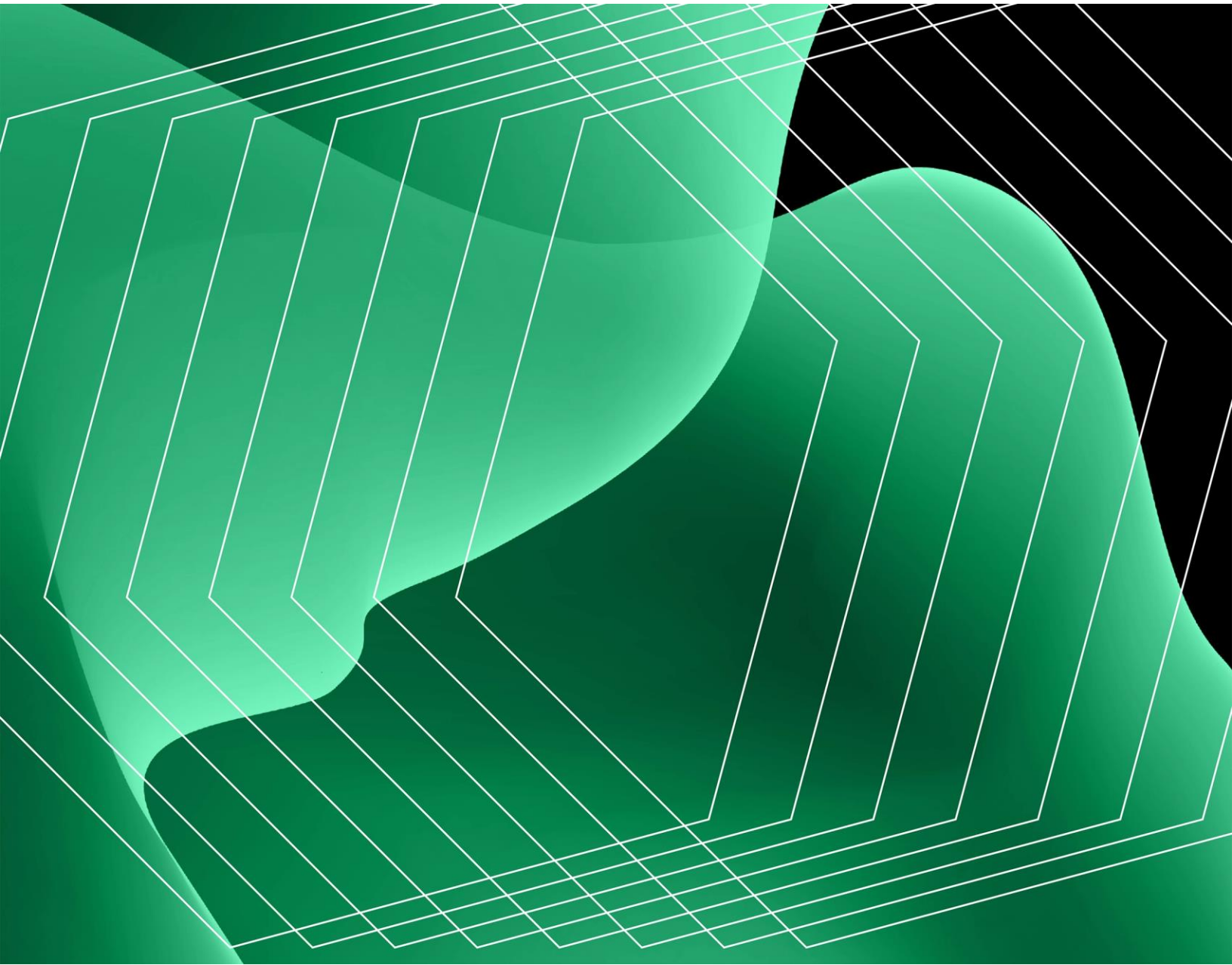
FORRESTER®

The Total Economic Impact™ Of Atlassian Jira Service Management

Cost Savings And Business Benefits Enabled By Jira Service Management

A Forrester Total Economic Impact™ Study
Commissioned By Atlassian, December 2024



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Executive Summary

In today's rapidly evolving digital landscape, traditional IT service management (ITSM) approaches often fall short in addressing the complexities of modern business environments. The rise of digital business, the shift towards distributed workforces, and the prevalence of siloed teams demand a more agile and integrated solution. When business and IT service teams, operations, and developers work in a connected environment, end users benefit from a high-velocity, responsive, and transparent service experience.

Jira Service Management from Atlassian is designed to enhance collaboration and efficiency across IT, development, and business teams. It integrates end-to-end practices across service request, incident, problem, change, knowledge, asset, and configuration management, which can empower teams to deliver high-velocity service experiences by improving visibility and accelerating the flow of work. Additionally, the AI capabilities of the Atlassian platform — including process automation, machine learning, and generative AI (genAI) — can enhance collaboration across teams and enable support and service agents to work smarter with less effort. The focus on simplicity and rapid deployment allows organizations to realize the benefits of genAI without complex training processes while the implementation of virtual service agent capabilities facilitates self-service and request deflection.

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

Return on investment (ROI)
275%

Net present value (NPV)
$6.97M

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five representatives at organizations using Jira Service Management. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a hospitality and food service technology vendor with 14,000 employees and annual revenue of $3.51 billion.

Interviewees said that prior to using Jira Service Management, their organizations either relied on complex traditional ITSM solutions that were not fully utilized or they employed a collection of disparate tools for communication and service management across different regions and departments. Disjointed support delivery methods led to inconsistent service levels, fragmented processes, disconnected workflows, and limited organizational visibility. Several of the organizations faced worsening inefficiencies and slow response times due to using multiple tools. Additionally, these tools were neither scalable nor user-friendly, complicating support for global user bases.

After the investment in Jira Service Management, the interviewees' organizations experienced a reduction in annual ITSM expenses. The interface and scalability enabled the organizations to implement AI-driven automation for self-service and more effective service delivery. Moreover, integration with existing Atlassian solutions and other collaboration platforms improved teamwork and enabled centralized service management processes. As an enterprise management solution, the Atlassian platform enhanced visibility into the organizations' service levels and performance across regions and departments by providing automated workflows, standardized processes, and governance practices.

KEY FINDINGS

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

- **Improved service desk productivity.** The composite reduces the number of IT support requests logged and improves IT support and service desk efficiency with Jira Service Management. By Year 3, ticket deflection reaches 30% and ticket-handling efficiency improves by 30%, saving agents substantial time and

enhancing overall productivity. Over three years, the improved service desk productivity is worth more than $2.9 million to the composite organization.

- **Improved end-user productivity savings worth $3 million.** The composite finds the solution's interface to be easy to use, and this along with improved request visibility, automation, and AI-assisted self-service options save employees an average of up to 25 minutes per request. This improves employee productivity and allows them to prioritize work that matters.
- **Improved IT operations team productivity.** Jira Service Management significantly improves the composite's incident and change management practices by increasing visibility into risks and enhancing collaboration with other teams (e.g., software developers). IT operations staff save time on problem resolution, incident response, and change approvals while AI-driven features and native configuration management database (CMDB) capabilities improve processes and boost efficiency. Over three years, these efficiencies add up to $866,000 for the composite organization.
- **Improved software engineer and decision-maker productivity.** Jira Service Management streamlines the composite's work intake, improves collaboration, and expedites incident resolution, which benefits both software developers and decision-makers across IT and business teams. Users save time through more distributed organizational control and standardized, automatic reporting. By integrating with Jira, automating routing and escalation, and providing AI-driven features like ticket summarization, the composite organization realizes efficiencies valued at over $362,000 over three years.
- **Cost savings from retiring previous solutions.** By switching to Jira Service Management from a traditional service management solution, the composite organization eliminates its previous investment of $867,000 per year in license costs, and $235,000 per year in management labor and services. Altogether, this is worth approximately $2.3 million over three years to the composite organization.

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

- **Enhanced consistency and collaboration across departments.** The composite organization establishes a consistent approach to service management and improves communication and collaboration between teams through the companywide adoption of Atlassian, promoting a culture of continuous improvement.
- **Better visibility and data-driven decision-making.** By centralizing the tracking and visibility of work, incidents, and service requests, the composite achieves better knowledge-sharing. This improved visibility leads to more consistent service levels and enhances data-driven decision-making.
- **Greater operational resilience and service delivery.** The composite realizes improvements in service delivery and core technology operations. Teams operate autonomously, but they can maintain consistent service management practices and improve operational resilience.
- **Improved employee and customer experiences.** By reducing manual effort, streamlining processes, and providing better tools, the composite organization improves employee satisfaction and productivity. Centralizing documentation and automating repetitive tasks reduces frustration among employees and further enhances customer satisfaction.

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

- **Jira Service Management solution costs.** The composite pays $430,200 annually for Jira Service Management's enterprise plan for 1,200 service desk agents. The subscription covers comprehensive service management capabilities, including change, problem, incident, asset, and knowledge management. Enterprise service management capabilities for business teams are included in the Enterprise plan at no additional cost. The composite also incurs consumption-based costs for assisted conversations above 1,000 per month and stored objects in the asset repository with specific charges for interactions and objects exceeding the free thresholds. These comprehensive costs add up to just less than $1.2 million over three years.
- **Implementation and training costs.** It takes nine months for four full-time equivalent (FTE) internal employees at the composite organization to implement request, incident, problem, asset, change, and knowledge management

capabilities. The composite spends $100,000 to work with an Atlassian services partner between the initial period and Year 1. All service agents and end users incur minor internal labor costs for their time spent in training on the Jira Service Management portal. The composite invests a total of $626,000 over three years to implement new Jira Service Management instances and extend functionality for five additional business units.

- **Ongoing management labor.** Ongoing management labor for the platform involves one dedicated employee and two to three additional part-time employees for basic maintenance, support, and administration. Additional resources are required for optimizing service management processes, implementing new service desks, and deploying virtual service agents. These costs for ongoing management labor add up to $737,000 over three years for the composite organization.

The representative interviews and financial analysis found that a composite organization experiences benefits of $9.50 million over three years versus costs of $2.54 million, adding up to a net present value (NPV) of $6.97 million and an ROI of 275%.

Return on investment (ROI)

275%

Benefits Present Value

$9.50M

Net present value (NPV)

$6.97M

Payback

<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 Jira Service Management.

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 Jira Service Management can have on an organization.

DISCLOSURES
Readers should be aware of the following:

This study is commissioned by Atlassian 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 Jira Service Management. For the interactive functionality using Configure Data/Custom Data, the intent is for the questions to solicit inputs specific to a prospect's business. Forrester believes that this analysis is representative of what companies may achieve with Jira Service Management based on the inputs provided and any assumptions made. Forrester does not endorse Atlassian or its offerings. Although great care has been taken to ensure the accuracy and completeness of this model, Atlassian and Forrester Research are unable to accept any legal responsibility for any actions taken on the basis of the information contained herein. The interactive tool is provided 'AS IS,' and Forrester and Atlassian make no warranties of any kind.

Atlassian 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.

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

Due Diligence
Interviewed Atlassian stakeholders and Forrester analysts to gather data relative to Jira Service Management.

Interviews
Interviewed five representatives at organizations using Jira Service Management to obtain data about costs, benefits, and risks.

Composite Organization
Designed a composite organization based on characteristics of the interviewees' organizations.

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.

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 Atlassian Jira Service Management Customer Journey

Drivers leading to the Jira Service Management investment

Interviews			
Role	**Industry**	**Corporate Employees**	**Jira Service Management Capabilities Used**
Manager of global service management	Global restaurant chain	14,000	Service management, incident management, problem management, knowledge management, change management, asset management
Engineering director	Gaming and entertainment	7,000	Incident management, problem management, knowledge management, change management, asset management, virtual service agents
Manager of production operations	Food delivery technology	6,000	Service management, incident management, problem management, knowledge management, asset management, virtual service agents
Chief operating officer	Financial services	3,000	Service management, incident management, problem management, knowledge management, change management
Director of IT operations	Home services	4,000	Service management, incident management, problem management, knowledge management, change management, asset management, virtual service agents

KEY CHALLENGES

The interviewees' organizations had varied approaches to IT service management. Some had invested in high-end traditional solutions, while others relied on collections of point solutions. However, a common challenge across all these organizations was the lack of integration between their disparate systems and the existing ecosystems of Atlassian project management and knowledge management solutions. Various departments within these organizations used different tools and methods for logging incidents and communications, and they also used disparate reporting systems. This fragmentation significantly hindered a unified and cohesive approach to service management that impacted overall efficiency, effectiveness, and teamwork.

Interviewees highlighted common challenges that emphasized the need for a centralized, integrated, and scalable ITSM solution, including:

- **High costs and complexity.** Several interviewees reported incurring high costs for complex solutions that were not fully utilized. Their organizations' ITSM platforms were difficult to deploy and manage, which led to slow implementations and poor returns on investment. Other interviewees said the financial burden of maintaining multiple ITSM tools was a significant challenge that often required costly third-party resources to support.
- **Lack of integration, visibility, and governance.** Interviewees mentioned the lack of integration and visibility across their organizations' ITSM tools. Fragmented processes and poor integration with other systems led to data governance issues, and information was scattered across various platforms, making it difficult for teams to collaborate effectively. Interviewees said employees often found themselves navigating through different systems to gather necessary information, which not only wasted time, but also caused frustration and decreased morale. Additionally, fragmented communication between departments and difficulties in tracking incidents across different platforms resulted in inefficiencies and potential oversight of critical issues.
- **Inconsistent service standards due to multiple disparate tools.** Interviewees' organizations struggled with using multiple disparate tools and shared mailboxes for their service management needs, leading to inconsistent service standards and customer experiences. Wherever employees went for service or support, they encountered different approaches, which created confusion and hindered collaboration. The lack of unified systems across the organizations resulted in service teams struggling to build credibility and trust.
- **Scalability and usability issues.** Interviewees reported that their organizations' ITSM platforms were too complex and not user-friendly, preventing them from scaling their service desk operations throughout various locations and teams. Those whose organization used a team communication platform for service management or a mix of tools said the solution was not scalable to the growing needs of their expanding operations. These challenges highlighted the need for a scalable and user-friendly ITSM solution that could grow with their businesses.

INVESTMENT OBJECTIVES

The interviewees' organizations searched for a solution that could:

- Replace complex ITSM platforms with a user-friendly, adaptable, and scalable solution for multiple teams and use cases.
- Reduce costs by implementing a unified enterprise service management (ESM) platform enterprisewide that integrates with the existing Atlassian product stack.
- Centralize service management processes to provide consistent service levels across different regions and teams.
- Implement standard service management practices and processes across teams to reduce administrative overheads.
- Connect IT and development teams for more streamlined support of software development practices.
- Enhance service delivery efficiency and deliver more reliable service across departments through automation.
- Provide better visibility and governance over service management processes, including real-time visibility into asset management, incident status, and performance.

> "Previously, we had multiple tools configured in different ways, and we were inconsistent in how we work. Our service processes were fragmented, and there were different levels of service across the company for our end users. We suffered from delayed response times and limited visibility."
>
> MANAGER OF GLOBAL SERVICE MANAGEMENT, GLOBAL RESTAURANT CHAIN

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 five 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 organization serves the hospitality and food service industry and provides technology solutions, financial services, and customer support to its global user base. The organization has an annual revenue of $3.5 billion and 14,000 employees.

Driven by the need for a more cost-effective, integrated, and scalable solution that could provide better visibility, efficiency, and governance, the composite organization chooses Jira Service Management after a short proof of concept (POC).

Deployment characteristics. With the goal to replace its traditional ITSM solution, the composite organization orchestrates a companywide rollout of Jira Service Management. It is made available to 950 users in various technology departments (e.g., IT, development) and an additional 250 users across procurement, finance, legal, human resources, and facilities departments. The implementation takes a total of nine months and follows the following implementation schedule:

- **Incident management and request management.** The initial focus of the composite's implementation is on establishing processes for responding to and preventing outages while creating core support channels and workflows.
- **Knowledge management.** Recognizing the importance of efficient service operations, the implementation team integrates knowledge management early on. This enables the linkage of Atlassian Confluence articles to incidents and service requests to improve resolution and experience.
- **Change management.** Following a rollout of the core capabilities, the composite introduces change management workflows to connect IT operations teams in Jira Service Management with development teams using Jira. This enables these teams to ship faster while ensuring that changes to IT systems are implemented smoothly and with minimal disruption.

- **Workflow automation.** To further enhance service efficiency, various teams adopt workflow automation such as ticket reminders, service-level agreement (SLA) management, and routing to ensure timely responses and adherence to service-level agreements.
- **Atlassian Analytics.** The development of operational dashboards in Atlassian Analytics ensures that changes to IT systems are implemented smoothly and with minimal disruption, providing real-time insights into the organization's service operations.
- **Asset and service configuration management.** The composite leverages various native capabilities in Jira Service Management, including CMDB and event management, to streamline asset and service configuration management processes by consolidating data, automating workflows, and improving visibility and control over IT assets and services. As part of this initiative, the organization automates access provisioning for onboarding and offboarding processes to ensure smooth transitions for new hires and departures.

At the end of the allocated implementation period, the composite organization decommissions its traditional ITSM platform and launches Atlassian for ITSM into full production with 1,200 users across six departments. It utilizes the following services:

- **Virtual service agent capabilities.** After go-live, the organization leverages the virtual service agent in Jira Service Management to enable self-service support workflows. The composite connects this agent to Confluence-based knowledge sources and prebuilt intent flows, allowing IT and business departments to leverage AI to provide natural and human-like responses to improve ticket deflection rates and improve support experiences. One year into the deployment, the composite completes the rollout of virtual-service-agent-based service delivery across six departments, further improving self-service rates.
- **Atlassian Intelligence.** GenAI capabilities are available in premium and enterprise editions of Atlassian products, and as soon as these features are available to the composite organization, it encourages the use of features such as issue summarization and alert grouping to further enhance teams' service delivery capabilities and to unlock additional measurable efficiencies in their operations.

Key Assumptions

$3.5 billion revenue

14,000 employees

1,200 agents

6 service desk projects live in Year 1

Virtual service agent rollout in Year 2

Atlassian Intelligence rollout in Year 3

Feature Spotlight

Impact Of AI And Virtual Service Agent Capabilities

Interviewees said the implementation of the virtual service agent in Jira Service Management and the use of Atlassian Intelligence features significantly accelerated productivity and process improvements across their organizations. They explained that virtual service agent capabilities provided 24/7 availability, enabling instant responses and reducing the need for human intervention in basic support queries. They also said AI-driven features such as issue summaries, suggested child issues, and automated workflows streamlined the resolution process, particularly when issues were escalated to developers, IT operations engineers, and decision-makers. This automation and AI integration not only reduced the average time to resolution, but it also enhanced end-user uptime by ensuring quicker and more accurate responses to complex issues, ultimately leading to higher customer satisfaction and operational efficiency.

Based on the availability of these capabilities to organizations implementing the platform today, the acceleration in efficiencies the composite organization realizes in years 2 and 3 of this analysis can be realized sooner by organizations incorporating virtual service agents and leveraging AI capabilities in earlier stages of their Jira Service Management deployments.

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	Improved service desk productivity	$751,027	$1,214,976	$1,613,875	$3,579,878	$2,899,393
Btr	Improved end-user productivity	$382,200	$1,528,800	$1,911,000	$3,822,000	$3,046,688
Ctr	Improved IT operations productivity	$354,144	$295,814	$398,308	$1,048,266	$865,678
Dtr	Improved engineer and decision-maker productivity	$110,099	$140,973	$193,865	$444,937	$362,250
Etr	Cost savings from retiring previous solutions	$936,700	$936,700	$936,700	$2,810,100	$2,329,434
	Total benefits (risk-adjusted)	$2,534,170	$4,117,263	$5,053,749	$11,705,182	$9,503,443

IMPROVED SERVICE DESK PRODUCTIVITY

Evidence and data. The interviewees' organizations realized their greatest savings with Jira Service Management through improved service desk productivity across business teams as well as their IT support teams. The Atlassian platform helped the interviewees' organizations achieve the following results:

- **A reduction in total ticket volume.** The integration of Jira Service Management with Confluence and the implementation of the virtual service agent enhanced self-service capabilities and led to increased call deflection and reduced manual handling of IT service requests by agents.
    - The manager of production operations at the food delivery technology company noted that automated responses can suggest relevant knowledge base articles, often resolving issues without agent help, especially for common requests like password resets. They said: "With Confluence linked to Jira Service Management, users now know where to find information. The platform automates repetitive tasks, including identity verification, password resetting, and notifying the requester."

  - The same interviewee highlighted another use case outside of IT: “Our legal team uses the virtual service agent feature to direct users to existing documentation, reducing the need for ticket creation. The virtual service agent helps you navigate the vendor hiring process by providing procedural guidance and legal information from the knowledge base.”
  - The director of IT operations at a home services firm explained: “Previously, our help desk chat relied on human responses, which was inefficient. Now, with the virtual service agent, we have 24/7 availability, responding to any question at any time.” The director also noted that this has reduced the manual workload, matching 36% of inquiries with knowledge articles and resolving 13% of requests, with potential for improvement as the knowledge base is optimized.

- **Reduced triage and direct escalation paths.** Interviewees observed that integrating Jira Service Management with Confluence and implementing virtual service agent capabilities increased support efficiency. Improved escalation processes and automated notifications cut average response times, while automation features streamlined task management, reducing time spent by personnel on triage and repetitive tasks. Integrating operational dashboards and CMDB data into ITSM workflows further improved incident and problem management by providing better visibility into assets and their relationships.
  - The manager of global service management at the global restaurant chain mentioned how automation features helped agents manage their tasks more efficiently, reducing the time spent on triage and other repetitive tasks: “With Jira Service Management, configuring response and resolution times is effortless. Agents can easily see and track these times, and automation will notify them when they are close to exceeding their SLA. This has significantly improved our operations.”
  - The manager of production operations at the food delivery technology company reported that the average response time during weekends improved from between 150 and 180 minutes to just 3 minutes due to better escalation processes and automated notifications. The same interviewee also mentioned that the time previously spent gathering information from users reporting incidents or requesting services was

higher. They said: “Using Atlassian for ITSM, we now have a centralized platform to store attachments [and] comments and track progress. This has improved efficiency and provided better control over the process.”

- The chief operating officer in financial services said their firm implemented operational dashboards and integrated its CMDB with Jira Service Management to support incident management: “This integration improved our ability to manage and resolve incidents effectively by exposing CMDB assets within our workflows. This provides additional visibility into assets and their relationships and benefits our incident and problem management processes.”

- **Faster request fulfillment through reduced context switching and more available information.** By centralizing the availability of knowledge base articles, interviewees’ organizations could streamline workflows and reduce context switching for IT and service agents. The integration of Jira Service Management with Confluence allowed team members to access and update knowledge base articles in real time, improving the accuracy and availability of information for resolving tickets. The platform’s SLA management and native CMDB integration further enhanced visibility and efficiency in incident resolution.
  - The director of IT operations at the home services firm said: “We’ve been heavy users of Confluence for years, but now that we’re able to move everything to Jira Service Management and use Confluence directly, we don’t have documentation living in multiple places. We have one single source of truth.”
  - The manager of production operations at the food delivery technology company explained: “Before implementing Atlassian for ITSM, we tracked incidents using chat threads, which lacked metrics and visibility. Now, with predefined SLAs, we resolve tickets and respond to incidents more efficiently with clear visibility into their status. Centralized tracking has saved us a lot of time in incident management and resolution.”
  - For the financial services firm, integrating assets into the CMDB and linking them with the incident management process allowed for better visibility into the assets involved in incidents. This enabled quicker

identification of affected assets and more efficient tracking of incidents. The chief operating officer said: “The CMDB provides accurate and up-to-date information about the assets, including their configurations, relationships, and dependencies, and this reduces the time spent on finding and gathering information and allows the team to focus on resolving the incident.”

- **Increased service agent productivity**. IT support agents at the interviewees’ organizations derived additional productivity from the seamless connection between Confluence and Jira Service Management as they could quickly find and link relevant articles to incidents and service requests. Automated incident creation and notifications reduced manual intervention and sped up response times. Agents could easily check the status of their tickets and find answers to basic questions through the portal, eliminating the need to search through previous emails or chat history. Virtual service agents in help desk channels gathered initial information from users, ensuring tickets contained relevant details from the start. AI-generated summaries saved time for support staff by quickly providing overviews of complex issues.
    - At the financial services firm, automated ticket creation and management ensured all requests were logged and tracked systematically, reducing the manual effort required to manage tickets and speeding up resolution times. The chief operating officer said, “By automating incident creation and management based on system alerts and automating notifications, support and service agents can focus more on resolving issues rather than managing tickets.”
    - The director of IT operations at the at the home services firm described how Jira Service Management automates the creation of child issues and other repetitive tasks, freeing up time for more strategic work, noting: “Previously, I would manually create all those child issues and have to then try to figure out what they were in my head. Now, I leverage AI to take the information inside of the ticket and give me the suggestions on what needs to be done.”

- **Increased business team productivity.** Interviewees said that with Atlassian, it was easy for their organizations to set up new service desks for business teams to route requests through the central service portal. Service teams that previously did not have a service management tool were swamped with service requests from emails, phone calls, and walk-up help desk requests. They had no structured way to categorize or manage the resolution of the service requests and spent time switching between service channels.

  The centralized platform provided streamlined workflows and improved collaboration, enhancing service agent productivity. Jira Service Management allowed the linking of tickets between IT support and business departments, ensuring teams and employees were kept informed through a single platform, thus eliminating the inefficiencies of email-based communication. This centralized approach empowered business teams to manage their own projects and workflows, extending beyond IT to include HR, finance, legal, and other non-IT functions.

  - The chief operating officer at the financial services firm reported how different service teams transitioned from unstructured, multichannel service request management to a more streamlined and efficient process using the Atlassian platform: “In the past, we relied on email and chat for communication across various teams including technology infrastructure, application, finance, and procurement. This made it challenging to keep track of everything happening. Now, with the implementation of tickets, teams have better visibility. They can answer basic questions about ticket status, and users can easily check the status through a service in the portal.”
  - The manager of production operations at the food delivery technology company mentioned another use case: “When I require the legal team to analyze a vendor contract, I create a ticket in Jira Service Management. Using their portal, I submit the contract and request their review. Already during the initial rollout, the legal team reduced the time they spent resolving people’s questions about vendor onboarding by 50%.”

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

- Leading up to the Jira Service Management deployment, the composite organization's IT service desk logged an average of 14,000 incidents per month, or 168,000 tickets per year.
- The average ticket-handling time is 32 minutes.
- With knowledge management powered by Confluence, end users log 10% fewer tickets in Year 1. With the rollout of virtual service agents in Year 2, ticket deflection grows to 25%, and it further grows to 30% in Year 3 with increased adoption of automated resolution processes.
- The organization's Jira Service Management instances deployed across procurement, finance, legal, human resources, and facilities receive an additional 126,000 requests per year.
- The new platform reduces ticket-handling time across service desks by 15% in Year 1, saving agents about 5 minutes per ticket. This efficiency grows to 20% in Year 2 as agents also use the virtual service agents to expedite support, and the organization implements features like automated routing and escalation. In Year 3, the composite releases a 30% improvement in efficiency as agents leverage AI capabilities for ticket summarization and child-issue creation to further expedite their work.
- The average fully burdened hourly salary for an IT service desk employee is $33.
- The average fully burdened hourly salary for a service desk agent is $29.
- All of the saved time is recaptured as productivity due to the task-based service desk structure.

Risks. The expected financial impact is subject to risks and variation based on factors including:

- The organization's scope of deployment, integrations, and use cases for Jira Service Management.
- The capabilities and level of sophistication of the organization's prior service management system.

- The average number of tickets received and the average handling time per ticket before Jira Service Management.
- The organization's ability to implement and roll out virtual service agents and to capitalize on the platform's AI capabilities.
- The organization's compensation amounts and structures for employees and recapture rates of productivity on saved time.

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 $2.9 million.

30%

Request deflection rate with fully deployed self-service and request automation capabilities using the virtual service agent

30%

Decrease in incident handling times when leveraging automation and AI

> "The virtual service agent also gathers initial information, ensuring that when a ticket is created, it already contains relevant details. [This saves] time on back-and-forth communication, which helps streamline the support process and improve efficiency."
>
> DIRECTOR OF IT OPERATIONS, HOME SERVICES

Improved Service Desk Productivity					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	IT tickets received (average)	Composite	168,000	168,000	168,000
A2	IT ticket deflection rate due to Jira Service Management self-service capabilities	Interviews	10%	25%	30%
A3	Average handling time per IT ticket (minutes)	Composite	32	32	32
A4	Average fully burdened hourly salary for an IT service desk employee	TEI standard	$33	$33	$33
A5	**Subtotal: Savings from IT help desk ticket deflection**	**((A1*A2*A3)/60) *A4**	**$295,680**	**$739,200**	**$887,040**
A6	Tickets received with Jira Service Management (average)	Composite	277,200	252,000	243,600
A7	Percent decrease in handling time per ticket with Jira Service Management	Interviews	15%	20%	30%
A8	Reduced handling time per ticket with Jira Service Management (minutes)	A3*A7	4.8	6.4	9.6
A9	Average fully burdened hourly salary for a service desk agent	TEI standard	$29	$29	$29
A10	**Subtotal: Savings from reduced IT and service desk ticket handling times**	**(A6*A8)/60*A9**	**$643,104**	**$779,520**	**$1,130,304**
At	Improved service desk productivity	A5+A10	$938,784	$1,518,720	$2,017,344
	Risk adjustment	↓20%			
Atr	Improved service desk productivity (risk-adjusted)		$751,027	$1,214,976	$1,613,875
	Three-year total: $3,579,878			**Three-year present value: $2,899,393**	

IMPROVED END-USER PRODUCTIVITY

Evidence and data. Interviewees said Jira Service Management's easy-to-use interface, improved ticket visibility, and self-service options boosted end-user satisfaction and end-user productivity. They explained that the Atlassian platform tracks SLAs for different request types, ensuring timely resolution through automation and escalation rules, and that this visibility into ticket status improved cross-team communication, replacing the previously chaotic email and chat methods. Furthermore, automated onboarding and offboarding ensure that new employees have immediate access to necessary applications. The integration of virtual service agent capabilities in help desk channels provides instant responses to queries, reducing downtime and enhancing user satisfaction.

- The engineering director in the gaming and entertainment industry explained how their firm's IT and human resources departments team up to use the platform for automated provisioning and deprovisioning of access to various applications to ensure new employees have the necessary access from day one. They said, "The entire lifecycle of employees, including automated access and any form of access to any application we now manage, are run through Jira Service Management."
- The manager of production operations at the food delivery technology company described how the Atlassian platform tracks SLAs for different types of requests; for example, password reset requests might have a shorter SLA compared to bank information updates. The interviewee said that to reduce wait times, automation ensures tickets are prioritized and escalated if they are not resolved within the SLA timeframe: "Now, we have predefined SLAs. So, if a ticket is not resolved within a certain timeframe, automation rules can escalate the ticket to higher-level support or management to ensure timely resolution."

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

- Each of the composite organization's 14,000 employees logs an average of 21 IT and service desk tickets per year through Jira Service Management.

- In Year 1, each end user saves an average of 5 minutes per ticket. With the implementation of virtual service agents that automate support interactions and workflows, the average time end users spend on service request management and downtime decreases by 20 minutes per request in Year 2, and it further decreases to 25 minutes per request by Year 3.
- The average fully burdened hourly salary for an employee is $39.
- Fifty percent of all employees' saved time is recaptured for added productivity.

Risks. The expected financial impact is subject to risks and variation based on factors including:

- The organization's Jira Service Management scope of deployment and use cases.
- The capabilities and level of sophistication of the organization's prior service management system.
- The organization's degree of improved ticket resolution times and self-service tickets.
- The number of employees using the Atlassian platform as a service desk and the number of tickets logged per employee.
- The compensation amounts and structures for employees and recapture productivity rates on saved time.

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 $3 million.

Decrease in end-user downtime when fully leveraging self-service, AI, and automation capabilities in Jira Service Management

25 minutes per service request

> “In the past, we relied on email and chat for communication across various teams, including technology infrastructure, application, finance, and procurement. Now, with the implementation of the new portal, teams have better visibility. Agents can answer basic questions about ticket status, and users can easily check the status through a service in the portal.”
>
> CHIEF OPERATING OFFICER, FINANCIAL SERVICES

> “All knowledge management is based in Confluence and integrated with our Jira Service Management tooling. We use it for change management, onboarding, and offboarding with HR and all access requests. First, we automated the most requested applications, triggering automation through tickets to grant necessary permissions to applications. This automation reduces our downtime and allows us to troubleshoot and resolve support tickets more efficiently.”
>
> ENGINEERING DIRECTOR, GAMING AND ENTERTAINMENT

Improved End-User Productivity					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Employees	Composite	14,000	14,000	14,000
B2	Tickets logged with Jira Service Management per employee (average)	Composite	21	21	21
B3	User time saved per ticket (minutes)	Interviews	5	20	25
B4	Average fully burdened hourly salary for an employee	TEI standard	$39	$39	$39
B5	Productivity recapture rate	TEI standard	50%	50%	50%
Bt	Improved end-user productivity	B1*B2*B3/60 *B4*B5	$477,750	$1,911,000	$2,388,750
	Risk adjustment	↓20%			
Btr	Improved end-user productivity (risk-adjusted)		$382,200	$1,528,800	$1,911,000
	Three-year total: $3,822,000			**Three-year present value: $3,046,688**	

IMPROVED IT OPERATIONS PRODUCTIVITY

Evidence and data. Interviewees said consolidating on the Atlassian platform facilitated seamless collaboration across teams, which enabled IT operations to match the pace of agile development practices, respond to incidents more effectively, and benefit from enhanced visibility, collaboration, and streamlined processes.

- **Support efficiencies.** While inconsistent processes and complex workflows previously prevented interviewees' organizations from achieving effective problem and incident management in their legacy environments, interviewees reported improvement in enterprise management practices. They said their organizations increased visibility into risks, problems, and hardware and software across their organizations, and that collaboration improved between teams. IT operations employees saved time getting to the root cause of problems, responding to incidents, and streamlining change approvals with Jira Service Management. Several interviewees said their organization leveraged the native CMDB capabilities in Jira Service Management Assets. One interviewee noted their organization also integrated a third-party CMDB with Jira Service Management. Additionally, interviewees said the platform's AI-powered issue summarization feature was invaluable for escalated tickets, offering a concise

summary of actions and updates. This enabled IT operations staff to quickly grasp complex issues and take necessary actions, thereby saving time and enhancing efficiency during end-user support.

  - The manager of production operations at the food delivery technology company suggested that seamless access to the CMDB built natively into the Atlassian platform helps in managing incidents more effectively as it allows for better tracking of assets and their relationships, which is crucial during incident investigations and postmortem analysis. Their organization also used AI capabilities for post-incident analysis and root cause identification, which helped in preventing future incidents. They said: “Post the incident, we run a thorough root cause analysis process, and the Atlassian platform plays a key role because everything is documented in there.”
  - The director of IT operations at the home services firm explained that the AI-powered issue summarization feature was particularly useful for escalated tickets with dozens of comments. It provided a bulleted summary of all actions and comments, allowing higher-level support to quickly understand the issue and take necessary actions. This feature saved significant time, especially for complex tickets that required managerial attention. The interviewee said: “The issue summaries feature has been a game-changer for us. When a ticket gets escalated and contains numerous comments, the ability to click a button and receive a bulleted summary of all actions and updates is invaluable.”

- **Change management efficiencies.** Consolidating with Atlassian also enhanced change management by streamlining and automating various processes during the IT support process. The interviewees described how IT operations staff leverage Jira Service Management to track and approve changes, ensuring a structured approach that minimizes disruptions and maintains a clear audit trail for compliance. Automated risk assessments and scheduled checks facilitated efficient evaluation of changes, reducing the need for manual intervention. Integration with the CMDBs helped manage data governance and maintain accurate records of applications and dependencies, which is crucial for incident and change management. Additionally, AI-driven features automated the creation of child issues for larger projects, ensuring comprehensive task documentation and saving time. Virtual service agents further enhanced efficiency by allowing IT

support teams to make controlled changes to asset databases, maintaining security and reducing human error.

- The manager of global service management at the global restaurant chain said: “We have better oversight and compliance now. The automated risk insights tell us whether we have any schedule conflicts for the service, active incidents, or rejected changes over the last 30 days. Today, our standard operating procedures are stored in the CMDB and are mapped to a catalog of standard changes. Teams can only use items from the catalog, so we have more confidence that these changes have been ratified. Our change coordinator has called this a game-changer, saving her a solid 3 to 4 hours each week on compliance checks.”
- The director of IT operations at the home services firm said their company leveraged AI to streamline project management by automating the creation of child issues, ensuring comprehensive task documentation on larger projects. This automation took information from the main project ticket and generated related tasks, ensuring that all necessary steps were documented and assigned, further saving time and ensuring that no critical tasks were overlooked. The director explained: “Half of our tickets and issues handled by IT operations need to have child issues linked to them. Previously, I would manually create all the child issues and try to figure out the necessary steps in my head. With AI, I can take the information inside the ticket and receive suggestions on what needs to be done.”
- The engineering director at the gaming and entertainment firm explained, “We started to use the virtual service agent internally within our IT operations team to allow them to make changes in the asset database without having to give them direct access to avoid the risks associated with manually poking around in the database.”

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

- The composite escalates 3% of IT support requests to IT operations, and the IT operations team saves an average of 35 minutes per problem with the efficiency the platform enables through actionable insights and automation. In Year 3, this

efficiency increases to 55 minutes per incident thanks to the availability and use of AI capabilities.

- Ten percent of the IT support requests are change requests, and 15% of those are categorized as “normal” change requests that require a comprehensive assessment and approval process that takes an average of 40 hours to complete. One-third of the 40 hours is active time for IT ops employees.
- Change requests are approved 25% faster with Jira Service Management, saving IT operations staff more than 3 hours per change request. In Year 3, this efficiency increases to 35% thanks to the availability of AI capabilities.
- The average hourly fully burdened salary for an IT ops employee is $62.
- Seventy percent of all employees’ saved time is recaptured for added productivity.

Risks. The expected financial impact is subject to risks and variation based on factors including:

- The organization’s scope of deployment and use cases for Jira Service Management.
- The capabilities and level of sophistication of the organization’s prior service management system.
- The presence of formal problem management, incident management, or change management at the organization before the Jira Service Management implementation.
- The number of incidents and problems logged by the organization’s IT operations team per month and the associated time savings per incident and problem with Jira Service Management.
- The number of change requests pushed per month, the average number of work hours per change request, and flexibility in updating change approval processes with Jira Service Management.
- Compensation amounts and structures for IT operations employees and recaptured productivity rates on saved time.

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 $866,000.

Improved IT Operations Productivity					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Problems resolved per month by IT operations (average)	Composite	378	315	294
C2	Average time saved per problem and associated incidents (minutes)	Interviews	35	35	55
C3	Normal IT change requests pushed per month (average)	Composite	189	158	147
C4	Work time to completion of change request (hours)	Interviews	40	40	40
C5	Percent decrease in change approval and routing and documentation time for normal change requests	Interviews	25%	25%	35%
C6	Average time saved per change request (hours)	C4*C5/3	3.33	3.33	4.67
C7	Total time saved per month by IT operations team (hours)	(C1*C2)/60+C3*C6	850	710	956
C8	Fully burdened hourly salary for an IT operations team member	TEI standard	$62	$62	$62
C9	Productivity recapture rate	TEI standard	70%	70%	70%
Ct	Improved IT operations productivity	C7*12*C8*C9	$442,680	$369,768	$497,885
	Risk adjustment	↓20%			
Ctr	Improved IT operations productivity (risk-adjusted)		$354,144	$295,814	$398,308
	Three-year total: $1,048,266		**Three-year present value: $865,678**		

55 minutes

Time saved per incident handled by IT operations when fully leveraging AI and automation capabilities in Jira Service Management

> “We have hundreds of developers and hundreds of applications at our firm. There’s literally a separate project for each application within Jira Service Management with its own assigned IT support team. We can now enable more developers to quickly mock things up and validate everything before we launch applications in production.”
>
> CHIEF OPERATING OFFICER, FINANCIAL SERVICES

> “The AI summarization feature is particularly useful for handling complex issues that require higher-level intervention as it allows us to quickly grasp the situation and respond effectively.”
>
> DIRECTOR OF IT OPERATIONS, HOME SERVICES

IMPROVED ENGINEER AND DECISION-MAKER PRODUCTIVITY

Evidence and data. According to the interviewees, the Atlassian platform significantly enhanced productivity for both software engineers and decision-makers by integrating natively with Jira. Development teams used Jira to track backlogs, deployments, and other tasks, with Jira Service Management serving as the central portal for all service requests and incidents in the production environment. Automated routing and escalation processes ensured incidents were promptly addressed by the appropriate teams, reducing manual intervention and speeding up response times. The “Summarize” feature allowed agents to quickly review escalated tickets by providing a bulleted list of all activities, facilitating faster problem resolution. These capabilities collectively streamlined workflows, enhanced collaboration, and improved overall efficiency in managing service requests by software developers.

For team leads and decision-makers, the consolidation with Atlassian also boosted productivity. They served as escalation points for service requests requiring managerial involvement. With comprehensive documentation in Jira Service Management, team leads could refer to the entire timeline of an incident, including all actions taken. The AI summarization feature provided concise summaries of incidents, aiding in root cause analysis and making post-incident review procedures more thorough. This integration ensured that both engineers and decision-makers could work more efficiently and effectively.

- The manager of global service management at the global restaurant chain highlighted how their organization integrated Jira Service Management and Jira to streamline incident management for developers and to enhance transparency. They said, “We would then create a linked ticket off to Jira for the software engineer to work on whilst keeping that incident open for our customer to see the status of the incident.” The interviewee further explained how linking tickets between Jira Service Management and Jira facilitated better tracking and management of incidents, leading to quicker and more efficient resolutions.
- The same interviewee explained that developers who don’t have a full license for Jira Service Management can still engage in the platform by commenting on tickets, facilitating better collaboration and communication: “Some of our developers have collaborator status in the platform. They can participate as unlicensed users and comment on tickets.”

- The manager of production operations at the food delivery technology company explained how the AI summarization feature helped during postmortem processes by providing a concise summary of incidents, including actions taken and results. This aided in the root cause analysis and documentation process, making postmortem reviews more efficient and thorough: “Everything is documented in the platform. During the incident and even a week later, when we conduct the postmortem and map out action items, we can see the entire timeline, all events, and actions taken. This allows us to plan the next steps and add new items to the backlog.”
- The director of IT operations at the home services firm talked about leveraging the AI feature for suggesting child issues to automate the creation of related tasks for large projects. This feature took the information from the main project ticket and generated a list of necessary sub-tasks, ensuring thorough and consistent project management. The executive said: “Issue summaries are huge. When a ticket gets escalated and has 85 comments, engineers can click one button that says ‘Summarize,’ and it gives them a bulleted list of everything that has happened in that ticket.”

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

- The composite calls in engineering teams to help address 20% of service desk tickets.
- With Jira Service Management, software engineers and DevOps resources at the composite organization save 5 minutes per ticket handled. In Year 2, efficiency increases to an average of 8 minutes per ticket. In Year 3, this efficiency increases to 12 minutes per incident thanks to the availability and use of AI capabilities.
- Eight IT team leaders and decision-makers along with 10 team leaders and decision-makers across five business departments save 5 hours per month in Year 1 due to better reports that provide access to data. This efficiency increases to 6 hours in Year 2 as they leverage additional automated workflows and to 8 hours in Year 3 as additional AI capabilities become available.

- The average fully burdened hourly salary for an engineering or DevOps employee is $62.
- The average fully burdened hourly salary for a team leader or decision-maker is $68.
- Seventy percent of all employees' saved time is recaptured for added productivity.

Risks. The expected financial impact is subject to risks and variation based on factors including:

- The organization's scope of deployment and use cases for Jira Service Management.
- The capabilities and level of sophistication of the organization's prior service management system.
- The average number of tickets resolved per month by engineer and/or DevOps resources.
- The amount of time engineer and/or DevOps resources previously spent per ticket before Jira Service Management and the time saved per ticket with Jira Service Management.
- Distribution of administrative privileges within Jira Service Management to team members.
- The amount of time decision-makers spend on internal or external reporting and tracking.
- KPIs and service desk metrics before using Jira Service Management and their utilization of Jira Service Management reporting and AI features.
- Compensation amounts and structures for engineers, developers, administrators, and decision-makers and their recapture rates of productivity on saved time.

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 $362,000.

Improved Engineer And Decision-Maker Productivity					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
D1	IT service desk and incident tickets resolved per month by engineer and/or DevOps resources (average)	Composite	2,520	2,100	1,960
D2	Average time saved per ticket by engineers and DevOps FTEs (minutes)	Interviews	5	8	12
D3	Total time saved per month by technical resources (hours)	(D1*D2)/60	210	280	392
D4	Fully burdened hourly salary for an engineer and DevOps employee	TEI standard	$62	$62	$62
D5	Productivity recapture rate	TEI standard	50%	50%	50%
D6	**Subtotal: Engineer and DevOps savings from time saved**	**D3*12*D4*D5**	**$78,120**	**$104,160**	**$145,824**
D7	Team leaders and decision-maker FTEs	Composite	18	18	18
D8	Time saved per FTE per month (hours)	Interviews	5	6	8
D9	Average fully burdened salary for a team leader and decision-maker	TEI standard	$68	$68	$68
D10	Productivity recapture rate	TEI standard	70%	70%	70%
D11	**Subtotal: Team leader and decision-maker savings from time saved**	**D7*D8*D9*D10*12**	**$51,408**	**$61,690**	**$82,253**
Dt	Improved engineer and decision-maker productivity	D6+D11	$129,528	$165,850	$228,077
	Risk adjustment	↓15%			
Dtr	Improved engineer and decision-maker productivity (risk-adjusted)		$110,099	$140,973	$193,865
	Three-year total: $444,937			**Three-year present value: $362,250**	

12 minutes

Time saved per incident handled by software engineers

> “All of our development teams use Jira to track all their backlogs, [and] all their deployments while Jira Service Management serves as the central service desk portal for all service requests and all incidents that we have on the production environment.”
>
> MANAGER OF PRODUCTION OPERATIONS, FOOD DELIVERY TECHNOLOGY

> “We use the suggested child issues capability in Jira Service Management. I can have a project documented, and AI will automatically create the necessary child issues and stories for me that go along with that epic or that high-level project based on the information inside the ticket.”
>
> DIRECTOR OF IT OPERATIONS, HOME SERVICES

COST SAVINGS FROM RETIRING PREVIOUS SOLUTIONS

Evidence and data. Interviewees said that Jira Service Management is a cost-effective alternative to their organizations' legacy platforms and tools. They reported spending significant amounts on their previous ITSM solution without realizing the expected value. Consolidating with Atlassian enabled several of the interviewees' organizations to operate at 60% or less of the cost of their previous ITSM solutions, representing considerable financial savings.

The chief operating officer of the financial services firm mentioned the reasons behind their organization's decision to switch from a traditional ITSM platform to Jira Service Management, highlighting the high costs and insufficient value from the legacy platform. They said, "We were paying close to $900,000 a year, and were just not getting the value that we needed."

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

- The composite previously used a large ITSM solution and paid $867,000 annually in license fees for 850 users. This translated to roughly $85 per agent per month.
- The composite previously paid $235,000 annually in labor and services costs to maintain the prior solution.
- The composite retires its previous ITSM tool at the go-live date of Jira Service Management, which is the beginning of Year 1.

Risks. The expected financial impact is subject to risks and variation based on:

- The organization's previous ITSM or related solution(s).
- The associated hardware, software, and maintenance costs of the ITSM or solutions.
- The organization's ability to retire previous solutions after Jira Service Management implementation.

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 $2.3 million.

Cost Savings From Retiring Previous Solutions					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
E1	Users on previous ITSM tool	Composite	850	850	850
E2	Monthly per-user cost of previous ITSM tool	Composite	$85	$85	$85
E3	**Total cost of previous ITSM tool**	**E1*E2*12 months**	**867,000**	**867,000**	**867,000**
E4	Labor and services costs to maintain the prior solution	Composite	$235,000	$235,000	$235,000
Et	Cost savings from retiring previous solutions	E3+E4	$1,102,000	$1,102,000	$1,102,000
	Risk adjustment	↓15%			
Etr	Cost savings from retiring previous solutions (risk-adjusted)		$936,700	$936,700	$936,700
	Three-year total: $2,810,100			**Three-year present value: $2,329,434**	

> “The primary driver to consider an alternative was cost. But we also accomplished more in a year and a half with Jira Service Management than we did in four years with [the legacy platform]. We are spending about 60% of what the previous ITSM solution cost.”
>
> CHIEF OPERATING OFFICER, FINANCIAL SERVICES

UNQUANTIFIED BENEFITS

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

- **Enhanced collaboration and consistency across departments.** By fostering improved communication and collaboration between teams such as IT, procurement, and engineering, the interviewees' organizations established a consistent approach to service management. This encouraged the adoption of Jira Service Management across various departments, promoting a culture of continuous improvement. The director of IT operations at the home services firm highlighted how teams successfully leveraged team-managed projects by building solutions for various departments while empowering them to configure and customize their own workflows. The director explained: "In addition to our IT service desk, we have also implemented Jira Service Management for our people operations, employee experience, finance, recruiting operations, payroll, and benefits teams. These are just a few examples of non-IT functions that now have their own service desks."
- **Better visibility and data-driven decision-making.** By centralizing the tracking and visibility of incidents and service requests across different teams and departments, the interviewees' organizations achieved better knowledge-sharing. This improved visibility led to more consistent service levels and facilitated data-driven decisions, enhancing performance management and overall decision-making through centralized data and performance metrics. The chief operating officer at the financial services firm spoke about this: "We are able to leverage the data to implement performance management to be data driven. This allows us to understand current performance, to establish performance targets, and to put together plans to start driving performance management in a way that was just never possible before."
- **Greater operational resilience and service delivery.** By leveraging a unified platform and data-driven decision-making, the interviewees' organizations increased their operational resilience, and improved service delivery and visibility into core technology operations, empowering teams with autonomy while maintaining consistent service management across the organization. The manager of global service management at the global restaurant chain said: "One

example is our food delivery platform. Service requests can include resetting a delivery driver's password or changing the bank account information for restaurant payments. Previously, these requests were managed through messages, but now they are tracked within tickets."

- **Improved employee satisfaction and customer experience.** All interviewees reported that by reducing manual effort, streamlining processes, and providing better tools, employee satisfaction and productivity improved at their organizations. Centralizing documentation and automating repetitive tasks reduced employee frustration, while automated processes provided instant responses, which further enhanced customer satisfaction.

> "We started with the security team, the facilities team, and the finance team. But, since then, usage has been increasing faster because every week, we share a newsletter internally with all the good news about the platform. We use predefined workflows to standardize the process for handling different types of requests across the various teams. These workflows include automated steps that guide the ticket through several stages until resolution."
>
> MANAGER OF PRODUCTION OPERATIONS, FOOD DELIVERY TECHNOLOGY

> “From an operational efficiency perspective, bringing all the markets onto one platform has been great because it gives us a brilliant lens over how we’re doing in so many different parts of the business.”
>
> MANAGER OF GLOBAL SERVICE MANAGEMENT, GLOBAL RESTAURANT CHAIN

FLEXIBILITY

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

- **Using Personas to further streamline employee onboarding with Jira Service Management and automation.** The engineering director at the gaming and entertaining firm said their organization plans to implement additional capabilities to further enhance the onboarding process by creating specific personas for every employee type. When a new employee joins, they can select their role, and the system will automatically grant them access to the necessary tools and resources using Atlassian for ITSM and automation. This approach will reduce the manual effort required for setup, ensuring new employees have the necessary access from day one, and it will save significant time for both IT staff and new hires. The system will be capable of efficiently handling the onboarding of a large number of employees, especially during peak times in the organization’s industry. A crucial aspect of the project will involve data cleansing to ensure accurate and clean data for automation, which will be essential for the project’s success.

- **External support via customer service teams.** The manager of global service management at the food service company said their organization is considering replacing the traditional ITSM platform still used by its customer experience team with Jira Service Management. This would involve 4,000 new platform users, and the project is expected to take at least 1.5 to two years due to the complexity of business rules and the high volume of tickets, which is several millions of tickets per day. The organization anticipates significant cost savings by switching its externally facing service organization to Jira Service Management, which will integrate seamlessly with other Atlassian products like Jira and Confluence, which the company already uses. By carefully mapping and implementing business rules in the Atlassian platform, the organization aims to have a more efficient, cost-effective, and integrated service management solution.

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

> "Our current project … involves building a persona for every employee type. When you join, you can select your role, and the system will automatically grant you access to the necessary applications using Jira Service Management and automation."
>
> ENGINEERING DIRECTOR, GAMING AND ENTERTAINMENT

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**
Ftr	Jira Service Management solution cost	$0	$460,635	$473,193	$482,139	$1,415,967	$1,172,066
Gtr	Implementation and training costs	$564,850	$38,665	$16,665	$16,665	$636,845	$626,293
Htr	Ongoing management labor	$0	$361,900	$258,500	$258,500	$878,900	$736,851
	Total costs (risk-adjusted)	$564,850	$861,200	$748,358	$757,304	$2,931,712	$2,535,210

JIRA SERVICE MANAGEMENT SOLUTION COST

Evidence and data. Atlassian has four plan tiers available for its ITSM cloud offering that range from Free to Enterprise. Tiers are largely differentiated on the number of agents supported, depth and maturity of features, and the level of support the organization receives. These factors are used to determine the pricing per agent. Atlassian does not charge for users only needing to submit or review requests.

On the Enterprise plan, the licensing costs include service management including change, problem, incident, asset, and service configuration capabilities and knowledge management as well as Atlassian analytics and AI. While no add-ons are required, Atlassian hosts a marketplace of technology partners and applications to extend functionality and connect to other systems. Most of the interviewees' organizations purchased add-ons from Atlassian's marketplace for various additional capabilities, including advanced reporting, data intake, and timesheet tracking.

The interviewees said their companies managed and tracked their assets in various ways, often using native CMDB capabilities in Jira Service Management Assets. Approaches included updating IT assets to maintain a comprehensive view of stores and objects, managing a database of applications with automation tools for access and provisioning, leveraging the platform and Atlassian's developer experience platform to

control assets and services, or using a third-party CMDB product integrated with Jira Service Management to manage applications, infrastructure, and related metadata. In all cases, Jira Service Management played a central role in providing a unified platform for tracking, managing, and automating asset-related processes, which enhanced efficiency and visibility across operations.

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

- The composite pays $430,200 per year for its subscription for 1,200 service agents. This equals a cost of $29.88 per agent per month.
- With its previous solution, the composite paid the equivalent of $85 per user for 850 IT users.
- By Year 2, the composite leverages virtual service agents and pays consumption-based pricing for deflected requests above 1,000 per month at 30 cents per assisted interaction. The number of deflected requests is 13,200 in Year 2 and 21,600 in Year 3, above the annual 12,000 deflected requests, which are free of charge.
- The composite pays consumption-based pricing for stored objects in the Jira Service Management asset repository. The number of stored objects grows to 60,000 by Year 3, and 10,000 are chargeable at 5 cents per month per stored object.
- The organization purchases one add-on from the Atlassian marketplace in Year 1 and an additional add-on in Year 2.
- Pricing may vary. Contact Atlassian for additional details.

Risks. The expected financial impact is subject to risks and variation based on the pricing of Jira Service Management licenses and marketplace add-ons. This pricing may vary depending on:

- The deployment model and organizational needs for the number of agents.
- The amount of storage.
- The number of agent-assisted interactions and stored objects.

- The need for marketplace applications.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $1.2 million.

> "We did a small proof of concept and were able to put together a functioning incident management prototype. After [that], the actual hands-on keyboard time doing the analysis and implementation, testing, etc., was about three months. Then, we had three weeks of running [the legacy platform] in parallel with a hard cutover to Jira Service Management and working through some teething problems for a few weeks. Overall, we felt that the transition was much smoother than expected."
>
> CHIEF OPERATING OFFICER, FINANCIAL SERVICES

Jira Service Management Solution Cost						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
F1	Jira Service Management subscription cost	Composite	$0	$430,200	$430,200	$430,200
F2	Cost of virtual service agent-assisted conversations	Composite	$0	$0	$3,960	$6,480
F3	Cost of stored objects in asset repository	Composite	$0	$0	$0	$6,000
F4	Cost of marketplace add-ons	Composite	$0	$8,500	$16,500	$16,500
Ft	Jira Service Management solution cost	F1+F2+F3+F4	$0	$438,700	$450,660	$459,180
	Risk adjustment	↑5%				
Ftr	Jira Service Management solution cost (risk-adjusted)		$0	$460,635	$473,193	$482,139
	Three-year total: $1,415,967			**Three-year present value: $1,172,066**		

IMPLEMENTATION AND TRAINING COSTS

Evidence and data. The interviewees' organizations incurred up-front internal labor costs for implementation and time spent on training. All five interviewees said their organization already had Jira in place, which poised them for easier and faster implementations of Jira Service Management. Implementation timelines ranged between three and nine months, and most of the organizations utilized professional services or partners to guide the implementation.

Initially, the interviewees' organizations replaced their existing toolsets or traditional ITSM platforms with Jira Service Management to unify incident and request management. The integration process included configuring the platform to handle various service requests, linking it with Jira for seamless task management, and linking it with Confluence for knowledge management. Automation was implemented to streamline workflows, such as creating tickets from [team communication platform] messages and integrating with third-party tools like CRM systems. Additionally, some interviewees' organizations enhanced asset management capabilities by integrating with tools like Atlassian Compass for comprehensive CMDB functionality. The integration also involved setting up processes for alerting and incident management and leveraging AI features like the virtual service agent for automated responses and issue summaries.

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

- It takes nine months for four full-time internal FTEs to implement request, problem, asset, change, and knowledge management practices across the technology team and for five business units.
- The fully burdened annual salary for an implementation resource is $94,000.
- The composite spends $100,000 to engage an Atlassian partner for professional services, which is split into $80,000 spent during the implementation period and an additional $20,000 spent in Year 1.
- The composite requires 1,200 IT and service desk employees to each receive 2 hours of training on Jira Service Management. Due to employee turnover and growth, 120 additional service desk employees receive training each year.
- The average fully burdened hourly salary for a service desk employee is $29.

- All 14,000 end users at the organization undergo 0.15 hours of training for logging and tracking tickets. To account for employee attrition, 1,400 additional employees spend 0.15 hours in Jira Service Management training in years 1, 2, and 3.
- The average fully burdened hourly salary for an employee is $39.

Risks. The expected financial impact is subject to risks and variation based on factors including:

- The maturity of the organization's existing processes and infrastructure.
- The organization's ease of transferring to a new environment.
- The scope of the deployment and the complexity of the implementation.
- Variance in training needs and employees' standing knowledge of Jira Service Management.
- Compensation amounts and structures for each employee who participates in implementation work or receives training on Jira Service Management.

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 $626,000.

> "The journey to full implementation took about two months. Now, new requests to implement a service portal from scratch usually take no more than one week for the portal to be live and for people to start working on tickets."
>
> MANAGER OF PRODUCTION OPERATIONS, FOOD DELIVERY TECHNOLOGY

> "It took us three to four months to get our main service desk up and running. Then, we committed January to June to do about five to six additional implementations, and we were able to deliver on that."
>
> DIRECTOR OF IT OPERATIONS, HOME SERVICES

Implementation And Training Costs

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
G1	Implementation length (months)	Composite	9			
G2	FTEs involved in implementation	Composite	4			
G3	Average fully burdened salary for an ITSM administrator/developer FTE	TEI standard	$94,000			
G4	Professional services costs	Interviews	$80,000	$20,000		
G5	**Subtotal: Implementation labor costs**	**G1*G2*G3/12+G4**	**$362,000**	**$20,000**	**$0**	**$0**
G6	Training time per Jira Service Management ticket handler (hours)	Interviews	2	2	2	2
G7	Jira Service Management users trained	Composite	1200	120	120	120
G8	Average fully burdened hourly salary for a service desk employee	TEI standard	$29	$29	$29	$29
G9	Training time per Jira Service Management end user (hours)	Interviews	0.15	0.15	0.15	0.15
G10	Jira Service Management end users trained	Composite	14,000	1,400	1,400	1,400
G11	Average fully burdened hourly salary for an employee	TEI standard	$39	$39	$39	$39
G12	**Subtotal: Training costs**	**(G6*G7*G8)+ (G9*G10*G11)**	**$151,500**	**$15,150**	**$15,150**	**$15,150**
Gt	Implementation and training costs	G5+G12	$513,500	$35,150	$15,150	$15,150
	Risk adjustment	↑10%				
Gtr	Implementation and training costs (risk-adjusted)		$564,850	$38,665	$16,665	$16,665
	Three-year total: $636,845			**Three-year present value: $626,293**		

ONGOING MANAGEMENT LABOR

Evidence and data. Most of the interviewees said their organization had one employee whose focus was supporting Jira Service Management on an ongoing basis with two to three additional employees lightly involved. Ongoing support included basic maintenance, support, and administration, the optimization of service management processes and architecture, and implementation of new service desks across additional teams or use cases.

- **Rollout of virtual service agents.** Interviewees' organizations first identified common issues for self-service and then developed intents and responses, integrating them into the virtual service agent's knowledge base. The manager of production operations at the food delivery technology firm said, "Implementing the virtual service agent requires well-structured documentation and mapping user intents to configure responses and actions effectively."
- **Adoption across business teams.** The manager of production operations at the food delivery technology firm shared how their organization's legal team successfully configured its virtual service agent independently after receiving just an hour-long training session. The training focused on defining intents and linking knowledge base articles, making administration intuitive for business users. Following the training, the legal team created more than 110 intents for queries, such as starting a vendor-hiring process or providing default termination clauses for contracts.

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

- Ongoing management and support of the organization's Jira Service Management instances requires 1.5 FTEs.
- Ongoing planning, development and optimization (including the implementation of virtual service agents) requires two FTEs in Year 1 and one FTE in subsequent years.
- The annual fully burdened salary for an implementation resource is $94,000.

Risks. The expected financial impact is subject to risks and variation based on factors including:

- The complexity of the organization's Jira Service Management environment and deployment.
- The organization's level of investment in Jira Service Management optimization and continuous improvement or expansion.
- The extent to which automated workflows and virtual service agents are implemented across the organization.
- Compensation amounts and structures for each employee who participates in ongoing management work.

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 $737,000.

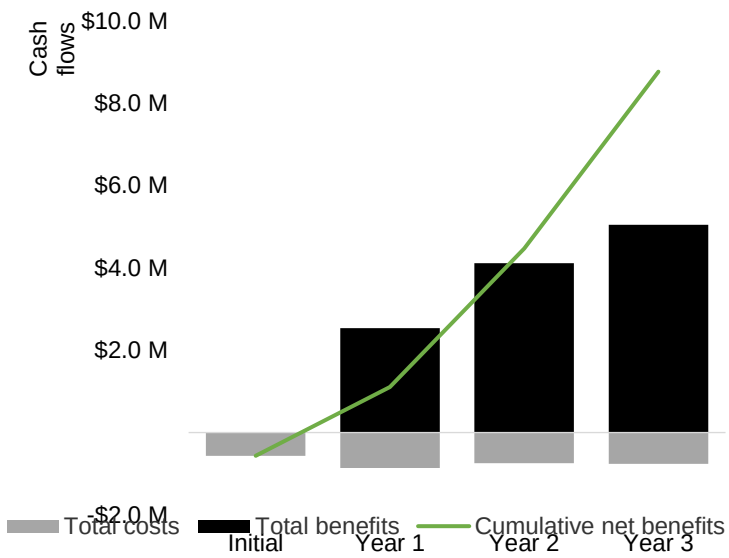
> "The ability to scale our virtual service agent by creating more intents has been very helpful. As we learn whether the intents are impactful, we can make changes on the fly, add different flows, and create knowledge-based articles for missing information. This allows us to personalize the interaction, ensuring it flows the way we want it to sound via conversational AI."
>
> DIRECTOR OF IT OPERATIONS, HOME SERVICES

Ongoing Management Labor						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
H1	FTE employees involved in ongoing management and support	Interviews		1.50	1.50	1.50
H2	FTE employees involved in ongoing planning, development, and optimization	Interviews		2.00	1.00	1.00
H3	Average fully burdened annual salary for an implementation resource	TEI Standard		$94,000	$94,000	$94,000
Ht	Ongoing management labor	(H1+H2)*H3	$0	$329,000	$235,000	$235,000
	Risk adjustment	↑10%				
Htr	Ongoing management labor (risk-adjusted)		$0	$361,900	$258,500	$258,500
	Three-year total: $878,900			**Three-year present value: $736,851**		

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	($564,850)	($861,200)	($748,358)	($757,304)	($2,931,712)	($2,535,210)
Total benefits	$0	$2,534,170	$4,117,263	$5,053,749	$11,705,182	$9,503,443
Net benefits	($564,850)	$1,672,970	$3,368,905	$4,296,445	$8,773,470	$6,968,233
ROI						275%
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

Change The Interface; Change The World, Forrester Research, Inc., September 6, 2024.

2024 Service Desk Benchmarks, Global, Forrester Research, Inc., September 3, 2024.

Simplify Process Management With Lean And Agile Thinking, Forrester Research, Inc., August 13, 2024.

Vendors Move To Dominate IT Management Software, Forrester Research, Inc., July 10, 2024.

The Knowledge Management Solutions Landscape, Q3 2024, Forrester Research, Inc., July 10, 2024.

Julie Mohr, Unleash The Potential Of Knowledge Management And Generative AI, Forrester Blogs.

Build A Knowledge Management Culture To Increase Knowledge Flow And Learning, Forrester Research, Inc., April 9, 2024.

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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