	Interviews	4			
C7	Time share dedicated to training	Interviews	50%			
C8	Fully burdened weekly rate for a line-of-business user	Interviews	$1,640			
C9	**Subtotal: Training costs**	**C5*C6*C7*C8**	**$49,200**	**$0**	**$0**	**$0**
C10	One-time onboarding fee	Interviews	$4,999			
Ct	Implementation costs	C4+C9+C10	$110,519	$0	$0	$0
	Risk adjustment	↑10%				
Ctr	Implementation costs (risk-adjusted)		$121,571	$0	$0	$0
	Three-year total: $121,571			**Three-year present value: $121,571**		

INTERNAL LABOR DEDICATED TO SOLUTION MANAGEMENT

Evidence and data. Interviewees mentioned that there were internal labor efforts associated with the integration, monitoring, relationship management, and use of Pipefy.

Modeling and assumptions. To calculate this cost, Forrester assumes the following about the composite organization:

- The equivalent of one IT project manager FTE is dedicated to the ongoing integration, monitoring, and relationship management of Pipefy.
- The average fully burdened annual salary for an IT project manager is $126,419.
- The equivalent of one-quarter of a line-of-business manager FTE is dedicated to monitoring the solution and processes in Year 1. The equivalent of half an FTE is dedicated to monitoring the solution and processes in Year 2, while the equivalent of three-quarters is dedicated in Year 3.
- The average fully burdened annual salary for a line-of-business manager is $90,917.
- Line-of-business users dedicate 22 hours to develop automations in Year 1, 52 hours in Year 2, and 86 hours in Year 3.
- The fully burdened hourly rate for a line-of-business employees is $41.

Risks. This cost will vary with:

- The internal labor dedicated to ongoing integration, monitoring, relationship management, and automation development.
- The roles involved in those tasks.
- The salary rate of employees dedicated to these tasks.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $472,000.

Internal Labor Dedicated To Solution Management						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
D1	IT project manager headcount for ongoing integration, monitoring, and relationship management (FTE)	Interviews		1	1	1
D2	Fully burdened annual salary for an IT project manager	TEI standard		$126,419	$126,419	$126,419
D3	Line-of-business managers monitoring the solution and processes (FTE)	Interviews		0.25	0.5	0.75
D4	Fully burdened annual salary for a line-of-business manager	TEI standard		$90,917	$90,917	$90,917
D5	Number of hours spent by line-of-business users to create automation	B10*(B7*B9)		22	52	86
D6	Fully burdened hourly rate for a line-of-business users	A7		$41	$41	$41
Dt	Internal labor dedicated to solution management	(D1*D2)+(D3*D4) +(D5*D6)		$150,034	$174,003	$198,150
	Risk adjustment	↑10%				
Dtr	Internal labor dedicated to solution management (risk-adjusted)		$0	$165,038	$191,404	$217,965
	Three-year total: $574,406			**Three-year present value: $471,979**		

LICENSE COSTS

Evidence and data. The interviewees described the existing licensing costs attributed to Pipefy as comprehensive and cost-effective. They mentioned that Pipefy's licensing cost structure was based on the number of licensed users who could create and modify automations, processes, and rules.

- All interviewees' organizations paid a license fee to Pipefy on a monthly basis.
- The interviewees noted that the license fee was only applied to employees who could create and customize processes and automations.
- The interviewees also noted that the licensing cost included modular packages of automations, integrations, dedicated support, and training. The digital and IT process improvement coordinator at an industrial manufacturing company explained: "With the legacy solution, … certain capabilities would need an extra license, which are now included with Pipefy."

Modeling and assumptions. To calculate this cost, Forrester assumes the following about the composite organization:

- The composite organization falls within Pipefy's enterprise cost category.
- The composite organization starts with 80 licenses in Year 1, increasing to 100 in Year 2 and 120 in Year 3.
- The composite pays a monthly fee of $40 per license.

Risks. This cost will vary with the number of licenses and respective fees to Pipefy.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 5%) of $124,000.

> "Pipefy has a fair license model. Only the people who are actually doing the work are licensed; the people triggering a process are not subject to a license."
>
> HEAD OF APPLICATION MANAGEMENT, CPG

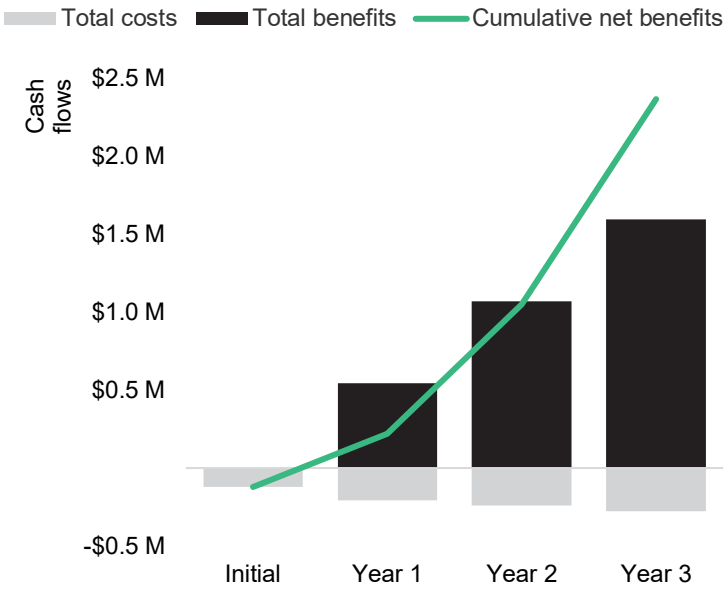
License Cost

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Number of licenses	Composite	0	80	100	120
E2	Monthly price per license	Interviews	0	$40	$40	$40
Et	License cost	E1*E2*12 months	$0	$38,400	$48,000	$57,600
	Risk adjustment	↑5%				
Etr	License cost (risk-adjusted)		$0	$40,320	$50,400	$60,480
	Three-year total: $151,200			**Three-year present value: $123,747**		

Financial Summary

Consolidated Three-Year, Risk-Adjusted Metrics

Cash Flow Chart (Risk-Adjusted)



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

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($121,571)	($205,358)	($241,804)	($278,445)	($847,177)	($717,297)
Total benefits	$0	$546,071	$1,071,595	$1,597,119	$3,214,785	$2,581,983
Net benefits	($121,571)	$340,713	$829,791	$1,318,674	$2,367,608	$1,864,686
ROI						260%
Payback						<6 months

APPENDIX A: TOTAL ECONOMIC IMPACT

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

Total Economic Impact Approach

Benefits represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.

Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

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

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."

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.

Net Present Value (NPV)

The 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.

Return on investment (ROI)

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%.

Payback period

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

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.

APPENDIX B: SUPPLEMENTAL MATERIAL

Related Forrester Research

A Buyers' Guide To Digital Process Automation, Forrester Research, Inc., February 9, 2024.

Use 10 Criteria To Choose Your Process Automation Platform, Forrester Research, Inc., June 2, 2023.

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 vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

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