# The Total Economic Impact™ Of Adobe Learning Manager

Cost Savings And Business Benefits Enabled By Adobe Learning Manager

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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

**The role of learning platforms is expanding beyond traditional compliance training. Today, learning management systems (LMS) and learning experience platforms (LXP) are essential tools for supporting a wide range of organizational priorities, from employee upskilling to partner enablement and customer education. As learning becomes increasingly integrated into business operations, business leaders demand for solutions that align learning with measurable business outcomes.**

Adobe Learning Manager is a cloud-based LMS that enables organizations to deliver, manage, and track training for employees, partners, and customers. It supports personalized learning experiences through AI-driven content recommendations and streamlined administration with automation and integration features. The platform helps reduce manual effort, improve learner engagement, and align learning programs with business goals.

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

Return on investment (ROI)
**337%**

Net present value
**$3.1M**

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five decision-makers with experience using Adobe Learning Manager. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a global, industry-agnostic organization headquartered in the US with worldwide operations, and rakes in $5 billion in annual revenue. It uses the Adobe Learning Manager to support internal training, customer education, and partner enablement that serves 20,000 internal employees, 20,000 customer learners, and 10,000 partner learners respectively.

Interviewees shared that prior to adopting Adobe Learning Manager, their organizations relied on legacy LMS solutions that had limited functionality and manual processes. These

shortcomings negatively impacted the experience of learners, instructors, and learning administrators alike. Manual systems made it difficult to manage the full course lifecycle, track learner progress, and support modern content formats such as mobile learning and microlearning. The use of multiple disconnected platforms across departments further fragmented the learning environment and limited scalability. Learners often faced outdated and unintuitive interfaces that hindered engagement, while instructors and administrators struggled with inefficient and time-consuming workflows.

After investing in Adobe Learning Manager, interviewees reported a streamlined management of the course lifecycle, which included content publishing, updates, learner support, and administrative oversight. Onboarding processes also improved through automated user and course assignments, which reduced manual effort for administrators. Instructors benefited from digitized workflows for routine tasks such as attendance tracking and performance evaluations, which saved time and improving consistency. Learners experienced a more intuitive and engaging platform, which helped drive stronger employee performance, more effective partner enablement, and incremental profit from monetized external training programs.

## KEY FINDINGS

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

- **Productivity gains from streamlined course publishing, maintenance, and support, worth $1.9 million.** Adobe Learning Manager helps the composite organization streamline content creation, simplify updates, and improve learner usability. These reduce the time and effort required to publish courses and maintain learning content, while also lowering support ticket volume related to learning course work.

- **Time savings in instructor administration, worth $941,000.** Adobe Learning Manager digitizes and centralizes routine processes — for example, by automating attendance capture for live sessions and enabling bulk completion of evaluation checklists — which reduces the time instructors spend on administrative tasks. This eliminates the need for manual records or separate tools.

- **Cost savings from decommissioning legacy learning management software, worth $528,000.** The composite organization adopts Adobe Learning Manager as its primary LMS, allowing it to fully retire its legacy system and eliminate its associated licensing costs.

- **Incremental partner-driven profits, worth $394,000.** Adobe Learning Manager enhances training access, usability, and navigation, which helps the composite's partner network improve their performance and revenue — a portion of which flows back to the composite organization.

- **Productivity uplift from streamlined learner onboarding and offboarding administration, worth $199,000.** Adobe Learning Manager automates routine tasks such as user and course assignment and the removal of inactive users for all new hires, which reduces manual effort at scale. New specialized hires, who require more complex evaluation processes, also realize additional productivity gains with a centralized and automated assessment administration.

- **Additional profit generated from monetizing external online courses, worth $113,000.** Adobe Learning Manager enables the composite organization to monetize external learning programs to customers. Improved learner experience and intuitive navigation increases the number of customer course completions for paid offerings, which drives incremental profit. Additionally, on-demand access and the ability to preview courses without account registration enable greater customer engagement and usage flexibility, which also drive incremental profits from online sales training.

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

- **Enhanced user experience across learners, learning administrators, and instructors.** Adobe Learning Manager enhances learner engagement through improved accessibility, an intuitive user interface, and gamification features. Learners benefit from having centralized access to training across devices, a streamlined interface, and simplified content discovery. Gamification features like dashboards and scorecards track progress and frequency of learning, and encourage motivation by rewarding completion. Integrated login capabilities also unify previously siloed systems to create a seamless and consistent user experience across platforms. Administrators and instructors enjoy a more efficient and user-friendly experience with automated course assignments, easier navigation, and simplified tools for managing tasks like attendance and performance tracking.

- **Increased employee upskilling.** Employees are encouraged to upskill as Adobe Learning Manager combines skills gap analysis with AI-driven course recommendations. This approach enables employees to identify development areas, track progress, and

engage with targeted learning content. This improves upskilling rates and reduces training time, which creates potential for lasting business impact.

- **Enhanced compliance reporting.** Adobe Learning Manager's robust reporting tools streamline oversight and offer clear visibility into training progress through Adobe's manager dashboards. This enables managers to act proactively and ensure regulatory requirements are met, while empowering employees to stay on top of compliance deadlines.

- **Greater scalability of offerings with strategic partnerships.** Adobe Learning Manager offers strategic partnerships with content providers and partners to enable delivery to a broad range of training offerings and learning formats through a single integrated platform. This integration extends through enterprise content management systems, customer relationship management (CRM) systems, human resource information systems (HRIS), and other enterprise platforms.

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

- **Internal deployment and maintenance costs of $296,000.** The composite organization deploys Adobe Learning Manager over a one-year period. It spends the first six months focused on implementation activities (e.g., user interface design, internal training, testing, and initial data migration) leading up to the go-live date. It spends the following six months dedicated to post-launch optimization, including completing data uploads, refining configurations, and expanding content. LMS administrators will continue to dedicate ongoing effort to manage Adobe Learning Manager after implementation, which includes tasks such as resolving platform-related issues and keep abreast of new features and updates.

- **Software licensing costs of $629,000.** The composite pays software licensing costs to access Adobe Learning Manager. This includes platform use cases such as internal training, customer education, and partner enablement.

The representative interviews and financial analysis found that a composite organization experiences benefits of $4.0 million over three years versus costs of $925,000, adding up to a net present value (NPV) of $3.1 million and an ROI of 337%.

"The previous team had selected an LMS that was lackluster from the start, particularly in terms of end-user experience. We received constant complaints about navigation and usability. These issues had a direct impact on the learner experience, which ultimately became the main reason [for our switch] to Adobe Learning Manager [as] improving end-user experience was a top priority."

**MANAGER OF EDUCATION AND TRAINING, HOSPITALITY**

Three-year, risk-adjusted PV of productivity gain from streamlined course publishing, maintenance and support

# $1.9 million

**ROI**

**337%**

**BENEFITS PV**

**$4.0M**

**NPV**

**$3.1M**

**PAYBACK**

**<6 months**

## Benefits (Three-Year

Productivity gains from streamlined course publishing, maintenance, and support — **$1.9M**

Time savings in instructor administration — **$940.7K**

Cost savings from decommissioning legacy learning management software — **$528.5K**

Incremental partner-driven profits — **$393.9K**

Productivity uplift from streamlined learner onboarding and offboarding administration — **$199.3K**

Additional profit generated from monetizing external courses — **$113.1K**

## 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 Adobe Learning Manager.

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 Adobe Learning Manager can have on an organization.

**DISCLOSURES**

Readers should be aware of the following:

This study is commissioned by Adobe 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 Adobe Learning Manager.

Adobe 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.

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

1. **Due Diligence**
   Interviewed Adobe stakeholders and Forrester analysts to gather data relative to Adobe Learning Manager.

2. **Interviews**
   Interviewed five decision-makers at organizations using Adobe Learning Manager 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 Adobe Learning Manager Customer Journey

Drivers leading to the Adobe Learning Manager investment

| Interviews | | | | |
| --- | --- | --- | --- | --- |
| **Role** | **Industry** | **Region** | **Use case** | **Number of learner licenses** |
| Learning consultant | Financial services and insurance | South Africa | Internal employee upskilling | 5,000 |
| Director of product training | Manufacturing | US | Partner education | 10,000 |
| Manager of education and training | Hospitality | Headquartered in the US with global operations | Partner education | 36,000 |
| Director of clinical services | Healthcare | US | Customer education | 35,000 |
| Head of learning and development | Technology services | Headquartered in India with global operations | Internal employee upskilling | 10,000 |

## KEY CHALLENGES

Prior to adopting Adobe Learning Manager, interviewees relied on legacy LMS that offered limited capabilities and poor user experience, which led to significant inefficiencies in managing learning across their organizations.

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

- **Poor user experience across learners, instructors, and administrators.** Interviewees reported that their legacy LMS was difficult to navigate and lacked user-friendly interfaces, which hindered learner engagement and made accessing training content a challenge. Learners struggled to stay engaged due to poor navigation, limited support for modern learning formats like mobile learning and microlearning, and difficulty accessing relevant content. LMS administrators faced inefficient workflows that made course maintenance, progress tracking, and report generation time-consuming and

prone to errors. Instructors also lacked efficient tools to manage administrative tasks such as tracking attendance and conducting evaluations.

- **Basic functions that lacked flexibility and advanced reporting capabilities.** Some interviewees shared that their legacy LMS lacked the flexibility to support modern learning formats like mobile learning or microlearning. Additionally, their legacy LMS' basic reporting tools offered little insight into learner progress or engagement, making it difficult to measure outcomes.

- **Inefficiency in course management due to manual processes.** When creating or updating courses, LMS administrators faced manual, time-consuming workflows that often involved multiple steps and coordination with intermediaries. Tasks such as duplicating modules across courses or learning paths and updating Sharable Content Object Reference Model (SCORM) or course files had to be done manually, which added to the administrative burden.

- **Fragmented learning experience.** Interviewees also shared that their organizations relied on multiple LMS providers across departments, which led to fragmented learning experiences, increased administrative overheads, and difficulties in unifying or scaling learning initiatives. These ultimately resulted in resource inefficiencies.

> "Our previous system could only do very basic reporting — like whether someone completed the training. But it couldn't show [us] whether they went through every slide or fully engaged [with the training content]. It was a very basic LMS."
>
> **LEARNING CONSULTANT, FINANCIAL SERVICES AND INSURANCE**

"We probably had somewhere between five to seven different systems used within the company by different segments. These platforms were often selected independently to meet specific departmental needs, resulting in a fragmented and inconsistent learning experience across the organization. So, part of the objective was certainly to bring that into a unified resource."

**DIRECTOR OF CLINICAL SERVICES, HEALTHCARE**

## SOLUTION REQUIREMENTS/INVESTMENT OBJECTIVES

The interviewees' organizations searched for a solution that could:

- Deliver seamless user experience for both learners and administrators.

- Provide comprehensive reporting and insights.

- Enable a blended learning experience by supporting classroom sessions and e-learning modules while enabling customization of learning paths.

- Monetize learning content by supporting e-commerce capabilities for external learners.

- Enable LMS integration with broader enterprise systems and workflows.

> "Our previous solution was highly template-driven with very limited flexibility — it wasn't really a full webpage, just a few pre-made layouts. We had almost no ability to customize the experience for our customers. As we're trying to grow our presence, I'd attribute some of that growth to the improved user interface, better navigation, and easier content discovery with Adobe Learning Manager. The earlier user experience was simply poor."
>
> **DIRECTOR, PRODUCT TRAINING, MANUFACTURING**

> "I had a very simple rule when sourcing a new LMS: A three-click rule. I needed users to get where they needed within three clicks. Adobe Learning Manager has met that — it's been a significant enhancement. Compared to our previous system, where it could take four, five, or even six clicks, users now reach what they need much faster."
>
> **MANAGER OF EDUCATION AND TRAINING, HOSPITALITY**

## 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 interviewees' 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 is a global, industry-agnostic organization headquartered in the United States with worldwide operations, and rakes in $5 billion in annual revenue. It leverages Adobe Learning Manager to support internal employee training, customer education, and partner enablement that serves 20,000 internal employees, 20,000 customer learners, and 10,000 partner learners respectively.

Learning delivery includes both self-paced content and instructor-led sessions, with instructors using Adobe Learning Manager to facilitate in-person and live virtual classes. The composite also generates revenue through two external channels: one from monetizing learning courses for customer learners, and another from channel partner-driven profits that contribute directly to the organization.

Prior to adopting the solution, the composite organization faced several challenges with its legacy LMS, resulting in poor experience for learners, instructors, and learning administrators. Learners encountered outdated, unintuitive, and fragmented platforms that limited engagement and lacked support for modern formats such as mobile learning and microlearning. Instructors lacked efficient tools for managing administrative tasks like attendance tracking and evaluations, while administrators faced limited functionality for user management, course assignment, and platform configuration.

**Deployment characteristics.** The composite begins deployment in a staggered approach over the course of one year. The first six months focuses on launching the solution, which includes the prioritization of key content and reworking outdated modules — at which point the platform goes live and becomes available for use. The next six months are dedicated to full implementation, which includes a rollout of the new user interface, migration of legacy data, and broader user onboarding.

**KEY ASSUMPTIONS**

# 20,000 internal employees
# 20,000 customer learners
# 10,000 partner learners

**INTERVIEW SPOTLIGHT**

**Enhanced Workforce Development With Personalized Skills Mapping And Learning Recommendations**

The head of learning and development at a technology services organization highlighted the impact of Adobe Learning Manager's ability to combine skills gap insights with AI-driven personalized course recommendations. This approach has helped employees at the organization identify their individual skill gaps and receive tailored course suggestions to address them. As a result, upskilling rates have improved and training time were reduced by 25%. This improvement is expected to drive their long-term business outcomes, including higher productivity and future revenue growth.

# 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 | Productivity gains from streamlined course publishing, maintenance, and support | $646,636 | $755,783 | $866,143 | $2,268,562 | $1,863,211 |
| Btr | Time savings in instructor administration | $327,191 | $381,722 | $436,254 | $1,145,167 | $940,683 |
| Ctr | Cost savings from decommissioned legacy learning management software | $212,500 | $212,500 | $212,500 | $637,500 | $528,456 |
| Dtr | Incremental partner-driven profits | $158,400 | $158,400 | $158,400 | $475,200 | $393,917 |
| Etr | Productivity uplift from streamlined learner onboarding and offboarding administration | $80,155 | $80,155 | $80,155 | $240,465 | $199,334 |
| Ftr | Additional profit generated from monetizing external courses | $34,650 | $46,200 | $57,750 | $138,600 | $113,070 |
| | Total benefits (risk-adjusted) | $1,459,531 | $1,634,761 | $1,811,202 | $4,905,494 | $4,038,671 |

## PRODUCTIVITY GAINS FROM STREAMLINED COURSE PUBLISHING, MAINTENANCE, AND SUPPORT

**Evidence and data.** Adobe Learning Manager delivered productivity gains across the course lifecycle, namely: publishing, maintenance, and help desk support. By streamlining content creation, simplifying updates, and improving learner usability, Adobe Learning Manager reduced the time and effort required to manage learning content and decreased the volume of support tickets the composite received.

- **Simplified learning course creation through content reusability.** The manager of education and training at the hospitality organization noted that Adobe Learning Manager significantly streamlined the creation of microlearning content at their organization. After adopting Adobe Learning Manager, modules and course assets could

now be uploaded once and reused across multiple courses, languages, and learning paths, which eliminated the need for manual duplication and tracking.

- **Reduced learning content maintenance effort with automated content propagation.** Interviewees emphasized that Adobe Learning Manager made it easier for their organizations to maintain learning content, including both SCORM file updates and general learning content corrections. Before using Adobe Learning Manager, employees were required to manually edit and reupload SCORM files in order to maintain a course each time a change is needed — these files often contained zipped files containing multimedia, structured metadata, and learner interaction logic. Adobe Learning Manager's automatic content propagation feature ensures that updates, whether to SCORM files or embedded assets, are applied across all linked courses and learning paths to minimize repetitive tasks and administrative effort.

- **Fewer help desk support tickets received as learner experience improved.** The manager of education and training at the hospitality organization noted that before Adobe Learning Manager, most help desk support tickets related to learning course work stemmed from poor navigation and manual course assignment issues. Enhancements to the learner interface and course navigation reduced these recurring support needs and led to a fall in the number of help desk ticket submissions.

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

- It publishes 450 new learning courses annually that serves internal employees, partners, and customer learners.

- Adobe Learning Manager increases time savings for publishing and maintenance activities over time from 60% in Year 1, 70% in Year 2, to 80% in Year 3.

- Adobe Learning Manager reduces the number of help desk tickets related to learning coursework by 60% in Year 1, 70% in Year 2, and 80% in Year 3.

- The average resolution time per help desk ticket relating to learning coursework is eight minutes.

- One LMS administrator is responsible for course publishing, maintenance, and help desk support related to learning content.

- The average fully burdened hourly salary of an LMS administrator is $46.

- A productivity recapture rate of 50% is applied, under the assumption that not all time saved is fully realized as additional productive time.

**Risks.** This benefit may vary across organizations due to:

- The volume of new learning courses published annually, which is influenced by industry type, regulatory environment, and learning and development maturity.

- The productivity and efficiency of LMS administrators.

- The organization's processes for developing, updating, and maintaining learning content.

- The average resolution time for help desk tickets related to learning course content.

- Average fully burdened hourly salary of learning administrators.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $1.9 million.

Percentage of time saved for publishing and maintaining new content in Year 1

# 60%

Reduction in help desk support tickets related to learning course work in Year 1

# 60%

"We've included a lot of microlearning trainings, and Adobe Learning Manager has made it really easy to manage them through their content library. We can upload content once and reuse it across multiple courses, which makes building learning paths, modules, and courses much simpler. There is no need to manually track where each piece of content is used, which was a real nightmare. Now, it takes just five or six clicks to start building a course."

**MANAGER OF EDUCATION AND TRAINING, HOSPITALITY**

| | Productivity Gains From Streamlined Course Publishing, Maintenance, And Support | | | | |
|---|---|---|---|---|---|
| **Ref.** | **Metric** | **Source** | **Year 1** | **Year 2** | **Year 3** |
| A1 | New courses published annually | Composite | 450 | 450 | 450 |
| A2 | Time required to publish a new course before using Adobe Learning Manager (hours) | Interviews | 120 | 120 | 120 |
| A3 | Percentage of time saved for publishing each new content course after using Adobe Learning Manager | Interviews | 60% | 70% | 80% |
| **A4** | **Subtotal: Time saved annually for publishing content due to Adobe Learning Manager** | **A1*A2*A3** | **32,400** | **37,800** | **43,200** |
| A5 | Time required for content maintenance before implementing Adobe Learning Manager (hours) | Interviews | 300 | 400 | 500 |
| A6 | Percentage of time saved for content maintenance after using Adobe Learning Manager | Interviews | 60% | 70% | 80% |
| **A7** | **Subtotal: Time saved annually for content maintenance due to Adobe Learning Manager (hours)** | **A5*A6** | **180** | **280** | **400** |
| A8 | Help desk support tickets related to learning course work before Adobe Learning Manager | Composite | 6,200 | 6,200 | 6,600 |
| A9 | Percentage of reduction in tickets attributed to Adobe Learning Manager | Interviews | 60% | 70% | 80% |
| A10 | Average resolution time per help desk ticket relating to learning coursework (minutes) | Composite | 8 | 8 | 8 |
| **A11** | **Subtotal: Time saved annually in help desk support (hours)** | **A8*A9*A10/60** | **496** | **579** | **704** |

| A12 | Average fully burdened hourly salary of an LMS administrator | Composite | $46 | $46 | $46 |
|---|---|---|---|---|---|
| A13 | Productivity recapture rate | TEI methodology | 50% | 50% | 50% |
| At | Productivity gains from streamlined course publishing, maintenance, and support | (A4+A7+A11)*A12 *A13 | $760,748 | $889,157 | $1,018,992 |
| | Risk adjustment | ↓15% | | | |
| Atr | Productivity gains from streamlined course publishing, maintenance, and support (risk-adjusted) | | $646,636 | $755,783 | $866,143 |
| | **Three-year total: $2,268,562** | | **Three-year present value: $1,863,211** | | |

## TIME SAVINGS IN INSTRUCTOR ADMINISTRATION

**Evidence and data.** Adobe Learning Manager helped to reduce the time instructors spent on administrative tasks by digitizing and centralizing routine processes. Interviewees noted that instructors previously handled manual tasks such as paper-based attendance tracking and item-by-item performance evaluations. Adobe Learning Manager enabled bulk completion of evaluation checklists and automated attendance capture for live training sessions, which eliminated the need for separate tools or manual record processing.

- **Bulk result evaluation.** The director of product training from the manufacturing organization explained that their instructors could now complete student evaluation checklists in bulk, which eliminated the need to assess each checklist criterion individually. The interviewee highlighted that this is especially valuable in compliance-heavy industries, where training programs like machinery operation certifications require thorough validation of multiple performance elements. Adobe Learning Manager enabled their instructors to be able to mark all checklist items as completed with a few clicks and make edits as needed, reducing the effort from hundreds of clicks per student to just a few clicks per student.

- **Automated attendance across training platforms.** The director of clinical services at the healthcare organization highlighted how Adobe Learning Manager consolidated previously fragmented attendance workflows into a single, unified platform. Before adopting Adobe Learning Manager, their organization managed online and in-person training through two separate systems. Instructors captured attendance using paper sign-ins, mailed documents, and digital devices for signature collection. Each of these required manual processing by office staff. Adobe Learning Manager enabled them to

capture attendance digitally within the platform, automatically track course completions, and seamlessly issue certificates.

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

- It employs 75 instructors to deliver both in-person and online training to customer, partner, and internal employee learners.

- Prior to implementing Adobe Learning Manager, instructors used to spend an average of seven hours per week on administrative tasks related to course delivery and learner management.

- Adobe Learning Manager increasingly reduces instructor administrative workload over time due to automation and process efficiencies. Time savings are 60% in Year 1, 70% in Year 2, and 80% in Year 3.

- A 50% productivity recapture rate is applied.

- The average fully burdened hourly salary for an instructor is $47.

**Risks.** This benefit may vary across organizations due to:

- Number of instructors leading in-person and online classes.

- The instructor's productivity.

- Types or format of courses according to instructor.

- Average salary of an instructor.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $941,000.

Percentage of time saved by instructors on administrative tasks after implementing Adobe Learning Manager

**60%**

"Previously, we had to individually check off hundreds of items for each learner to meet legal equipment operation requirements — it was incredibly time-consuming. With the new system, we can complete evaluations in bulk with just a few clicks and make edits if needed. Instead of hundreds of clicks per learner, we're down to three or four."

DIRECTOR OF PRODUCT TRAINING, MANUFACTURING

| Time Savings In Instructor Administration | | | | | |
|---|---|---|---|---|---|
| Ref. | Metric | Source | Year 1 | Year 2 | Year 3 |
| B1 | Instructors conducting in person and online classes | Composite | 75 | 75 | 75 |
| B2 | Time each instructor spent on administrative tasks weekly before implementing Adobe Learning Manager (hours) | Composite | 7 | 7 | 7 |
| B3 | Percentage of time saved with Adobe Learning Manager | Interview | 60% | 70% | 80% |
| **B4** | **Subtotal: Time saved on administrative tasks across all instructors annually (hours)** | **B1*B2*B3*52** | **16,380** | **19,110** | **21,840** |
| B5 | Average fully burdened hourly salary of an instructor | Composite | $47 | $47 | $47 |
| B6 | Productivity recapture rate | TEI methodology | 50% | 50% | 50% |
| Bt | Time savings in instructor administration | B4*B5*B6 | $384,930 | $449,085 | $513,240 |
| | Risk adjustment | ↓15% | | | |
| Btr | Time savings in instructor administration (risk-adjusted) | | $327,191 | $381,722 | $436,254 |
| | Three-year total: $1,145,167 | | Three-year present value: $940,683 | | |

## COST SAVINGS FROM DECOMMISSIONING LEGACY LEARNING MANAGEMENT SOFTWARE

**Evidence and data.** Upon adoption, Adobe Learning Manager became the primary LMS for the composite organization. The composite fully retired its legacy learning management software, eliminating associated licensing costs for previous tools and platforms.

- The manager of education and training from the hospitality organization explained that their organization's legacy LMS was fully retired after their organization implemented Adobe Learning Manager. The previous solution had been selected by an earlier team and often drew complaints due to poor navigation and overall usability. These issues negatively impacted learners' experience, and became the primary reason for adopting Adobe Learning Manager for its positive learner's experience.

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

- It previously maintained a legacy LMS that supported training for internal employees, customer learners, and partner learners.

- The cost of this legacy system was $250,000 annually in license fees, consistent across all three years of the analysis.

- Adobe Learning Manager fully replaces and retires the legacy system.

**Risks.** This benefit may vary across organizations due to:

- Variance in the cost of the legacy solution.

- Variance in the time required to implement Adobe Learning Manager and transition away from legacy systems.

- Difference in overall IT infrastructure complexities.

- Variance in types and number of legacy point solutions.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $528,000.

| Cost Savings From Decommissioning Legacy Learning Management Software | | | | | |
|---|---|---|---|---|---|
| Ref. | Metric | Source | Year 1 | Year 2 | Year 3 |
| C1 | Cost of legacy LMS | Interviews | $250,000 | $250,000 | $250,000 |
| Ct | Cost savings from decommissioning legacy learning management software | C1 | $250,000 | $250,000 | $250,000 |
| | Risk adjustment | ↓15% | | | |
| Ctr | Cost savings from decommissioning legacy learning management software (risk-adjusted) | | $212,500 | $212,500 | $212,500 |
| | Three-year total: $637,500 | | Three-year present value: $528,456 | | |

## INCREMENTAL PARTNER-DRIVEN PROFITS

**Evidence and data.** The composite experienced incremental profit generated by Adobe Learning Manager due to an improved performance enabled across its partner network. These improvements were driven by enhanced access to training, easier navigation, and a better overall user experience enabled by Adobe Learning Manager.

- The manager of education and training from the hospitality organization shared that when partner hotels completed more trainings, they observed a measurable improvement in guest satisfaction. Training that were most associated with this uplift included sales and communication courses for front desk staff, training related to service recovery, security essentials, upselling techniques, and the organization's culture and brand standards program. This uplift was closely tied to the ease with which partners could access, navigate, and complete training through Adobe Learning Manager.

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

- Supports training across 1,000 partner organizations through Adobe Learning Manager.

- Improvements in the partner training experience contributes to a 3-point average increase in Net Promoter Score (NPS) among partner organizations.[2]

- For each 1-point increase in NPS, partner organizations realize an average of $12,000 in incremental annual revenue.

- It receives 5% of this partner-generated revenue as part of its revenue-sharing agreements.

- It has an operating margin of 11% that is applied to calculate the resulting profit impact.

**Risks.** This benefit may vary across organizations due to:

- The number of partner organizations supported by the composite for training through Adobe Learning Manager, and how actively those partners engage with the platform.

- The degree of improvement in the NPS that can be attributed to Adobe Learning Manager.

- The financial influence of NPS on partner revenues, which may vary by business model and market segment.

- The specifics of the revenue-sharing agreements between the composite organization and its partners.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $394,000.

> "With Adobe Learning Manager, our partner hotels can now access, navigate, and complete training much more easily. For example, one of our top-performing hotels had their NPS increased from 71 to 76. In another case, we observed a decrease in percentage of negative feedback as staff were better trained to handle difficult situations, which we believe contributed to improved experience and indirectly [contributed to] higher revenue."
>
> **MANAGER OF EDUCATION AND TRAINING, HOSPITALITY**

| **Incremental Partner-Driven Profits** | | | | | |
|---|---|---|---|---|---|
| **Ref.** | **Metric** | **Source** | **Year 1** | **Year 2** | **Year 3** |
| D1 | Partner organizations | Composite | 1,000 | 1,000 | 1,000 |
| D2 | Average increase in NPS score | Interviews | 3 | 3 | 3 |

| | | | | | |
|---|---|---|---|---|---|
| D3 | Average revenue increase tied to per NPS score increase | Interviews | $12,000 | $12,000 | $12,000 |
| D4 | Operating margin | TEI methodology | 11% | 11% | 11% |
| D5 | Percentage of partner's revenue paid to composite organization | Interviews | 5% | 5% | 5% |
| Dt | Incremental partner-driven profits | D1*D2*D3*D4*D5 | $198,000 | $198,000 | $198,000 |
| | Risk adjustment | ↓20% | | | |
| Dtr | Incremental partner-driven profits (risk-adjusted) | | $158,400 | $158,400 | $158,400 |
| | **Three-year total: $475,200** | | **Three-year present value: $393,917** | | |

## PRODUCTIVITY UPLIFT FROM STREAMLINED LEARNER ONBOARDING AND OFFBOARDING ADMINISTRATION

**Evidence and data.** The composite experienced time savings enabled by Adobe Learner Manager's automation of routine onboarding and offboarding tasks for all new hires, and realized additional savings for specialized roles that required more complex assessment administration.

Adobe Learning Manager reduced the manual workload associated with all learner onboarding at scale by automating tasks such as user and course assignment, and removed inactive users. Further efficiencies were achieved for new specialized hires through automated and centralized assessment administration.

- **Automated user assignment and inactive user removal for all hires.** The learning consultant from the financial services and insurance organization noted that Adobe Learning Manager eliminated the need for manual user assignment, where administrators previously had to manually search for each learner individually and assign them to their appropriate training paths. Now, new learners could automatically be enrolled in the correct learning tracks according to their roles and functions. Additionally, the platform identified and removed inactive users automatically, reducing the time spent on offboarding administrations.

- **Automated and centralized assessment administration for specialized hires.** In sectors with intensive onboarding needs (e.g., healthcare), Adobe Learning Manager has replaced manual, time-consuming assessment workflows with a fully automated, centralized process. The director of clinical services from the healthcare organization highlighted that learners previously submitted exam submissions as email attachments.

Administrators had to download each file, grade assessments manually, and send scores back individually, which resulted in slow turnaround times and heavy administrative overheads. With Adobe Learning Manager, learners could now complete assessments directly within the platform. Exam answers are scored automatically, feedback is delivered instantly, and all results are stored in one system, which reduced onboarding assessment administrative effort.

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

- It maintains a consistent employee base size of 20,000 employees and an average annual employee turnover rate of 10% across three years.

- Adobe Learning Manager saves 0.25 hours (i.e., 15 minutes) of administrative onboarding and offboarding support per new hire due to improved efficiencies.

- It hires 50 specialized roles annually, each requiring more extensive assessment. For these hires, Adobe Learning Manager streamlines the assessment administration process, resulting in a significantly higher time savings of 72 hours per hire compared to general onboarding activities.

- The average fully burdened hourly salary for an LMS administrator is $46.

- A 50% productivity recapture rate is applied.

**Risks.** The benefit may vary across organizations due to:

- Size and stability of the employee base.

- Annual employee turnover rate.

- Level of administrator productivity and efficiency during the onboarding process.

- Complexity and structure of the organization's onboarding workflows.

- Industry-specific factors (e.g., compliance needs, onboarding timelines, or role-specific training) that influence the onboarding process.

- Complexity of assessment requirements for specialized roles, particularly in regulated or technical fields.

- Average fully burdened hourly salary of a learning administrator.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $199,000.

| Ref. | Metric | Source | Year 1 | Year 2 | Year 3 |
|---|---|---|---|---|---|
| | **Productivity Uplift From Streamlined Learner Onboarding And Offboarding Administration** | | | | |
| E1 | Employees | Composite | 20,000 | 20,000 | 20,000 |
| E2 | Employee turnover rate | Composite | 10% | 10% | 10% |
| E3 | New hires per year | E1*E2 | 2,000 | 2,000 | 2,000 |
| E4 | Time saved in general onboarding and offboarding administration for each new hire (hours) | Interviews | 0.25 | 0.25 | 0.25 |
| E5 | **Subtotal: Time saved in general onboarding and offboarding administration for all new hires (hours)** | **E3*E4** | **500** | **500** | **500** |
| E6 | New specialized hires per year | Composite | 50 | 50 | 50 |
| E7 | Time saved in assessment administration of each specialized hire (hours) | Interviews | 72 | 72 | 72 |
| E8 | **Subtotal: Time saved in assessment administration of specialized hires** | **E6*E7** | **3,600** | **3,600** | **3,600** |
| E9 | Average fully burdened hourly salary of an LMS administrator | Composite | $46 | $46 | $46 |
| E10 | Productivity recapture rate | TEI methodology | 50% | 50% | 50% |
| Et | Productivity uplift from streamlined learner onboarding and offboarding administration | (E5+E8)*E9*E10 | $94,300 | $94,300 | $94,300 |
| | Risk adjustment | ↓15% | | | |
| Etr | Productivity uplift from streamlined learner onboarding and offboarding administration  (risk-adjusted) | | $80,155 | $80,155 | $80,155 |
| | Three-year total: $240,465 | | Three-year present value: $199,334 | | |

## ADDITIONAL PROFIT GENERATED FROM MONETIZING EXTERNAL ONLINE COURSES

**Evidence and data.** In addition to supporting training for internal employees and partners, the composite organization uses Adobe Learning Manager to deliver and monetize external learning programs to customer learners. An improved learner experience and intuitive platform navigation capabilities led to an increase in customer course completions for paid courses.

Furthermore, with on-demand access and the ability to preview courses without account registration, Adobe Learning Manager enabled the composite to drive incremental profit from its online sales training with greater customer engagement and usage flexibility.

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

- Prior to adopting Adobe Learning Manager, it utilized a legacy system that supported paid course offerings, which averaged online course monetization of 40,000 course completions annually.

- Following implementation, it experiences incremental growth in course completions that are attributable to improved learner engagement: 15,000 additional completions in Year 1, 20,000 in Year 2, and 25,000 in Year 3.

- Thirty-five percent of all course completions are associated with paid offerings.

- An operating margin of 11% is applied to calculate the resulting profit impact.

- The average price per paid course is $75.

**Risks.** This benefit may vary across organizations due to:

- Fluctuations in course completions by external customer learners.

- Variance in learner demand across different industries, audience, and time periods.

- Differences in course monetization strategies and pricing models.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $113,000.

> "Our online training revenue nearly doubled, and we would attribute about 20% of that growth to Adobe Learning Manager, driven by the improved user experience."
>
> **DIRECTOR OF PRODUCT TRAINING, MANUFACTURING**

| | | | | | |
|---|---|---|---|---|---|
| **Additional Profit Generated From Monetizing External Online Courses** | | | | | |
| **Ref.** | **Metric** | **Source** | **Year 1** | **Year 2** | **Year 3** |
| F1 | Course completions by partners and customers before using Adobe Learning Manager | Composite | 40,000 | 40,000 | 40,000 |
| F2 | Online course completions by partners and customers after using Adobe Learning Manager | Composite | 55,000 | 60,000 | 65,000 |
| F3 | Increase in number of online course completions | F2-F1 | 15,000 | 20,000 | 25,000 |
| F4 | Percentage of paid online courses | Interviews | 35% | 35% | 35% |
| F5 | Average price per paid online course | Interviews | $75 | $75 | $75 |
| F6 | Operating margin | TEI methodology | 11% | 11% | 11% |
| Ft | Additional profit generated from monetizing external online courses | F3*F4*F5*F6 | $43,313 | $57,750 | $72,188 |
| | Risk adjustment | ↓20% | | | |
| Ftr | Additional profit generated from monetizing external online courses (risk-adjusted) | | $34,650 | $46,200 | $57,750 |
| | **Three-year total: $138,600** | | **Three-year present value: $113,070** | | |

## UNQUANTIFIED BENEFITS

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

- **Enhanced user experience across learners, learning administrators, and instructors.** Interviewees highlighted significant improvements in accessibility and user interface, which drove learner engagement. Adobe Learning Manager's headless capability supported these improvements by allowing organizations to embed learning experiences directly into their existing brand portals, applications, or websites. This integration enabled learners to access training without switching to a separate platform and gave organizations the flexibility to deliver highly customized, brand-aligned experiences. The director of clinical services in the healthcare organization shared that their organization's learners could now access training seamlessly from either their mobile devices or work on computers as all mandatory internal courses were consolidated into a single, centralized platform, which contributed to a more consistent learning experience. The director of product training in the manufacturing organization also noted a noticeable boost in their organization's learner engagement, and attributed

it to Adobe Learning Manager's intuitive user interface, simplified navigation, and the ease of finding relevant content.

Gamification features (e.g., learner dashboards and scorecards that awarded points for course completions and a high learning frequency) added a motivating element to the learning experience by giving users a clear sense of progress and achievement. The head of learning and development in the technology organization shared: "The learner dashboard and scorecard introduced gamification by awarding points for course completion with point values that varied by course, creating a clear sense of progress and achievement. The gamification element has definitely motivated learners and enhanced the overall learning experience for our internal employees."

Additionally, the director of product training in the manufacturing industry shared that the integrated login capabilities of Adobe Learning Manager unified previously disconnected systems, which eliminated the friction of managing multiple accounts. This integration enabled a more seamless and cohesive user experience for learners across both training and product platforms.

Interviewees also reported a noticeably improved user experience for both learning administrators and instructors. For administrators, Adobe Learning Manager offered a more intuitive interface and streamlined workflows. The automation of user and course assignments reduced manual effort in tasks like course publishing, learner onboarding, and made tracking easier and less time-consuming. Instructors benefited from simplified tools for managing attendance, tracking performance, and delivering live sessions that could be accessed within a single, centralized platform. These improvements made their interactions with the system more efficient, consistent, and user-friendly.

- **Increased employee upskilling.** Interviewees reported an increase in employee upskilling at their organizations, driven by the integration of skills gap mapping and AI-based course recommendations. The head of learning and development in the technology industry noted that this approach has empowered employees to identify their skills gaps, set development goals, and follow tailored learning paths. The interviewee shared, "The rate of upskilling has improved as our training time reduced by 25% across our entire workforce, which is expected to ultimately drive revenue growth."

- **Enhanced compliance reporting.** Adobe Learning Manager's robust reporting tools enabled organizations to stay ahead of compliance deadlines and simplify oversight

across departments. By providing clear visibility into compliance training progress through manager dashboards, managers were enabled to take timely, informed action, which empowered organizations to meet regulatory requirements with greater confidence.

- **Greater scalability of offerings with strategic partnerships.** Interviewees noted that their organizations were able to significantly expand their learning offerings by leveraging Adobe Learning Manager's partnerships with leading content providers.

  The manager of education and training in the hospitality organization highlighted the impact of these partnerships in improving access to diverse training formats, stating: "Our partnership with [our content partner] has significantly expanded the breadth and depth of training available within Adobe Learning Manager. [Our content partner] brings a robust and extensive content library, offering a much more comprehensive offering that our partner hotels have been asking for, from leadership development to systems and technical training. Previously, these kinds of trainings would have required multiple separate purchases, but now they're seamlessly packaged and accessible in one integrated platform."

"The key benefit has been the ability to unify the user experience. Previously, we had separate logins and accounts for customers to access training and product sites, and our old system couldn't integrate them. Adobe Learning Manager allowed us to bring everything together, making the user experience much simpler."

**DIRECTOR OF PRODUCT TRAINING, MANUFACTURING**

> "We rely on frequent LMS reports to monitor compliance progress across divisions. Adobe Learning Manager's powerful reporting features made it easy to track who has started, who's completed, and who still needs to, enabling timely reminders and actionable data for managers. This efficiency has been critical in meeting our statutory compliance requirements."
>
> **HEAD OF LEARNING AND DEVELOPMENT, TECHNOLOGY**

## FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Adobe Learning Manager and later realize additional uses and business opportunities, including:

- **Strategic partnership for business growth.** Adobe's comprehensive suite of products positions it as a strategic partner for organizations seeking to scale their business. With a broad ecosystem of integrations across its various tools and platforms, Adobe enables seamless connections between learning, content creation, marketing, and data analytics. A key enabler of this integration is Adobe Learning Manager's headless capability, which allows learning experiences to be embedded directly into brand portals, applications, or websites, and eliminates the need for users to navigate to a separate learning platform. Regardless if they were using third-party content management systems (CMS) or Adobe experience manager sites, organizations were able to seamlessly unify the learning experience with their core brand offering. This integration empowers businesses to expand their offerings, enhance learner engagement, and drive sustainable growth by leveraging the full potential of Adobe's scalable solutions (e.g., Adobe Connect, Adobe Captivate, Adobe Experience Manager Sites and Marketo Engage).

- **Personalized learning to support scalable talent and business growth.** Adobe Learning Manager provides flexible skills mapping and AI-powered recommendations that can be tailored to different roles, departments, and organizational goals. This configurability allows administrators to align learning pathways with evolving and

expanding business needs, whether for new roles, shifting priorities, or changing industry requirements.

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

> "Scalability is one of the big drivers. Moving forward, I think Adobe will really become a partner to help us in the future."
>
> **DIRECTOR OF PRODUCT TRAINING, MANUFACTURING**

# 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** |
| Gtr | Internal deployment and maintenance costs | $150,457 | $153,842 | $3,386 | $3,386 | $311,070 | $295,655 |
| Htr | Software licensing costs | $0 | $253,000 | $253,000 | $253,000 | $759,000 | $629,174 |
| | Total costs (risk-adjusted) | $150,457 | $406,842 | $256,386 | $256,386 | $1,070,070 | $924,829 |

## INTERNAL DEPLOYMENT AND MAINTENANCE COSTS

**Evidence and data.** Organizations adopted a phased approach during the deployment of Adobe Learning Manager, with a total deployment timeline of one year. The first six months were dedicated to initial launch activities, which included user interface design, internal training, testing, and uploading essential data and content to get the platform live. The following six months after the platform goes live were focused on post-launch optimization, completing data migration, and refining configurations and content. After implementation, organizations devoted relatively low effort to the ongoing system management of Adobe Learning Manager. This included time spent resolving platform issues and staying updated on new platform features and updates.

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

- Two LMS administrators, one learning and training director and one project manager are involved in the initial deployment phase, which spans six months. Following the initial launch, the deployment team continues to support the full rollout for another six months in Year 1.

- LMS administrators dedicate approximately one working day per quarter to ongoing system maintenance, which includes resolving platform-related issues or staying updated with Adobe Learning Manager's features and updates.

- The average fully burdened hourly salary of a training director is $63.

- The average fully burdened hourly salary of a project manager is $53.

**Risks.** This cost may vary across organizations depending on:

- The complexity of data preparation and migration from the existing LMS.

- The involvement of any external third-party consultants or partners.

- The degree of customization and integration scope.

- Availability of internal staff.

**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 $296,000.

| Internal Deployment And Maintenance Costs | | | | | | |
|---|---|---|---|---|---|---|
| **Ref.** | **Metric** | **Source** | **Initial** | **Year 1** | **Year 2** | **Year 3** |
| G1 | LMS administrators required for deployment | Composite | 2 | 2 | 0 | 0 |
| G2 | Average fully burdened hourly salary of an LMS administrator | Composite | $46 | $46 | $46 | $46 |
| G3 | Learning and training directors required for deployment | Composite | 1 | 1 | 0 | 0 |
| G4 | Percentage of time required of a learning and training director for deployment | Composite | 20% | 20% | 0% | 0% |
| G5 | Average fully burdened hourly salary of a training director | Composite | $63 | $63 | $63 | $63 |
| G6 | Project managers required for deployment | Composite | 1 | 1 | 0 | 0 |
| G7 | Percentage of time required of a project manager for deployment | Composite | 40% | 40% | 0% | 0% |
| G8 | Average fully burdened hourly salary of a project manager | Composite | $53 | $53 | $53 | $53 |
| G9 | Deployment time (years) | Composite | 0.5 | 0.5 | 0 | 0 |
| G10 | **Subtotal: Internal deployment cost** | [(G1*G2)+(G3*G4 *G5)+(G6*G7*G8) ]*(G9*2080)] | $130,832 | $130,832 | $0 | $0 |
| G11 | LMS administrators required for ongoing system maintenance | Composite | 0 | 2 | 2 | 2 |
| G12 | Time required by each LMS administrator for ongoing system maintenance in a quarter (days) | Composite | 0 | 1 | 1 | 1 |
| G13 | **Subtotal: Maintenance cost** | (G2*G11*G12*8*4 ) | $0 | $2,944 | $2,944 | $2,944 |

| Gt | Internal deployment and maintenance costs | (G10+G13) | $130,832 | $133,776 | $2,944 | $2,944 |
|----|-------------------------------------------|-----------|----------|----------|--------|--------|
|    | Risk adjustment | ↑15% | | | | |
| Gtr | Internal deployment and maintenance costs (risk-adjusted) | | $150,457 | $153,842 | $3,386 | $3,386 |
| | **Three-year total: $ $311,070** | | | **Three-year present value: $295,655** | | |

## SOFTWARE COSTS

**Evidence and data.** Organizations paid software licensing costs to access Adobe Learning Manager. For an accurate quote on the license fees, please contact Adobe.

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

- It pays an annual licensing fee of $220,000, which covers access to Adobe Learning Manager for 20,000 internal employees, 20,000 customer learners, and 10,000 partner learners.

- The licensing agreement supports multiple use cases, including internal training, customer education, and partner enablement.

**Risks.** This cost may vary across organizations depending on:

- Types of use cases the organization focuses on.

- Type of licenses purchases.

- Number of licenses purchases.

- Number of active external learners.

**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 $629,000.

| Software Costs | | | | | | |
|---|---|---|---|---|---|---|
| Ref. | Metric | Source | Initial | Year 1 | Year 2 | Year 3 |
| H1 | Software licensing costs | Composite | $0 | $220,000 | $220,000 | $220,000 |
| Ht | Software costs | H1 | $0 | $220,000 | $220,000 | $220,000 |
| | Risk adjustment | ↑15% | | | | |
| Htr | Software costs  (risk-adjusted) | | $0 | $253,000 | $253,000 | $253,000 |
| | **Three-year total: $759,000** | | | **Three-year present value: $629,174** | | |

# Financial Summary

## Consolidated Three-Year Risk-Adjusted Metrics

**Financial Analysis (risk-adjusted)**
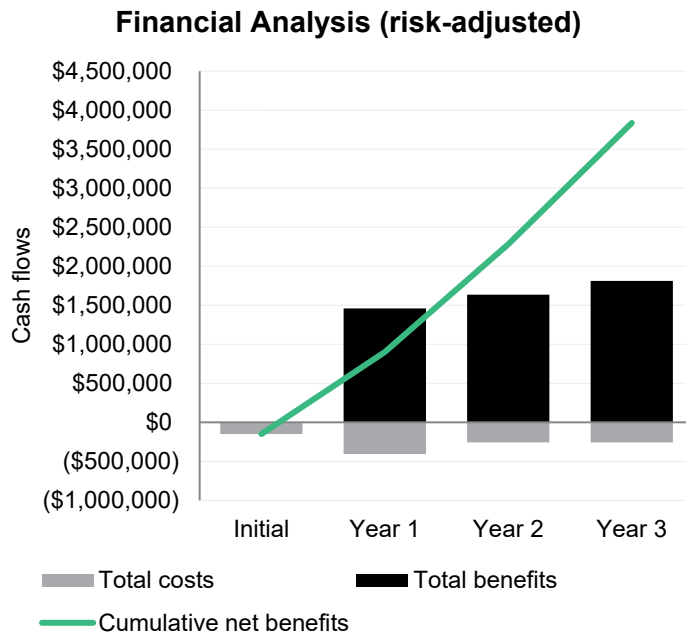


The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

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 | ($150,457) | ($406,842) | ($256,386) | ($256,386) | ($1,070,070) | ($924,829) |
| Total benefits | $0 | $1,459,531 | $1,634,761 | $1,811,202 | $4,905,494 | $4,038,671 |
| Net benefits | ($150,457) | $1,052,689 | $1,378,375 | $1,554,817 | $3,835,424 | $3,113,842 |
| ROI | | | | | | 337% |
| Payback period (months) | | | | | | <6 |

## 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 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.

### 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: 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] Net Promoter and NPS are registered service marks, and Net Promoter Score is a service mark, of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.