Total Economic Impact

New Technology: The Projected Total Economic Impact™ Of Microsoft Planner

Cost Savings And Business Benefits Enabled By Planner

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

FORRESTER®

Executive Summary

Organizations struggle with inefficiencies when they use multiple software products to meet work management needs, which range from optimizing individual tasks and processes to planning and tracking entire projects and programs. To more effectively manage work and create value, their employees need collaboration tools that exist on a single product platform and ready access to supporting information.

Microsoft Planner (Planner) enables organizations to manage work (and the associated tasks and information) in a single product interface. This product allows teams to coordinate, collaborate, and communicate on one unified platform, simplifying the user experience. Through Planner, organizations can extend the reach of work management tools and capabilities beyond traditional project stakeholder boundaries, as the product has applicability and utility for teams and individual contributors who operate in disciplines beyond project and program management.

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

114% to 437%
Projected return on investment (ROI) ⓘ

$6.5M to $24.7M
Projected net present value (NPV) ⓘ

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed 11 decision-makers from a total of nine organizations and surveyed 257 respondents with experience using Planner or intending to purchase it. For the purposes of this study, Forrester aggregated the interviewees' and survey respondents' experiences and combined the results into a single composite organization that is a global company with 24,000 employees and $6 billion in annual revenue. The composite grants premium licenses of Planner to 800 users in Year 1, an additional 1,400 in Year 2, and an additional 1,400 in Year 3. This total of 3,600 users represents 15% of the total workforce.

Interviewees and survey respondents said that prior to using Planner, their organizations used various Microsoft office productivity tools and/or other third-party software to meet their work management needs. Employees at the interviewees' and survey respondents' organizations struggled to manage tasks and projects, spent excessive time on mundane tasks like looking for information, and wasted time doing work that could have been avoided.

Interviewees and survey respondents indicated that after the investment in Planner, their organizations' employees worked more efficiently and could reallocate time to higher-value efforts. More employee time to think, sell, or improve work quality boosted revenue. Corporate initiatives to reduce costs or generate revenue delivered value faster because employees could complete them faster. The interviewees' and survey respondents' organizations also eliminated the costs of their legacy work management solution.

Key Findings

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

- **Improved efficiency, which saved up to 12% of employees' work time.** Planner enables employees at the composite organization to work more efficiently by managing their tasks and related information through a single unified interface. They spend less time in meetings and creating content, reuse existing work more often, avoid duplicating work, collaborate more easily, and automate some low-value tasks. They can use AI tools like the Copilot functionality within Planner to save time summarizing content or creating content, such as project plans. Over three years, the total PV of this saved work time is a projected $10.4 million to $25.0 million.
- **Incremental income, which resulted from up to 0.7% more corporate revenue.** Planner drives revenue growth by freeing up the composite's employees' time for higher-impact efforts, enabling higher-quality work, and providing salespeople with more time and better information for selling. The resulting incremental net income after applying a net margin of 8.67% to the increase in top-line revenue is projected to be $1.2 million to $4.2 million over three years.
- **Increased speed of completing revenue-generating or cost-saving corporate initiatives, which accelerated by up to 20%.** The reduction of the average project from 6 months to as little as 4.8 months allows the composite organization's business units to benefit from a revenue-generating or cost-saving initiative for as much as 1.2 additional months during the year it is delivered. Each initiative makes an impact worth $6,000 per month on business results. Over three years and a cumulative total of 54 projects, the projected value for the composite organization of that shorter initiative cycle totals as much as $237,000.
- **Retired legacy work management solutions, which saved up to $897,000.** After deploying Planner, the composite organization retires its legacy work management solution. Its projected savings on software licenses, infrastructure, and people time to manage that solution total as much as $897,000 over three years.

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

- **Expanding project management capabilities and ownership beyond formal project managers.** With Planner, the composite organization expands project management tools and capabilities beyond formal project management boundaries for broader impact.
- **Reallocating effort to higher-value tasks.** By reducing or eliminating many time-consuming tasks for employees, Planner frees up employee time (and mental space) for more strategic and valuable efforts.
- **Achieving a higher percentage of goals.** Using Planner enables the composite organization to achieve more of its goals and gain the anticipated value because it could better manage the projects underlying those goals.
- **Improving accountability.** The transparency of information in Planner clarifies to whom tasks are assigned and provides each employee with a consolidated view of that task for which they are accountable.
- **Delivering higher-quality work.** Time freed up by efficiencies combined with better access to information enabled employees to deliver tasks with a higher level of quality.
- **Increasing employee satisfaction.** Planner's automation of highly repetitive work and simplification of collaboration resulted in greater employee satisfaction at the composite organization.

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

- **Premium Planner license costs of $2.1 million.** The composite organization buys premium Planner licenses for a total of 3,600 employees. Of those, 95% are onboarded to Planner and Project Plan 3 over Years 1 and 2. The remaining 5% are its formal project managers who begin to use Planner and Project Plan 5 in Year 1.
- **Implementation and management costs of $1.2 million.** The composite organization implements Planner and manages and optimizes it on an ongoing basis using an internal team comprised of IT and business staff.
- **Training and employee discovery costs of $2.3 million.** The composite organization uses a combination of training, self-guided discovery, and change management conversations among managers and their team members to ensure successful adoption of Planner. After an employee begins using Planner, the composite organization provides updates and additional training on any changes to Planner itself and how specific employees/groups leverage it.

Forrester modeled a range of projected low-, medium-, and high-impact outcomes based on evaluated risk and the extent of business outcomes achieved. This financial analysis projects that the composite organization accrues the following three-year, risk-adjusted projected net present value (PNPV) and projected return on investment (PROI) for each scenario by enabling Microsoft Planner:

- Projected high impact of a $24.7 million NPV and ROI of 437%.
- Projected medium impact of a $18.8 million NPV and ROI of 333%.
- Projected low impact of a $6.5 million NPV and ROI of 114%.

Percentage of work time saved by using Planner

5% up to 12%

> *"Users get time back by being better organized. They have one pane of glass to do what they need to do and can access information from one place, not six. And their workflow around assignments, delegation, and responsibilities is better with the new Planner. It's just a more systematic approach that has transformed work responsibilities and areas of focus."*
>
> **Systems engineer, education**

Key Statistics

114% to 437%
Projected return on investment (PROI) ⓘ

$12.1M to $30.4M
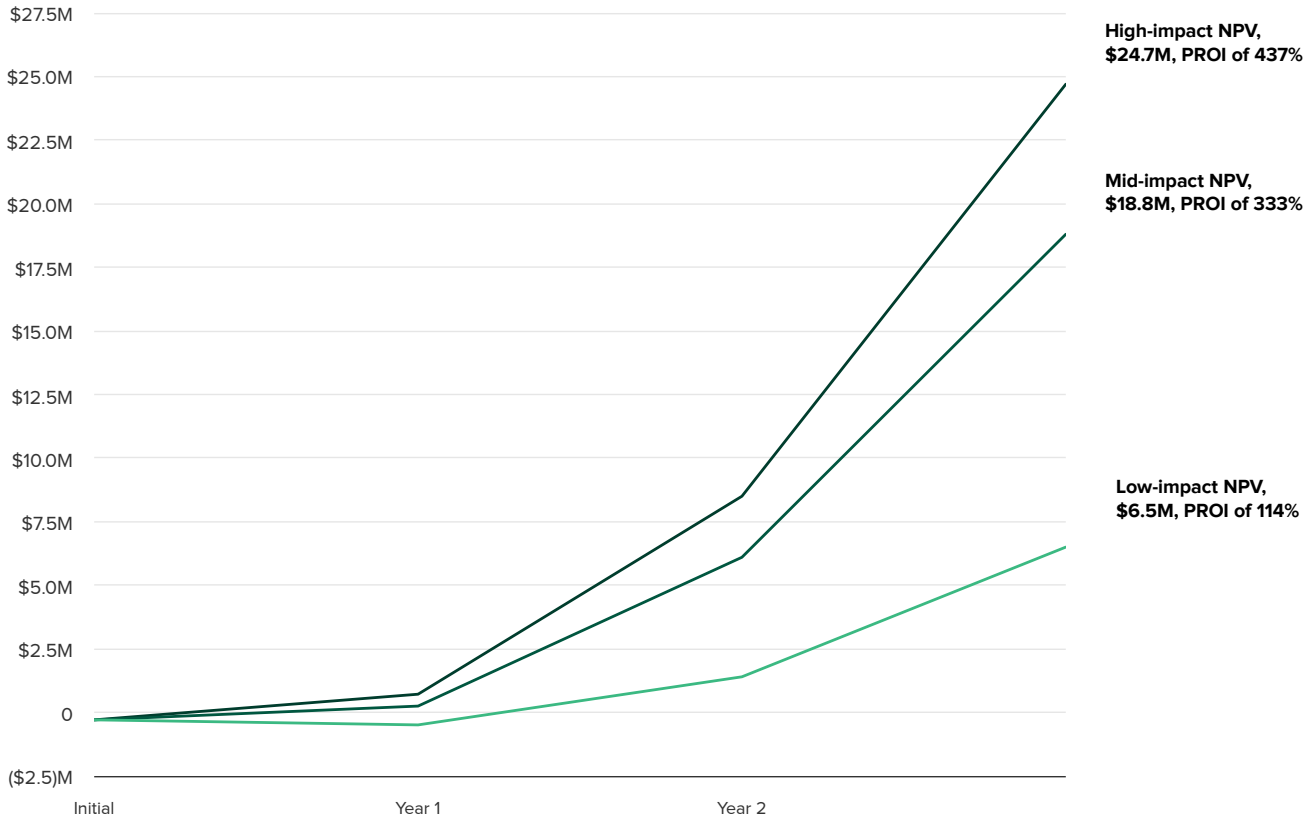Projected benefits PV ⓘ

$6.5M to $24.7M
Projected net present value (PNPV) ⓘ

$5.7M
Total costs ⓘ

Three-Year Projected Financial Analysis For The Composite Organization

High-impact NPV,
$24.7M, PROI of 437%

Mid-impact NPV,
$18.8M, PROI of 333%

Low-impact NPV,
$6.5M, PROI of 114%

The Microsoft Planner Customer Journey
Drivers leading to the Planner investment

Interviews			
Role	**Industry**	**Geography**	**Number Of Employees**
Product owner, Microsoft 365	Insurance	Based in North America, global operations	4,400
Senior manager, PMO and governance	Industrial	Based in North America, global operations	19,000
Principal consultant	Professional services	Based in North America, global operations	1,500
Systems engineer	Education	Based in North America, local operations	5,000
Manager, IT customer experience	Energy	Based in North America, global operations	2,000
Director of data science	Healthcare	Based in North America, national operations	45,000
Information technology auditor	Financial services	Based in North America, global operations	40,000
Vice president, PMO	Financial services	Based in North America, global operations	8,000
Associate vice president, portfolio management			
Director of digital services	Government	Based in North America, national operations	700
Director of portfolio and PMO			

Key Challenges

Forrester interviewed 11 decision-makers with experience using Planner at their organizations and surveyed 257 respondents with experience or plans for using Planner at their organizations. For more details on the survey respondent demographics and the organizations they represent, see Appendix B.

Before adopting premium versions of Planner for a subset of their employees, the interviewees' organizations used various Microsoft office productivity tools and/or third-party tools to meet their work management needs. Interviewees and survey respondents noted how their organizations struggled with common challenges, including:
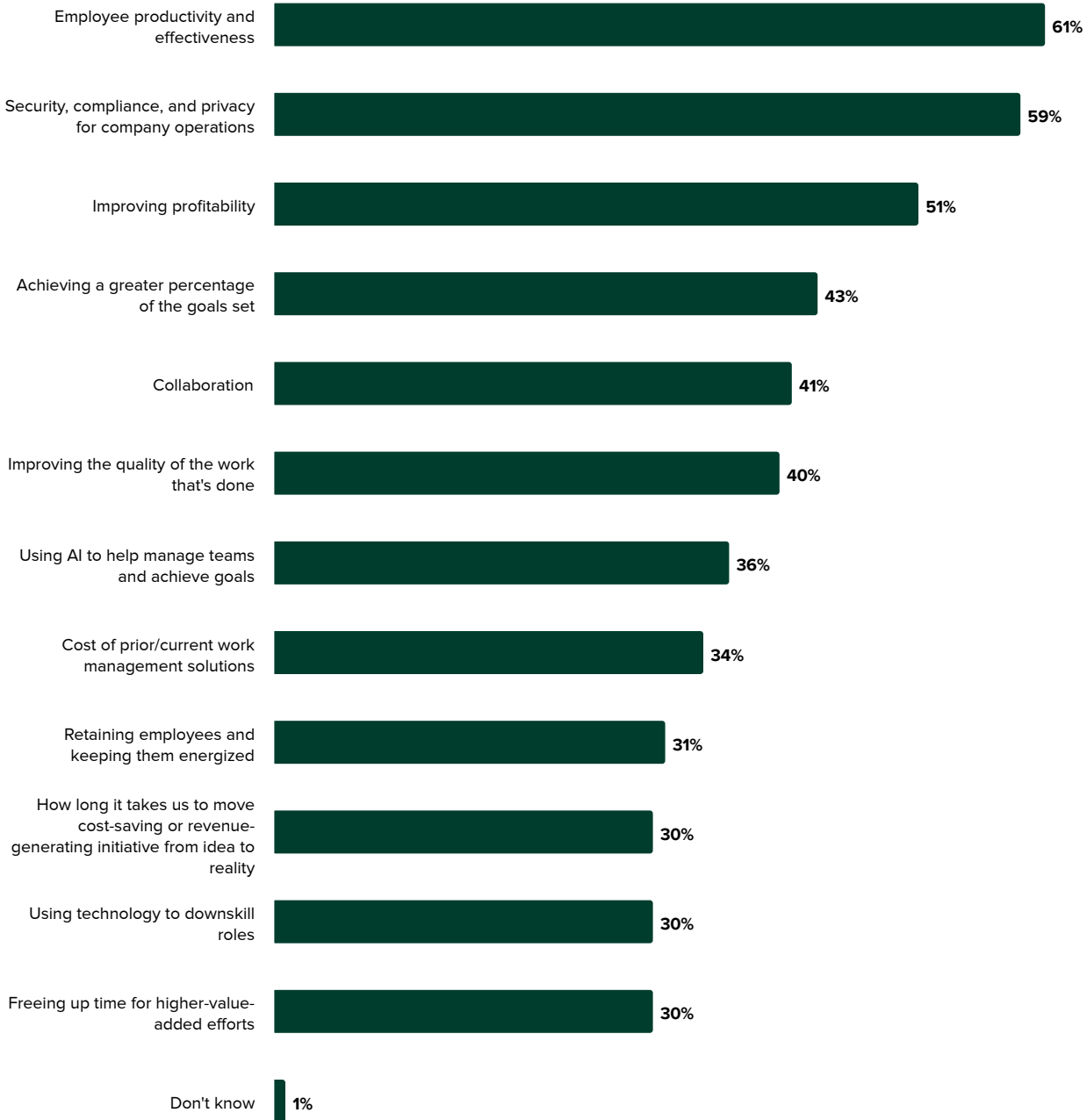
- **Management of tasks and projects, especially with cross-functional teams.** Interviewees described multiple factors that constrained their organizations' ability to effectively and efficiently manage tasks and projects, including transparency, clarity, and accountability regarding assignments and task status and inconsistent workflows and processes. Those factors also made it difficult to collaborate, especially when tasks and projects spanned multiple functions or workgroups versus a single workgroup. The systems engineer at an educational institution observed: "Before we used the new Planner, there was very little collaboration. Things eventually got done but everything was piecemeal. Our processes and workflows just weren't organized. Our departments were not working well with each other. Collaboration can take a lot of time if you don't have some tools to do it."

- **Fragmented data with no single centralized view.** Interviewees stated that data fragmentation exacerbated the challenge of managing tasks and projects and required employees to spend excessive time looking for information

— if they could find it at all. The principal consultant at a professional services firm explained, "We needed a place to track our progress, see how things are going, and then be able to report on that." The director of digital services at a government organization said: "The ultimate goal, which is where the productivity comes, is having all your tasks in one place and being able to integrate your plans and your to-do list. That's a very compelling way to have down-to-the-person planning."

- **Time wasted on work that could have been avoided.** Interviewees were frustrated by the amount of time their organizations' employees spent doing work that might have been avoided, whether due to duplication of effort (i.e., repeating existing work or having multiple people executing the same task) or the need to address errors or remedy low-quality work caused by inconsistent workflows or the inability to find and use required data. The underlying causes included data fragmentation, lack of transparency, and inconsistent workflows and processes. The director of portfolio and project management office at a government organization said, "A lot of time was wasted because the same status updates had to be provided in multiple systems."

- **Excessive time spent on low-impact efforts.** Interviewees noted that employees spent too much of their workdays on low-value-added tasks, which cut the time they had available for more thoughtful and higher-impact activities. The systems engineer at an educational institution explained: "Issues around managing projects crowded out training that ideally would have happened for our IT team. There just was never time for it." The director of digital services at a government organization indicated, "We'd like to automate the mundane tasks."

- **The unmet need for an effective project management solution beyond the project management office (PMO).** The product owner of Microsoft 365 at an insurance company mentioned: "Practically speaking, there is a realm of projects that everyday people do that don't hit the corporate PMO. For most of our business, it's 'But I just need to get these things done with my team.'"

- **Complexity and costs from using multiple separate work management tools.** The systems engineer at an educational institution noted, "We wanted to have a unified and simpler solution by reducing the number of tools and having them all in one place."

- **Shortcomings of prior solutions.** Interviewees cited multiple factors that prompted their organizations to explore alternatives to their prior work management solutions, including performance issues, a lack of functionality, poor user interfaces, application complexity, and unfavorable pricing structures (e.g., excessive costs from the licenses required to simply input some data). The director of data science at a healthcare company said, "Our prior solution had three bottlenecks: 1) getting everyone to see the same view, 2) making changes to the plan when there were updates or disagreements, and 3) just wrapping up the meeting and making sure the checklist has been done." The senior manager of PMO and governance at an industrial company explained: "We started evaluating how we utilize all our tools for project and portfolio management and some of the process and people around them. That's why we decided to migrate."

FIGURE 1

"What challenges were (if your organization is using the new Planner)/are (if your organization is considering the new Planner) your organization facing in its work management solution environment?"

Challenge	Percentage
Employee productivity and effectiveness	61%
Security, compliance, and privacy for company operations	59%
Improving profitability	51%
Achieving a greater percentage of the goals set	43%
Collaboration	41%
Improving the quality of the work that's done	40%
Using AI to help manage teams and achieve goals	36%
Cost of prior/current work management solutions	34%
Retaining employees and keeping them energized	31%
How long it takes us to move cost-saving or revenue-generating initiative from idea to reality	30%
Using technology to downskill roles	30%
Freeing up time for higher-value-added efforts	30%
Don't know	1%

Base: 257 respondents at organizations in NA, EMEA, APAC, and LA that currently use or plan to purchase Microsoft Planner
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, October 2024

> *"Our work management software was all over the place. We needed a unified solution. People wasted time because they couldn't find the information they needed or didn't even know it existed. So, they would just start all over again and, when every task is new and different every time you do it, there's no way to be efficient."*
>
> **Systems engineer, education**

Investment Objectives

The interviewees and survey respondents searched for a solution that could:

- Improve efficiency and outcomes by managing work (and the associated information) in a single platform that improves coordination, collaboration, and communications.
- Simplify the user experience.
- Expand project management tools and capabilities beyond formal project managers for broader impact across the organization.
- Begin to leverage AI for greater efficiency.

Interviewees from organizations that had already used multiple Microsoft products also mentioned that they wanted a work management solution they could unify into one platform with their existing Microsoft applications.

> *"The impact won't be on one specific department — it will be across the organization."*
>
> **Manager, IT customer experience, energy**

> *"We wanted to unify everything on one platform."*
>
> **Director of data science, healthcare**

Composite Organization

Based on the interviews and survey, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees' and survey respondents' organizations, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

- **Description of composite.** The composite is a global company headquartered in North America with worldwide operations. The composite organization has $6 billion in annual revenue, which is held constant for model simplicity, and 24,000 employees, most of whom are knowledge workers. Prior to deploying the new unified Planner, the composite organization used a combination of Microsoft and third-party software to meet its work management needs.
- **Deployment characteristics.** All knowledge workers at the composite organization have either a Microsoft 365 E3 or E5 license depending on their role. As a part of this enterprise license, these knowledge workers have access to

Microsoft Planner, including the ability to create basic plans to track their work. Over a period of two years, the composite organization obtains and assigns premium Microsoft Planner licenses to 15% (3,600) of their workforce, giving these license holders access to advanced planning and task management features to meet their needs. The composite organization assigns these premium Planner licenses to all formal project/program managers, most managers from nonproject management disciplines (e.g., marketing, HR, operations, legal, etc.) who lead a variety of projects and initiatives, and the team members who report to these managers. Of the 3,600 users, 95% use Planner and Project Plan 3, and the remaining 5% are formal project managers who use Planner and Project Plan 5. The financial benefits and costs shown in this study are specific to the 15% of employees using these premium versions of Planner. Note: This TEI study does not highlight the benefits gleaned by the composite organization's Planner basic users who do not acquire premium licenses.

📢 **KEY ASSUMPTIONS**

- $6 billion in annual revenue
- 24,000 employees
- 3,600 employees have premium Planner licenses (including 180 formal project/program managers or enterprise resource managers)

Analysis Of Benefits
Quantified benefit data as applied to the composite

Total Projected Benefits					
Projected Benefits	Year 1	Year 2	Year 3	Total	Present Value
Total projected benefits (low)	$934,790	$4,660,974	$9,869,550	$15,465,314	$12,116,992
Total projected benefits (mid)	$1,748,654	$9,439,738	$20,097,550	$31,285,942	$24,490,707
Total projected benefits (high)	$2,262,606	$11,750,970	$24,798,630	$38,812,206	$30,400,037

Efficiency Improvement

Evidence and data. Interviewees came from organizations across industries with varied company sizes and operational challenges. Despite these differences, interviewees consistently discussed overall efficiency improvements for their organizations' employees who used Planner. Employees at the interviewees' organizations frequently reallocated the time they saved, typically to higher-value tasks.

This benefited employees across many levels of organizations. The director of portfolio and PMO at a government organization said: "Planner could save 10% to 20% of people's time at various levels of the organization, all the way from our steering and governance committees and VPs down to the individual who's actually doing the work. The VPs need to see how it all fits together. The individual needs to know what to do this week and next week."

Interviewees and survey respondents mentioned many ways in which Planner (including Copilot within Planner) enabled that efficiency. How each factor affected a given organization varied based on the organization's current operations and challenges, the roles for which the organization licenses premium versions of Planner, and the number of employees in those roles. Interviewees noted that in addition to this, each employee had a different mix of the tasks Planner helped with and spent different fractions of their workday on each of those tasks.

Examples of how interviewees and survey respondents saw Planner improving employee efficiency include the following:

- **Providing access to less siloed/more organized information via a single consolidated view.** Interviewees said Planner made it possible to access information in one place. This information ranged from plans, goals, and timelines to an individual's tasks and to-do lists. This consolidated view enabled many other efficiencies the interviewees described. The principal consultant at a professional services firm said, "Materials are all in a centralized location, so people aren't having to bounce back and forth between tools looking for information." The manager of IT customer experience at an energy company estimated Planner cut the time spent searching for information from 4 hours per week to 1 hour because information was consolidated, organized, and easy to find.

- **Decreasing time spent in meetings.** Several interviewees mentioned how better access to information shortened periodic meetings from 60 to 30 minutes, saving time for all participants. The manager of IT customer experience at an energy company noted, "Because everyone's got everything right there, a meeting where you might have spent an hour on just trying to remind everybody and pull pieces together can just focus on priorities or certain topics and

be done in half an hour."

Interviewees said that in some situations Planner eliminated the need to meet at all and gave examples like reducing a project manager's time in weekly status meetings from 10 hours per week to 2 or 3 hours. The associate vice president of portfolio management at a financial services company said: "Having that visibility [from Planner] frees up time to get things done rather than meet to determine statuses. Because all the information is right there and the system flags things that are going to impact the schedule, you may only have to meet about escalations or roadblocks."

- **Reducing time spent on meeting preparation and follow-up.** Planner also saved time previously spent preparing for and following up after meetings. The director of data science at a healthcare company estimated project managers who led sprint meetings saved several hours of postmeeting work per sprint which, combined with shorter meetings, saved a total of 20% of a sprint manager's time. The manager of IT customer experience at an energy company said: "I can ask Copilot to summarize the meeting and send out meeting notes, whereas before I would do all that manually. For a significant meeting, it typically would take me 30 minutes to summarize, set actions, do all that stuff. If I'm able to have Copilot help me with that, you're down to half that time or even less."

- **Creating documents, email, and other content.** The manager of IT customer experience at an energy company said document creation that previously took 60 minutes could be reduced to 15 minutes by using Planner's templates with Copilot and then cleaning up the results.

- **Leveraging generative AI in varied ways.** Based on their initial use of Copilot within Planner, interviewees had already seen efficiency gains from their use of it and felt its impact and value would increase as they went further with it. The senior manager of PMO and governance at an industrial company said: "There's going to be a lot of value from Copilot. We haven't even scratched the surface on all the potential use cases for it yet. It's really cool that you can create a project plan or schedule with it instead of starting from scratch or use it to analyze some project data." The principal consultant at a professional services firm indicated, "We're already saving a lot of time by using Copilot for meeting minutes, but we can go a lot further with our use of it."

The associate vice president of portfolio management at a financial services company noted: "With Planner, it's all there. You can comment, you can escalate, you can use Copilot to summarize. If people are keeping Planner up to date, then the information should be there, and Copilot should be able to summarize statuses and issues rather than having to jump on a call and go around." The vice president of PMO at the same company said: "We've thought of hundreds of examples. I'm looking forward to getting an overview of my team's projects just by asking Copilot what's going on or pinpointing the most immediate project needs with the highest impact." In explaining their organization's use of Planner, the information technology auditor at a financial services company explained: "Copilot is a game-changer. The AI-powered insights improve our decision-making."

- **Providing transparency and accountability.** The manager of IT customer experience at an energy company said: "We used to have meetings where we would assign tasks to various people only to have them say at the next meeting, 'I forgot that was assigned to me.' Planner allows you to convey, 'This was assigned to you.' It sends emails and reminders. It gives deadlines." The systems engineer at an educational institution explained: "Everything's better organized and there's just more transparency about who should be doing what. For instance, when a new employee comes in, they need a badge and email. With Planner, our IT group can plan that out in a trackable form. That's cut out blaming about 'Who dropped the ball?'"

- **Increasing reuse and decreasing duplicated work.** Interviewees said Planner's consolidated information and task management enabled their employees to save time by more frequently reusing existing work and avoiding duplicating it. The systems engineer at an educational institution explained, "People now spend less time doing

work that might have been avoided because they're more often able to find and reuse existing work."

The manager of IT customer experience at an energy company said: "Planner can help identify and let folks know what has already been done. We used to get people working in a silo with no idea of what other people were working on. They'd think it was a good idea to do something — but then some other person ended up doing the same thing. With the views in Planner, everyone can see if someone is already working on a particular task." That same manager estimated that if Planner were used in the right way, it could save 10% or as much as 20% of some groups' collective time by reducing the time they spent on avoidable work.

- **Streamlining processes, including collaboration and task management.** Interviewees shared examples of how Planner helped streamline processes, including reducing the time needed to collaborate and coordinate across teams by 10% to 15%. The systems engineer at an educational institution noted: "Our departments now work well with each other. That's huge. Our entire process of onboarding a new employee is much more streamlined, and we've been able to fix a lot of workflow and communications gaps. For example, we need to onboard several hundred new employees each year. For each, an HR person used to spend about 30 hours working with various departments. Now they spend five."

Interviewees said Planner simplified determining task statuses because employees could go to a single place to see all their tasks that were due and mark them as completed, instead of going into individual plans or multiple applications to do so. The product owner of Microsoft 365 at an insurance company explained: "Planner helps you manage your time for your tasks without having to look in 12 different places. It notifies you: 'You have a task coming up. Do your task. These tasks are due in the next week.' And it will email you daily if they're late. It also saves time for managers, because they don't have to spend all of the one-on-one time with people just trying to track statuses."

The director of digital services at a government organization said: "With Planner, all your tasks are consolidated. You can pull that up to see everything that's been assigned to you, even if you're on multiple projects. You can see and update tasks directly instead of sending emails back and forth or waiting until a meeting. That's definitely a productivity gain."

- **Automating tasks.** For some tasks associated with certain kinds of roles, the automation capabilities included in P3 and P5 versions of Planner enabled interviewees' organizations to automate low-value or mundane tasks. This freed up workers' time and reduced errors from manual work (which saved additional time). The systems engineer at an educational institution noted, "We spend less time fixing errors now because errors don't happen as much."

The information technology auditor at a financial services company estimated that using Planner's automation capabilities saved an internal auditing group of 15 people about 80% of their time. The manager of IT customer experience at an energy company described a repetitive and mundane task of identifying and cleaning up unused employee IT accounts. By automating this with Planner, a task that previously required 100% of an employee's time now needs just 5% to 10% of that time. That same manager said IT aspects of their company's onboarding had been fully automated with Planner, freeing up the time of a team that previously had been dedicated to creating accounts and assigning privileges.

The director of data science at a healthcare company explained that before Planner, several analysts assigned to each of their 10 departments spent at least 50% of their time manually checking if all sprint work had been completed and if that work adhered to PMO best practices. With Planner, nearly all that checking was automated (with alerts generated for any exceptions the automated process identifies). The analysts instead spend about 5% of their time troubleshooting or spot-checking things that could not be automated. That director explained, "So for example, if every time the network team has a project, they forget the firewall, we'd have an RPA [robotic process automation] to auto-create that task in Planner for that department."

This director also noted that, although the largest targets for automation would likely be their organization's institutional review board, research reviewers, and security, they could see other line managers and operations using automation as well.

FIGURE 2

Survey Respondent Input Regarding Labor Efficiencies

Examples Of Labor Efficiencies	Average Reduction In Time Spent
Searching for information	20.7%
Creating content (email, documents)	13.1%
Managing the plan	50.6%
Creating and executing plans and projects	23.4%
Deciding what to do next	45.0%
Recreating work because existing work could not be found and repurposed	34.2%
Duplicating work because managers could not determine multiple people were executing on the same task	27.2%
Rework required to address errors caused by suboptimal communication or inability to find needed information	34.2%

Base: Variable respondents at organizations in NA, EMEA, APAC, and LA that currently use or plan to purchase Microsoft Planner
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, October 2024

Modeling and assumptions. Based on the interviews and survey, Forrester assumes the following for the financial analysis as applied to the composite organization:

- The number of employees leveraging premium versions of Planner grows from 800 in Year 1 to 2,200 in Year 2 and 3,600 in Year 3.
- As individuals, workgroups, and the overall organization gain experience with Planner's functionality and how it can save time for them, their efficiency (compared to before Planner) increases. The percentage of work time saved due to premium versions of the new Planner is projected to be 2.00% (low) to 4.80% (high) in Year 1, 3.75% (low) to 9.00% (high) in Year 2, and 5.00% (low) to 12.00% (high) in Year 3.

- The average fully burdened annual salary for an employee using premium versions of Planner is $95,680.

- Employees reinvest half of the time they save toward tasks that provide the organization with greater value.

Results. This yields a three-year projected PV ranging from $10.4 million (low) to $25.0 million (high).

Results may not be representative of all experiences because efficiency improvement can vary based on:

- The extent to which the organization leverages Planner's functionality.

- The prior state and overall maturity of the organization's task and project management.

- The nature of the roles using Planner.

- Prevailing local compensation rates.

FIGURE 3

"Which of the following repeated work areas have been/will be reduced with the new Microsoft Planner?"

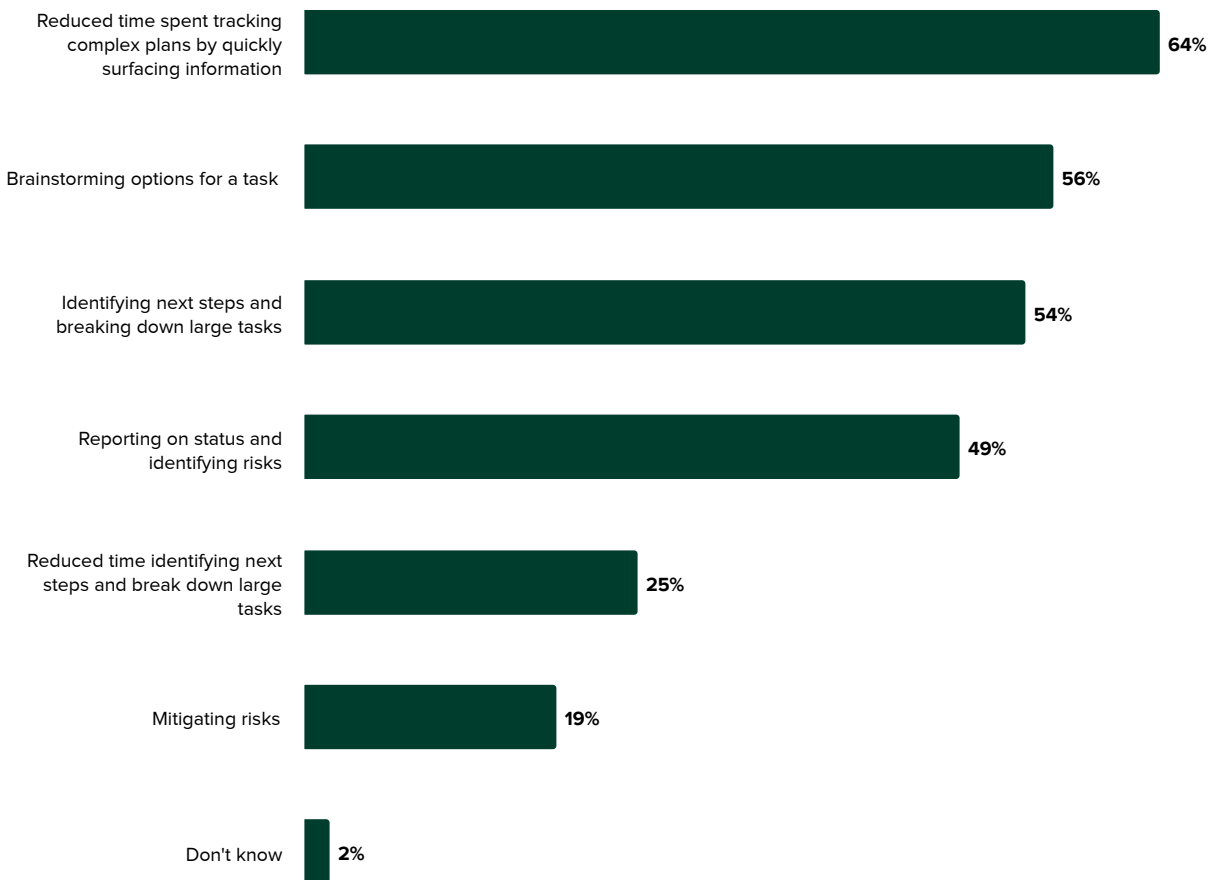|	
Employees repeating work because they could not readily find and repurpose existing work	69%
Employees duplicating work because managers could not determine that multiple people were executing on the same task	55%
Rework required to address errors caused by suboptimal communication or inability to find needed information	38%

Base: 64 respondents at organizations in NA, EMEA, APAC, and LA that currently use or plan to purchase Microsoft Planner that indicated they repeat work
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, October 2024

FIGURE 4

"What benefits do you see for AI in work management?"

Reduced time spent tracking complex plans by quickly surfacing information	64%
Brainstorming options for a task	56%
Identifying next steps and breaking down large tasks	54%
Reporting on status and identifying risks	49%
Reduced time identifying next steps and break down large tasks	25%
Mitigating risks	19%
Don't know	2%

Base: 132 respondents at organizations in NA, EMEA, APAC, and LA that currently use or plan to purchase Microsoft Planner that indicated they use AI

Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, October 2024

Efficiency Improvement Module: Range Of Three-Year Cumulative Impact, PV
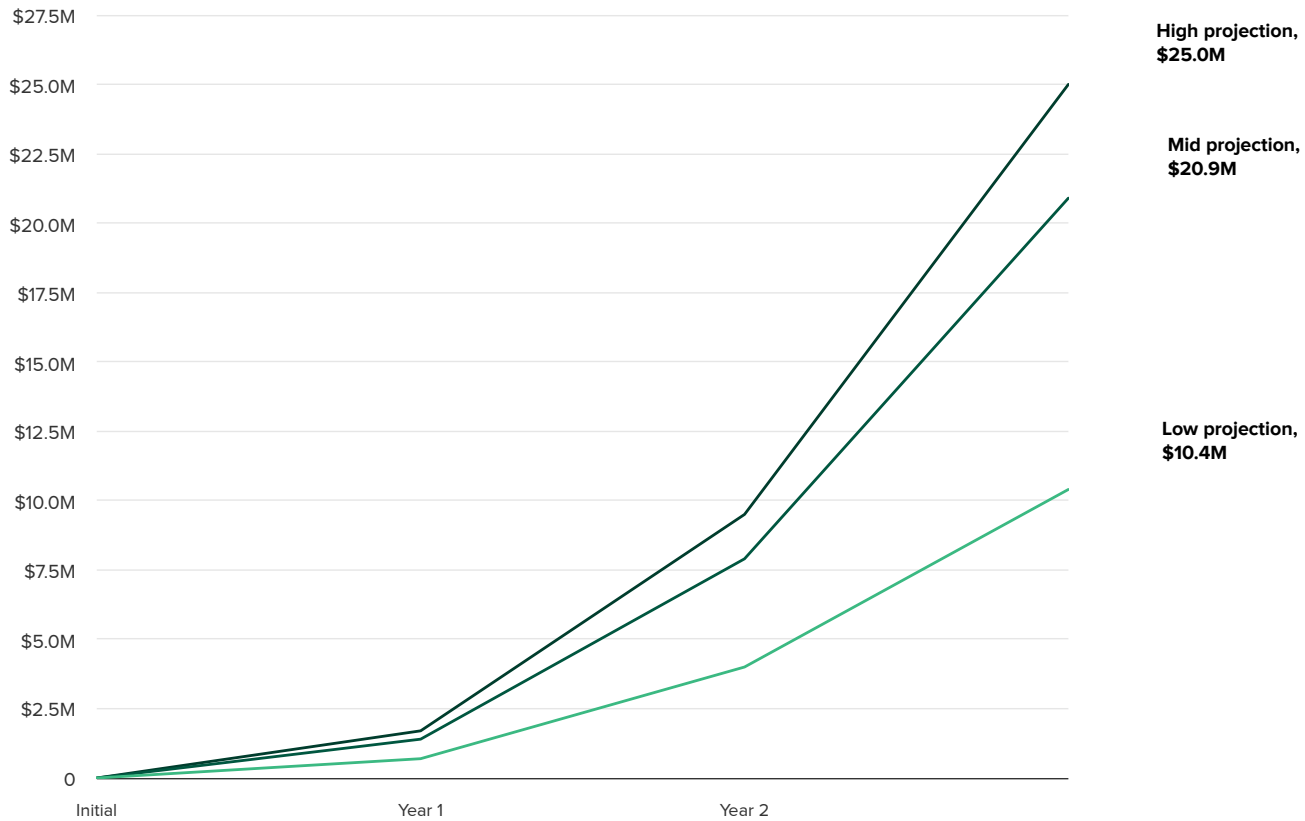
$10.4M to $25.0M

Three-year present value of efficiency improvement

> *"Effective time management is a key factor for our usage of Planner. We have improved our task management exponentially."*
>
> **Information technology auditor, financial services**

> *"Now, we have a solution that can guide us and keep us on track."*
>
> **Systems engineer, education**

> *"You can make notes on the tasks, and it gets captured as conversations, which will all feed into Copilot. So, it's just that last little cherry on top to complete that end-to-end."*
>
> **Associate vice president, portfolio management, financial services**

Efficiency Improvement					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Employees leveraging premium versions of Planner	Composite	800	2,200	3,600
$A2_{LOW}$			2.00%	3.75%	5.00%
$A2_{MID}$	Percentage of work time saved due to premium versions of the new Planner	Interviews	4.00%	7.50%	10.00%
$A2_{HIGH}$			4.80%	9.00%	12.00%
A3	Fully burdened annual salary for employees using premium versions of the new Planner	Composite	$95,680	$95,680	$95,680
A4	Productivity realization factor	TEI methodology	50%	50%	50%
At_{LOW}			$765,440	$3,946,800	$8,611,200
At_{MID}	Efficiency improvement	A1*A2*A3*A4	$1,530,880	$7,893,600	$17,222,400
At_{HIGH}			$1,837,056	$9,472,320	$20,666,880

Three-year projected total: $13,323,440 to $31,976,256   Three-year projected present value: $10,427,395 to $25,025,747

Incremental Income

Evidence and data. Interviewees and survey respondents expected Planner to drive incremental revenue — and thus incremental income — through a combination of factors that include freeing up the time of people across many roles from low-value efforts (e.g., mundane tasks, looking for information) so they can focus on higher-impact efforts and simply think more; enabling higher-quality work; and providing sales people with more time and better information for their selling efforts. According to interviewees, this incremental revenue and income would not have happened without Planner as it represented money a company made because it could do new/different things compared to how it operated before Planner.

- The principal consultant at a professional services company said: "By using Planner, our consultants produce higher-quality deliverables and increase the speed of making progress in our clients' eyes by producing them faster. The resulting client satisfaction helps us win new projects."

- That same principal consultant attributed increased revenue to salespeople getting time back to actually sell (rather than spending time on low-value tasks) and having better information with which to do so. The principal consultant said: "For our people in client-facing roles, an extra few hours per week saved by Planner can be used for business development. If you let the salespeople out, they're going to land something. It's just sometimes they can't get the time to do it."

- The director of data science at a healthcare company indicated, "Strong project management is very helpful for improving the hospital revenue cycle."

Because of the nature of those factors, interviewees said it would take time to realize incremental revenue and income.

Modeling and assumptions. Based on the interviews and survey, Forrester assumes the following for the financial analysis as applied to the composite organization:

- The organization's baseline annual revenue is $6 billion. For model simplicity this is held constant.
- Given the nature of the factors that produce incremental revenue, no Year 1 revenue increase is attributed to Planner.
- The revenue increase attributed to Planner is 0.10% (low) to 0.35% (high) in Year 2 and 0.20% (low) to 0.70% (high) in Year 3.
- Forrester applies a net margin of 8.67% to top-line revenue growth to focus the study on bottom-line financial improvement.[2]
- The resulting incremental net income is an ongoing benefit that continues over subsequent years.

Results. This yields a three-year projected PV ranging from $1.2 million (low) to $4.2 million (high).

Results may not be representative of all experiences because incremental income can vary based on:

- The extent to which the organization leverages Planner's functionality.
- The nature of the organization's business.
- The organization's competitive landscape.
- The degree to which the organization's culture encourages idea generation and innovation.
- The organization's operating margin, which is influenced by geography, industry, and competitive landscape.
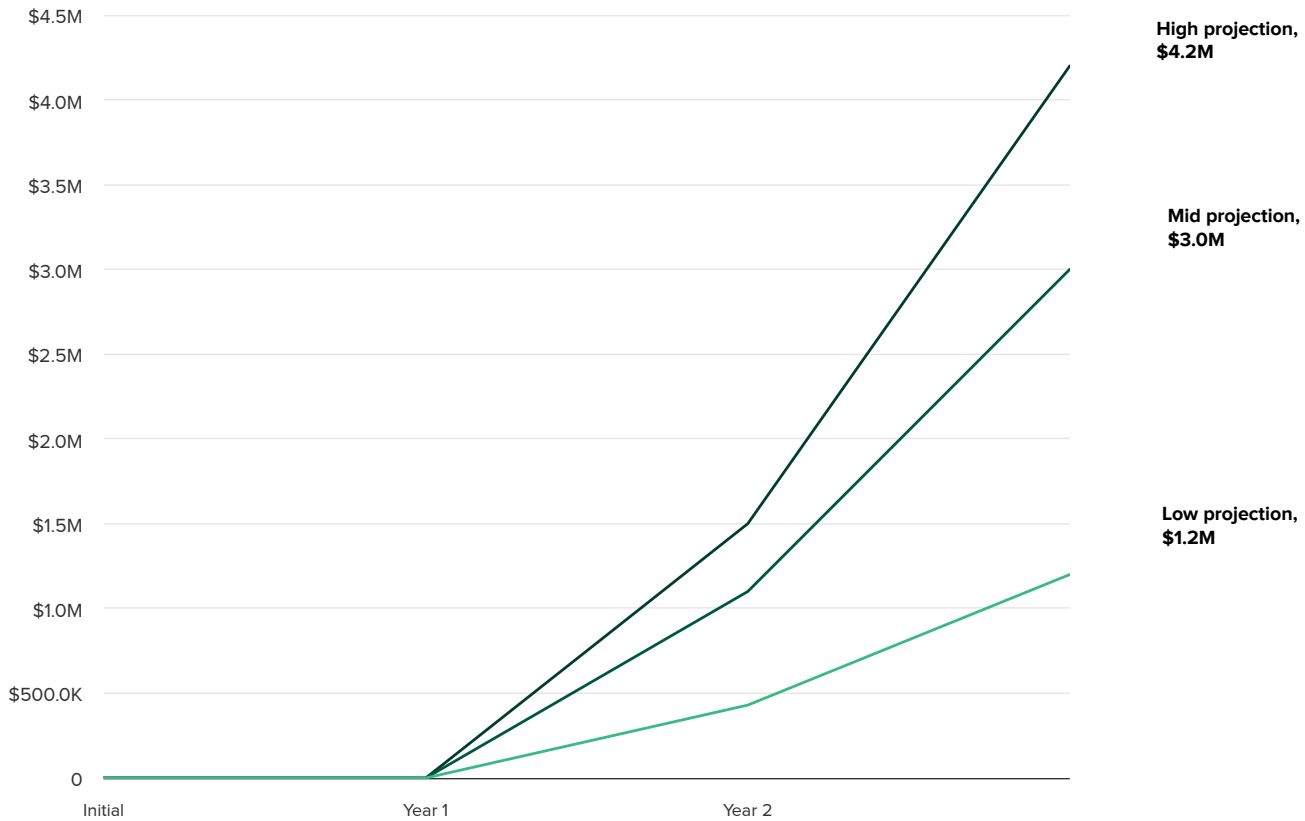
0.20% to 0.70%

Revenue increase attributable to Planner

"The efficiencies Planner enables help us deliver a better product, a more thoughtful product, a more organized product — all of which can lead to more income."

Manager, IT customer experience, energy

Incremental Income Module: Range Of Three-Year Cumulative Impact, PV

Incremental Income					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Baseline revenue	Composite	$6,000,000,000	$6,000,000,000	$6,000,000,000
B2$_{LOW}$			0.00%	0.10%	0.20%
B2$_{MID}$	Revenue increase attributable to Planner	Interviews	0.00%	0.25%	0.50%
B2$_{HIGH}$			0.00%	0.35%	0.70%
B3	Net margin	Research data	8.67%	8.67%	8.67%
Bt$_{LOW}$			$0	$520,200	$1,040,400
Bt$_{MID}$	Incremental income		$0	$1,300,500	$2,601,000
Bt$_{HIGH}$			$0	$1,820,700	$3,641,400

Three-year projected total: $1,560,600 to $5,462,100   **Three-year projected present value: $1,211,585 to $4,240,548**
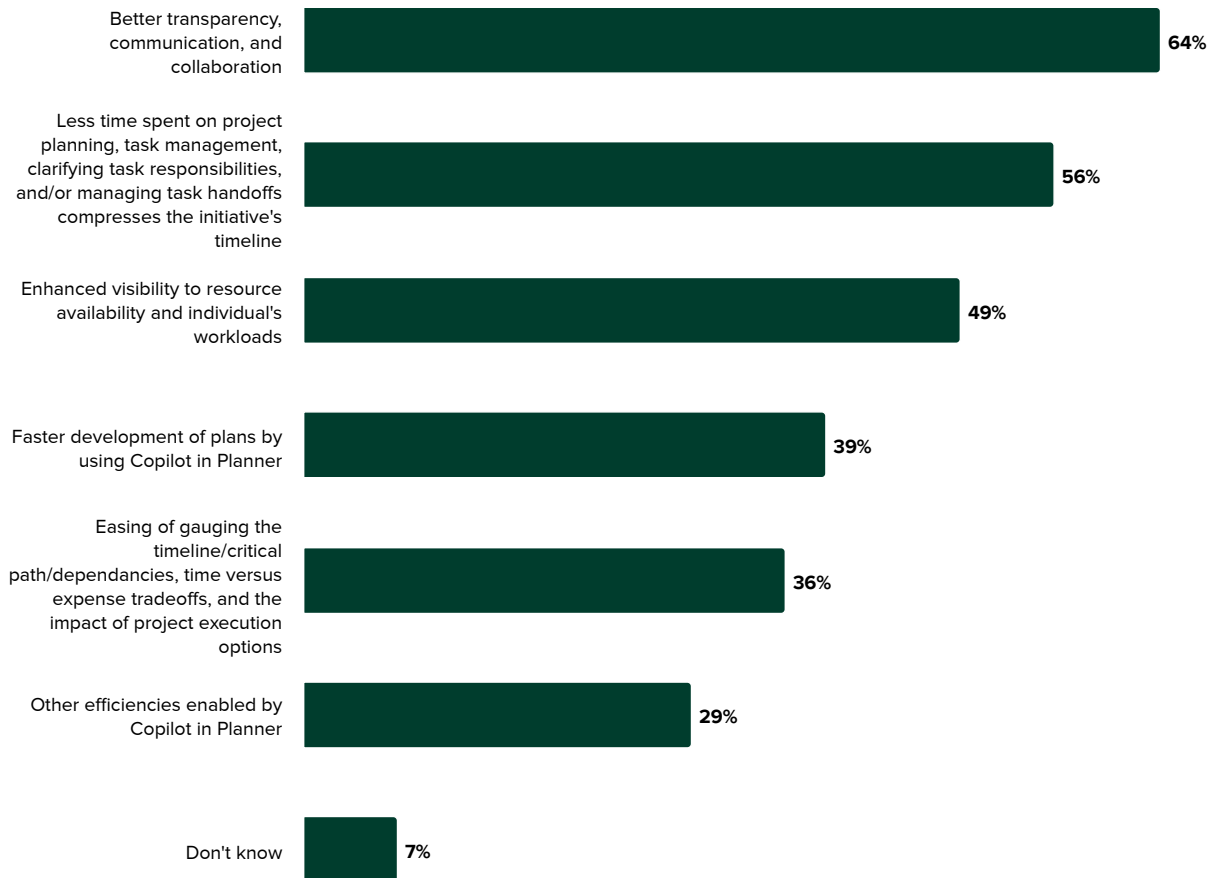
Faster Time To Value

Evidence and data. Interviewees and survey respondents said their organizations could complete cost-saving or revenue-generating corporate initiatives faster after deploying Planner.

The principal consultant at a professional services firm said, "Our internal initiatives are getting done faster, which had been a pretty big issue for us before Planner."

Interviewees and survey respondents cited better organization of projects and improved communications and collaboration among multiple reasons why Planner accelerated these initiatives. They also noted the following:

- The director of data science at a healthcare company said, "Planner reduces what we call the fuzzy front end — that period at the beginning of an initiative where the project management structure isn't defined and we're not yet tracking sprints or weeks and getting the stakeholders together and having a clear view for what to do."

- The senior manager of PMO and governance at an industrial company indicated: "Planner is how we'll approve projects, allocate resources to them, and get under way. We are going to build a consistent way of intaking projects by bouncing project requests against utilization and allocation. All that will deliver quantitative savings."

"You indicated that you have had/expect to have faster time to value with cost-saving or revenue-generating initiatives with the new Microsoft Planner. How does/will the new Microsoft Planner enable this?"

Better transparency, communication, and collaboration	64%
Less time spent on project planning, task management, clarifying task responsibilities, and/or managing task handoffs compresses the initiative's timeline	56%
Enhanced visibility to resource availability and individual's workloads	49%
Faster development of plans by using Copilot in Planner	39%
Easing of gauging the timeline/critical path/dependancies, time versus expense tradeoffs, and the impact of project execution options	36%
Other efficiencies enabled by Copilot in Planner	29%
Don't know	7%

Base: 59 respondents at organizations in NA, EMEA, APAC, and LA that currently use or plan to purchase Microsoft Planner that indicated they had or expect faster time to value
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, October 2024

Modeling and assumptions. Based on the interviews and survey, Forrester assumes the following for the financial analysis as applied to the composite organization:

- The composite organization could have completed these initiatives without Planner but would have needed more elapsed time to move each initiative from concept to reality. Because the composite organization uses Planner, each initiative starts to deliver value (cost savings or revenue) sooner than it otherwise would.
- Without Planner, the composite's average elapsed time for each corporate initiative is six months.
- The composite attributes Planner with reducing that elapsed time by 7.5% (low) to 10% (high) in Year 1, 11.3% (low) to 15% (high) in Year 2, and 15% (low) to 20% (high) in Year 3.

- Each year, the composite executes 18 corporate initiatives. Nine of these are cost-saving and nine are revenue-generating. For the revenue-generating initiatives, Forrester applies a net margin of 8.67% to the resulting top-line revenue growth to focus the study on bottom-line financial improvement.[3] The resulting average cost savings or incremental net income per initiative per month is $6,000.
- The accelerated cost savings or net income from each initiative that gets completed faster is a one-time benefit recognized only in the year in which that initiative is completed.

Results. This yields a three-year projected PV ranging from $178,000 (low) to $237,000 (high).

Results may not be representative of all experiences because reductions in the time to value can vary based on:

- The extent to which the organization leverages Planner's functionality.
- The prior state and overall maturity of the organization's task and project management.
- The organization's typical operating pace, which is influenced by the organization's age and culture.
- The number of corporate initiatives intended to directly reduce costs or generate revenue.
- The nature and scope of those initiatives and the resulting average monthly cost savings or incremental revenue from each.
- The organization's operating margin, which is influenced by geography, industry, and competitive landscape.

Faster Time To Value Module: Range Of Three-Year Cumulative Impact, PV
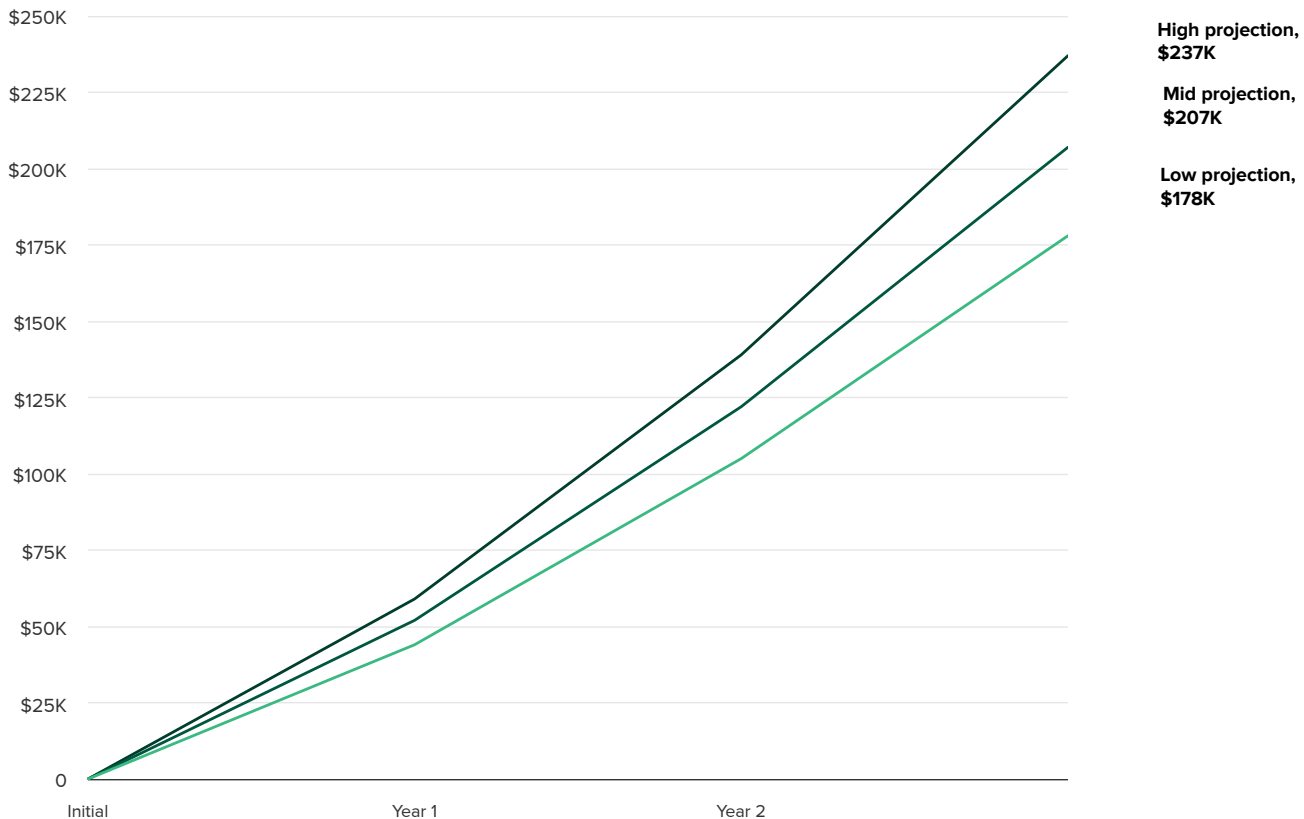
0.9 to 1.2 months

Reduction in elapsed time per initiative

> *"Planner helps us create the project and the plan faster in the first place, to get a sense of the steps we need to take and how it's all going to work. Projects are better organized and everything's tracked. People collaborate and communicate better. All of that saves us a lot of time on the initiative."*
>
> **Systems engineer, education**

Faster Time To Value					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Initiatives to reduce business costs or increase net income by increasing revenue	Composite	18	18	18
C2	Average elapsed time per initiative without Planner (months)	Interviews	6	6	6
$C3_{LOW}$			7.5%	11.3%	15.0%
$C3_{MID}$	Reduction in elapsed time per initiative attributed to Planner	Interviews	8.8%	13.1%	17.5%
$C3_{HIGH}$			10.0%	15.0%	20.0%
$C4_{LOW}$			0.450	0.678	0.900
$C4_{MID}$	**Subtotal: Reduction in elapsed time per initiative with Planner (months)**	C2*C3	0.528	0.786	1.050
$C4_{HIGH}$			0.600	0.900	1.200
C5	Average cost savings or incremental net income per initiative per month	Interviews	$6,000	$6,000	$6,000
Ct_{LOW}			$48,600	$73,224	$97,200
Ct_{MID}	Faster time to value	C1*C4*C5	$57,024	$84,888	$113,400
Ct_{HIGH}			$64,800	$97,200	$129,600

Three-year projected total: $219,024 to $291,600   Three-year projected present value: $177,725 to $236,610

Cost Savings From Retiring Legacy Solution

Evidence and data. Interviewees and survey respondents reported that after their organizations replaced their prior work management solutions with Planner, they saved on software licenses for their legacy solutions, infrastructure on which that software ran, and people time needed to manage their prior solutions. These are net savings since their organizations now incur ongoing costs associated with Planner. Sixty percent of respondents have reduced/expected

to reduce or eliminate their costs for other workplace, project, or task management tools because they no longer need them.

Modeling and assumptions. Based on the interviews and survey, Forrester assumes the following for the financial analysis as applied to the composite organization:
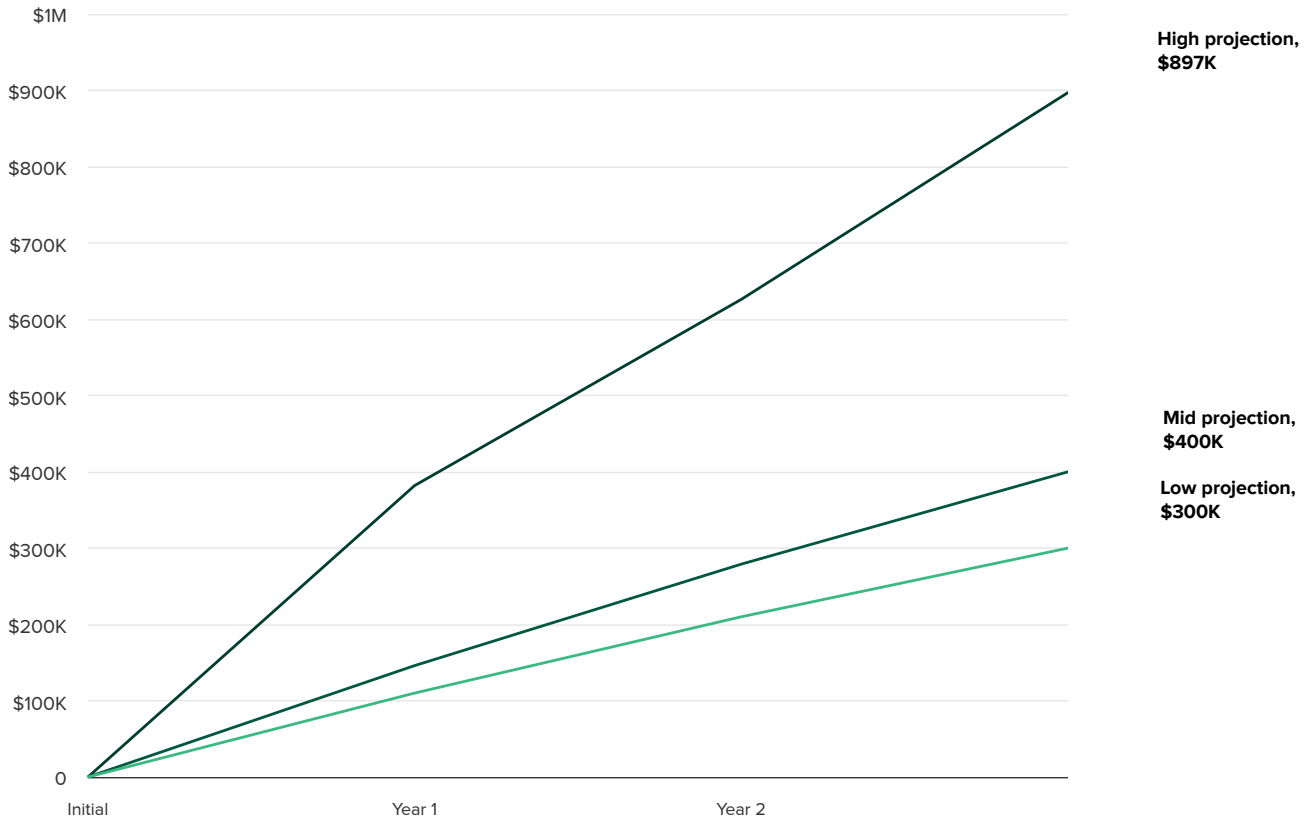
- After deploying Planner, the composite organization retires legacy solutions with prior annual costs ranging from $60,000 (low) to $300,000 (high) for software and infrastructure.
- One system administrator previously spent half of their time managing and maintaining those legacy solutions. The average fully burdened annual salary of a system administrator is $121,500.

Results. This yields a three-year projected PV ranging from $300,000 (low) to $897,000 (high).

Results may not be representative of all experiences because cost savings from retiring a legacy solution can vary based on:

- The number and nature of the organization's legacy work management software programs.
- The number of users of the legacy solution.
- The infrastructure needed for the legacy solution.
- The internal labor needed to manage the legacy solution.
- Prevailing local compensation rates.

Cost Savings From Retiring Legacy Solution Module: Range Of Three-Year Cumulative Impact, PV

High projection, $897K

Mid projection, $400K

Low projection, $300K

Cost Savings From Retiring Legacy Solution					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1$_{LOW}$			$60,000	$60,000	$60,000
D1$_{MID}$	Software and infrastructure	Interviews	$100,000	$100,000	$100,000
D1$_{HIGH}$			$300,000	$300,000	$300,000
D2	Internal labor	Interviews	$60,750	$60,750	$60,750
Dt$_{LOW}$			$120,750	$120,750	$120,750
Dt$_{MID}$	Cost savings from retiring legacy solution	D1+D2	$160,750	$160,750	$160,750
Dt$_{HIGH}$			$360,750	$360,750	$360,750

Three-year projected total: $362,250 to $1,082,250   **Three-year projected present value: $300,287 to $897,132**

Unquantified Benefits

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

- **Expanding project management capabilities and ownership beyond formal project managers.** The director of portfolio and PMO at a government organization indicated: "With Planner, it's not just the PM who can help put a plan together. Their team members who may not be project management gurus can all help with that." The director of digital services at that same organization said: "The biggest advantage is the way Planner shifts the mindset around how a project team works together. Everyone owns the plan and works on it, instead of the PM owning the plan and telling others what to do with it. Everyone on the team can update their status before a meeting, so the meeting can be a discussion instead of simply a status update. It's a different way of thinking that empowers the team."

- **Reallocating effort to higher-value tasks.** Interviewees said that because their organizations' employees save time by using Planner, those employees can apply that saved time and mental space to higher-value, more impactful efforts. Examples included IT staff building their skills by attending training and HR staff improving their ability to better serve employees. The information technology auditor at a financial services company explained: "Employees don't want to waste time doing repetitive processes. If something can be streamlined or automated, why not do it? That saves you a lot of thinking time to focus on other aspects of your job. There's always something else that needs to be done."

- **Achieving a higher percentage of goals.** Interviewees said that by using Planner, their organizations were able to achieve a greater percentage of the goals they set and thus gain the anticipated value because they could better manage the projects underlying those goals. The manager of IT customer experience at an energy company explained: "[By using Planner], you know what the goals are, you know how to get to them, and you track it. So more of the goals get delivered on and produce results and value." The systems engineer at an educational institution said, "Because we can plan better now, we're more likely to get the right outcomes."

- **Improving accountability.** The director of portfolio and PMO at a government organization noted: "The transparency of information in Planner makes it clear to people what's been assigned to them at a task level. There's no more, 'Oh, I thought someone else was doing that' kind of thing."

- **Delivering higher-quality work.** Interviewees indicated that efficiencies and information provided by Planner enabled employees to deliver tasks with a higher level of quality. The systems engineer at an educational institution noted, "Giving teachers 5% of their time back would let them be better prepared and deliver a more efficient lesson and a better learning experience." The information technology auditor at a financial services company observed: "People just have more bandwidth to do a better job. For instance, we have more complete and more accurate compliance reporting."

- **Increasing employee satisfaction.** Interviewees cited employees' positive reactions to the easier collaboration enabled by Planner and Planner's automation of low-value, mundane work. The director of data science at a healthcare company said: "In terms of our overall organizational mission, we strive for excellence and having the best tools. So having tools that are helpful to employees and they're actually happy to use is important."

Flexibility

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

- **Using Planner for additional use cases and groups of employees.** Interviewees expected to expand their use of premium versions of Planner to other use cases and groups of employees over time. For example, the systems engineer at an educational organization indicated that although their organization's initial Planner users were concentrated in business and IT functions, expanding Planner use to teachers (nearly half of total staff) could save 5% of their time and enable higher-quality teaching by reducing time spent on low-value tasks.

- **Leveraging Planner's capabilities (including AI) more completely.** Interviewees noted their organizations would continue to explore additional ways to capitalize on Planner's functionality (especially Copilot) and gain even greater value from it. The principal consultant in a professional services firm mentioned potentially automating some of the process around onboarding a new client, such as tailoring an onboarding presentation for each client.

- **Capitalizing on additional Planner capabilities (e.g., agentic AI) as Microsoft introduces them.** Interviewees said they anticipated gaining additional value by using enhanced and new features as Planner continues to evolve. One example is Planner's Project Manager Agent (PMA), an agentic AI tool. Although no interviewee had direct experience with PMA because it was introduced during the period when interviews were conducted, the director of digital services at a government organization said, "Planner's two AI pieces — Copilot and agents — could really make a project much more efficient by taking away a lot of manual stuff like creating a project plan and dealing with a project's outstanding tasks."

  The director continued: "I'm really looking forward to and hopeful about Planner's Project Manager Agent because of how it could reduce routine stuff project managers do. I see those agents getting smarter and smarter, where you could say to the agent, 'Create me a status report on Monday at such and such a time.' Instead of the PM having to manually go and try to figure out which tasks to include and what their status is, the agent in Planner uses that information to more intelligently pull a standard report. We would get more consistent reports that way." That director also mentioned: "We're constantly dealing with follow-ups, but if the status of a follow-up was old, you could have an agent deal with it. Think of it like an assistant for a project manager, where you can say 'Go follow up on all these people and why their tasks are outstanding. See if they haven't completed those tasks or just haven't updated them.'"

- **Integrating Planner with other Microsoft applications.** Several interviewees mentioned plans to integrate Planner with other Microsoft applications their organizations use, such as using Planner with Power BI to customize existing reports or create new reports. The director of data science at a healthcare company anticipated using Microsoft's Power Automate in conjunction with Planner's default functionality to enable more complex business intelligence reporting and additional dashboards and visualizations.

- **Integrating Planner with proprietary applications.** Interviewees noted their organizations could also infuse their proprietary, homegrown applications with new capabilities via integration with Planner. The associate vice president of portfolio management at a financial services company explained plans to enhance their company's practice management system for client services by integrating Planner into it. That integration would provide client-facing staff with better client-specific plans and task lists (created with Planner), along with templates to speed creation of client service plans and client communications. The interviewee noted it would enable account teams to provide consistent information to clients and work together more efficiently and effectively (especially when a client relationship spans multiple lines of business).

  The associate vice president estimated that the enhanced system would save each client-facing employee — who are around one-third of overall staff at their organization — 4 to 5 hours each week by creating efficiencies in how they service clients. Those efficiencies would free up time for them to serve clients in other ways, which would help with cross-sell, upsell, and client retention. This interviewee noted: "Adding Planner made our legacy system much better than what we had. If I create a new task list in the legacy system it automatically creates a plan in Planner, and people can manage all their plans within Planner. You get all the great functionality of Planner and the summarization. You can see your tasks across all your clients in one spot, and it all syncs with the legacy system."

- **Leveraging Planner for merger and acquisition efforts.** The vice president of PMO at a financial services company envisioned using Planner to streamline and accelerate the integration efforts around future corporate acquisitions by consolidating information and standardizing and automating integration workflows.

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

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
Etr	Planner premium licenses	$0	$359,100	$888,300	$1,417,500	$2,664,900	$2,125,576
Ftr	Implementation and management	$274,800	$343,200	$394,200	$445,200	$1,457,400	$1,247,070
Gtr	Training and employee discovery	$17,760	$450,480	$1,068,720	$1,300,560	$2,837,520	$2,287,657
	Total costs (risk-adjusted)	$292,560	$1,152,780	$2,351,220	$3,163,260	$6,959,820	$5,660,303

Planner Premium Licenses

Evidence and data. Interviewees noted that their organizations' Planner subscription costs were based on Planner versions selected and the number of seats purchased. Contact Microsoft for likely costs specific to your organization.

Modeling and assumptions. Based on the interviews and survey, Forrester assumes the following for the financial analysis as applied to the composite organization:

- The composite pays for 180 Planner and Project Plan 5 licenses each year. Each P5 license costs $55 per month.
- The composite pays for 620 Planner and Project Plan 3 licenses in Year 1, 2,020 in Year 2, and 3,420 in Year 3. Each P3 license costs $30 per month.

Risks. These costs may not be representative of all experiences because Planner premium license costs will vary based on:

- The organization's number of employees leveraging premium versions of Planner.
- The organization's selected mix of Planner versions.

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 $2.1 million.

Planner Premium Licenses						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Employees leveraging premium versions of Planner	Composite		800	2,200	3,600
E2	Planner and Project Plan 5 users	Composite		180	180	180
E3	P5 monthly cost	Microsoft		$55	$55	$55
E4	Planner and Project Plan 3 users	Composite		620	2,020	3,420
E5	P3 monthly cost	Microsoft		$30	$30	$30
Et	Planner premium licenses	((E2*E3)+(E4*E5))*12 months		$342,000	$846,000	$1,350,000
	Risk adjustment	↑5%				
Etr	Planner premium licenses (risk-adjusted)		$0	$359,100	$888,300	$1,417,500

Three-year total: $2,664,900   Three-year present value: $2,125,576

Implementation And Management

Evidence and data. Interviewees described how their organizations' IT and business staff collaborated to plan for and deploy the premium versions of Planner (which include Copilot functionality) and then manage usage to maximize Planner's impact.

- Since Planner supports many use cases across varied parts of their organizations, interviewees indicated that implementation had entailed a thoughtful process of identifying an implementation project team that included IT and business staff. That team pinpointed likely use cases for Planner (including its Copilot functionality); determined how to transition from prior solutions; established implementation priorities and timelines; gained approval for connecting project data; imported data as needed; determined and configured desired levels of access to various content sources (e.g., to ensure Copilot features are available in Microsoft 365 apps); conducted technical testing and user acceptance testing to identify issues and gather feedback; and developed communications and training materials. Some interviewees' organizations conducted internal pilots during the initial period.
- Interviewees' organizations typically implemented Planner using their own staff and staged their Planner rollout over two years, prioritizing groups based on corporate priorities and nature of roles.
- Interviewees reported that on an ongoing basis, IT staff supported end users, and business and IT staff collaborated to determine how to optimize their organizations' use of Planner by further leveraging its existing functionality and capitalizing on its new capabilities as they were introduced. In addition, business managers continued to evolve their teams' use of Planner.

Modeling and assumptions. Based on the interviews and survey, Forrester assumes the following for the financial analysis as applied to the composite organization:

- During the initial period:
  - IT staff in various roles spend a combined 2,500 hours on technical planning and implementation.
  - Business staff in various roles (from functional to team leadership) spend a combined 1,500 hours on planning and change management to explore how employees could productively use Planner and plan for its rollout.

- On an ongoing basis:
    - IT staff manage Planner's technical considerations and support end users, spending a combined 3,000 hours in Year 1, 3,250 hours in Year 2, and 3,500 hours in Year 3 as the volume of Planner users increases.
    - Business staff continue to determine how to fully leverage Planner and work with employees to ensure that happens, spending a combined 2,000 hours in Year 1, 2,500 hours in Year 2, and 3,000 hours in Year 3 as the volume of Planner users increases.
- Across the roles involved, the fully burdened hourly rate for an IT FTE is $58 and for a business FTE is $56.

Risks. These costs may not be representative of all experiences because implementation and management costs will vary based on:

- The extent to which the organization leverages Planner's functionality.
- The organization's prior state and overall maturity related to work management.
- The experience and capabilities of the organization's IT and business staff.
- Prevailing local compensation rates.

Results. To account for these risks, Forrester adjusted this cost upward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $1.2 million.

Implementation And Management						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
F1	Time IT staff spent on technical planning and implementation, and ongoing management and support (hours)	Interviews	2,500	3,000	3,250	3,500
F2	Fully burdened hourly rate for an IT FTE	Composite	$58	$58	$58	$58
F3	Hours spent by business staff on planning and change management	Interviews	1,500	2,000	2,500	3,000
F4	Fully burdened hourly rate for a business FTE	Composite	$56	$56	$56	$56
Ft	Implementation and management	(F1*F2)+ (F3*F4)	$229,000	$286,000	$328,500	$371,000
	Risk adjustment	↑20%				
Ftr	Implementation and management (risk-adjusted)		$274,800	$343,200	$394,200	$445,200
	Three-year total: $1,457,400			**Three-year present value: $1,247,070**		

Training And Employee Discovery

Evidence and data. The interviewees noted that a combination of sufficient training, self-guided discovery, and change management conversations among managers and their team members was critical for successful adoption of Planner. They also confirmed the importance of ongoing updates and training not just due to any changes to Planner itself but also because how specific employees/groups leveraged it over time regularly evolved.

- The associate vice president of portfolio management at a government organization said: "We had a bunch of mandatory trainings for the PMO and then some more team-specific trainings where their manager would have done

it, or we had other forums where they could attend and ask questions. And even now, we're still doing tips [and] tricks, [asking questions like], 'How are you using it?,' 'Any hiccups you're coming across?'"

- The director of data science at a healthcare company explained: "So, we have two processes in parallel. One is just having all the default tutorials and tool tips turned on and having the user turn them off in their settings once they're comfortable with the system. And then the other one is making a SharePoint user guide about, based on our super user, what is recommended for the regular user."

- The manager of IT customer experience at an energy company noted about using Copilot, "You need time to start playing around with it, so you can ask the right questions and do the right things."

Modeling and assumptions. Based on the interviews and survey, Forrester assumes the following for the financial analysis as applied to the composite organization:

- During the initial implementation period, trainers collectively spend 400 hours creating training content. In each of Years 1, 2, and 3, trainers collectively spend 200 hours delivering training content.

- The fully burdened hourly rate for a trainer is $37.

- The number of existing employees trained is 800 (including all 180 formal project managers) in Year 1 and 1,400 in Years 2 and 3. "New hires" assumes 10% annual turnover among employees using Planner in the prior year.

- Each existing or new employee who is designated to use a premium version of Planner spends 10 hours in training, self-guided discovery of Planner, and change management conversations.

- In each of Years 2 and 3, employees leveraging the premium versions of Planner spend 2 hours on updates and ongoing training.

- The fully burdened hourly rate for an employee using a premium Planner license is $46.

Risks. These costs may not be representative of all experiences because training and employee discovery costs will vary based on:

- The extent to which the organization leverages Planner's functionality.

- Employees' prior familiarity with work management tools.

- The number of employees onboarded to Planner.

- The roles those employees hold and the resulting nature and extent of their Planner usage.
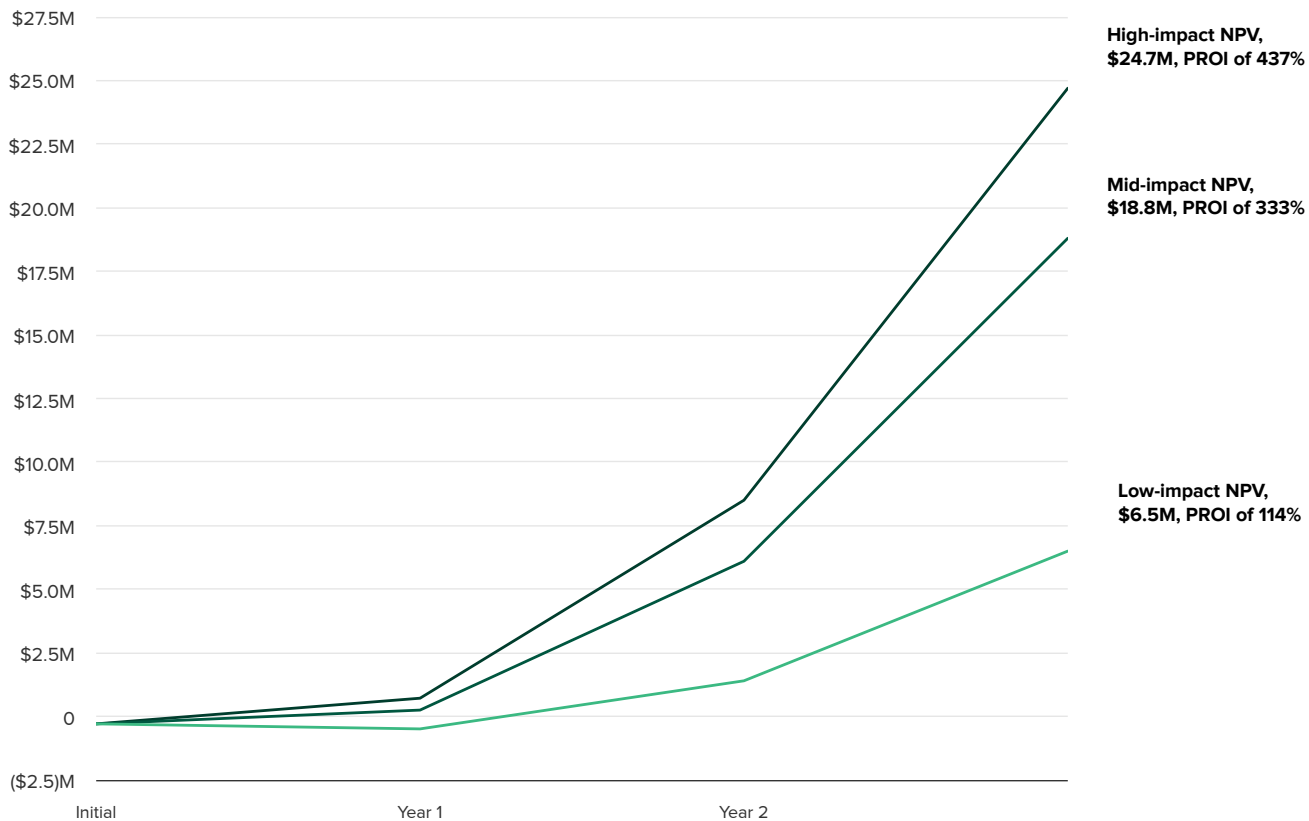
- Prevailing local compensation rates.

Results. To account for these risks, Forrester adjusted this cost upward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $2.3 million.

Training And Employee Discovery						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
G1	Time spent on creation and delivery of training content (hours)	Interviews	400	200	200	200
G2	Fully burdened hourly rate for a trainer	Composite	$37	$37	$37	$37
G3	**Subtotal: Cost for trainers to create and deliver training content**	**G1*G2**	**$14,800**	**$7,400**	**$7,400**	**$7,400**
G4	Employees leveraging premium licenses for Planner	E1		800	2,200	3,600
G5	Existing employees trained	Composite		800	1,400	1,400
G6	New hires trained	$G4_{PY}$*10%		0	80	220
G7	Hours per employee for new user training, self-guided discovery of Planner, and change management conversations	Interviews		10	10	10
G8	Total hours of new user training and discovery	(G5+G6)*G7		8,000	14,800	16,200
G9	Incremental hours per employee for updates and ongoing training	Interviews		0	2	2
G10	Total hours of ongoing training for existing users	G4*G9		0	4,400	7,200
G11	Total hours of employee training and discovery	G8+G10		8,000	19,200	23,400
G12	Fully burdened hourly rate for employees using premium Planner licenses	A3/2,080 hours		$46	$46	$46
G13	**Subtotal: Cost for employee training and discovery**	**G11*G12**		**$368,000**	**$883,200**	**$1,076,400**
Gt	Training and employee discovery	G3+G13	$14,800	$375,400	$890,600	$1,083,800
	Risk adjustment	↑20%				
Gtr	Training and employee discovery (risk-adjusted)		$17,760	$450,480	$1,068,720	$1,300,560

Three-year total: $2,837,520   **Three-year present value: $2,287,657**

Financial Summary
Consolidated Three-Year, Risk-Adjusted Metrics

Three-Year Projected Financial Analysis For The Composite Organization

High-impact NPV,
$24.7M, PROI of 437%

Mid-impact NPV,
$18.8M, PROI of 333%

Low-impact NPV,
$6.5M, PROI of 114%

Cash Flow Analysis (Risk Adjusted)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($292,560)	($1,152,780)	($2,351,220)	($3,163,260)	($6,959,820)	($5,660,303)
Total benefits (low)	$0	$934,790	$4,660,974	$9,869,550	$15,465,314	$12,116,992
Total benefits (mid)	$0	$1,748,654	$9,439,738	$20,097,550	$31,285,942	$24,490,707
Total benefits (high)	$0	$2,262,606	$11,750,970	$24,798,630	$38,812,206	$30,400,037
Net benefits (low)	($292,560)	($217,990)	$2,309,754	$6,706,290	$8,505,494	$6,456,689
Net benefits (mid)	($292,560)	$595,874	$7,088,518	$16,934,290	$24,326,122	$18,830,404
Net benefits (high)	($292,560)	$1,109,826	$9,399,750	$21,635,370	$31,852,386	$24,739,734
PROI (low)						114%
PROI (mid)						333%
PROI (high)						437%

ⓘ Please Note

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

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

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

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

Page 35

New Tech TEI Framework And Methodology

From the information provided in the interviews and survey, Forrester constructed a New Technology: Projected Total Economic Impact™ (New Tech TEI) framework for those organizations considering an investment in Planner.

The objective of the framework is to identify the potential cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the projected impact that Planner can have on an organization.

Due Diligence

Interviewed Microsoft stakeholders and Forrester analysts to gather data relative to Planner.

Early-Implementation Interviews And Survey

Interviewed 11 people at nine organizations using Planner and surveyed 257 respondents at organizations using or intending to use Planner to obtain data about projected costs, benefits, and risks.

Composite Organization

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

Projected Financial Model Framework

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

Case Study

Employed four fundamental elements of New Tech TEI in modeling the investment's potential impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

Glossary

Total Economic Impact Approach

Projected benefits

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

Projected costs

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

Flexibility

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

Risks

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

Financial Terminology

Present value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Projected net present value (PNPV)

The projected present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

Projected return on investment (PROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

Discount rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

Appendixes

APPENDIX A

New Technology: Projected Total Economic Impact

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

APPENDIX B

Survey Demographics

INDUSTRY	
Manufacturing and materials	9%
Retail	8%
Financial services and/or insurance	6%
Healthcare	6%
Telecommunications services	6%
Construction	5%
Consumer product goods	5%
Energy, utilities, and/or waste management	5%
Business or professional services	5%
Agriculture, food, and/or beverage	4%
Consumer services	4%
Advertising and/or marketing	4%
Electronics	4%
Technology and/or technology services	4%
Transportation and logistics	4%
Chemicals and/or metals	4%
Education	4%
Travel and hospitality	4%
Government	3%
Media and/or leisure	3%
Legal services	3%
Nonprofits	1%

GEOGRAPHY	
North America (NA)	39%
Europe, Middle East, Africa (EMEA)	32%
Asia-Pacific (APAC)	21%
Latin America (LA)	9%

EMPLOYEES	
101 to 300	16%
301 to 3,000	25%
3,001 to 10,000	34%
10,001 to 50,000	14%
50,001 to 100,000	8%
More than 100,000	3%

Note: Percentages may not total 100 due to rounding.

APPENDIX C

Endnotes

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

[2] Source: Margins by sector (US), NYU Stern School of Business, January 2025.

[3] Ibid.

Disclosures

Readers should be aware of the following:

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

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 Planner.

Microsoft reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

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

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

Consulting Team:

Mary Anne North

Jonathan Lipsitz