

NEW TECH

# The Projected Total Economic Impact™ Of Dell APEX Managed Device Service

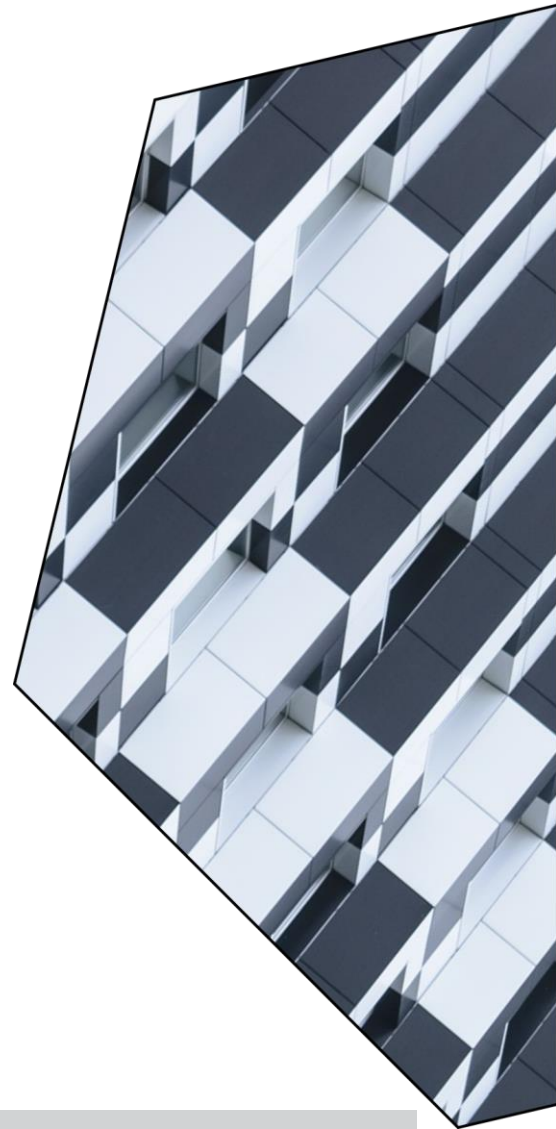
Cost Savings And Business Benefits  
Enabled By Dell APEX Managed Device Service

**MARCH 2023**

# Table Of Contents

Consulting Team: *Richard Cavallaro*  
*Zahra Azzaoui*

- Executive Summary ..... 1**
- The Dell APEX Managed Device Service Customer Journey ..... 5**
  - Key Challenges ..... 5
  - Investment Objectives ..... 6
  - Composite Organization ..... 6
- Analysis Of Benefits ..... 7**
  - Avoided IT Personnel Hours ..... 7
  - Avoided Cost Of Support ..... 10
  - Business Impact Through Improved End-User Productivity ..... 11
  - Annual Device Refresh Capex Savings ..... 13
  - Unquantified Benefits ..... 14
  - Flexibility ..... 15
- Analysis Of Costs ..... 16**
  - Annual Subscription For Dell APEX Managed Device Service Program ..... 16
- Financial Summary ..... 17**
- Appendix A: New Technology: Projected Total Economic Impact ..... 18**
- Appendix B: Endnotes ..... 19**



## ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key transformation outcomes. Fueled by our customer-obsessed research, Forrester’s seasoned consultants partner with leaders to execute on their priorities using a unique engagement model that tailors to diverse needs and ensures lasting impact. For more information, visit [forrester.com/consulting](http://forrester.com/consulting).

© Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to [forrester.com](http://forrester.com).

## Executive Summary

Dell APEX Managed Device Service frees organizations and their staff from the burden of IT tasks along the device lifecycle such as provisioning, support, and endpoint security management. This saves organizations on expensive IT hires and/or support relationships, and it provides their users with modern devices and the freedom to focus on growth-related initiatives instead of IT.

Dell commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by joining Dell's APEX Managed Device Service program.<sup>1</sup> The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Dell APEX Managed Device Service on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed seven representatives with experience using Dell APEX Managed Device Service. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single [composite organization](#) that is a quickly growing \$2 million organization with 30 Dell APEX Managed Device Service users by year three.

Interviewees said that prior to joining the Dell APEX Managed Device Service program, their organizations used ad hoc IT processes that supported their ever-growing user bases. Limited IT personnel and non-IT personnel alike struggled to maintain consistent user-device onboarding and to support experiences while diverting their focus from their core, growth-oriented responsibilities. Inconsistencies in these processes also bred gaps in security processes and compliance efforts.

With the Dell APEX Managed Device Service program, the interviewees' organizations pay one monthly fee per user to manage all of the previously

### KEY STATISTICS



Projected direct cost savings  
(mid projection)

**81%**



Cost savings on device  
provisioning and support

**Up to \$99,336**

cumbersome IT tasks. This allows staff to shift focus back to their main roles while also providing better and more secure end-to-end device experiences to users.

### KEY FINDINGS

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

- **An average of 14 IT personnel hours avoided per device, representing up to \$49,245.** Staff members who had previously been responsible for device provisioning and support tasks gain the ability to focus more on their core responsibilities than increasing their IT responsibilities amid growth. This saves the organization on potential IT hires, improves the productivity of employees

previously responsible for IT, and reduces any outsource fees in this area.

- **Access to 24/7 user support while offsetting prior support costs, representing up to \$50,091.** The composite organization gains access to 24/7 support through Dell APEX Managed Device Service at nearly the same cost of previous support partners that operate mainly within core business hours.
- **2 to 4 hours per month reclaimed for each end user, representing up to \$72,312.** Using newer, faster devices reduces the composite's downtime and improves its speed of support while Dell APEX Managed Device Service provides the resolution of issues that improves end-user productivity.
- **Capex savings between \$2,000 and \$10,000 annually.** Dell APEX Managed Device Service provides cash-flow flexibility to the composite organization in the form of a monthly subscription model. By moving to Dell APEX Managed Device Service, the organization avoids capex purchases of (an average of) \$8,000 annually.



Avoided cost of user support (mid projection)  
**\$39,600**

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

- **Improved security posture.** The composite organization's security posture improves since joining the Dell APEX Managed Device Service program due to hardware-level security features and more frequent updates that keep devices updated and healthy.

- **End-user experience.** The composite organization's users experience quality-of-life benefits from the Dell APEX Managed Device Service program that extend beyond quantified productivity benefits.
- **The accelerated value of Dell-supported IT initiatives.** IT projects such as cloud-platform deployments and data migrations are supported by Dell APEX Managed Device Service support and coaching. This accelerates the timeline of these projects and yields more potential long-term value for these IT projects.
- **Capitalizing on the opportunity costs lost to IT management.** The Dell APEX Managed Device Service program frees the organization's key staff members from IT work that they were previously responsible for completing. This gives them more time to focus on their core duties.

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

- **Dell APEX Managed Device Service annual subscription fees of \$40,700.** The composite organization pays for the Dell APEX Managed Device Service program on a per-user, per-month basis.

Forrester modeled a range of projected low-, medium-, and high-impact outcomes based on evaluated risk. This financial analysis projects that the composite organization accrues the following three-year net present value (NPV) for each scenario by enabling Dell APEX Managed Device Service:

- Projected high impact of a \$146,400 NPV and projected ROI of 360%.
- Projected medium impact of a \$69,000 NPV and projected ROI of 170%.
- Projected low impact of a \$13,400 NPV and projected ROI of 33%.



PROI  
**33% to  
360%**



PROJECTED  
BENEFITS PV  
**\$54,000 to  
\$187,000**

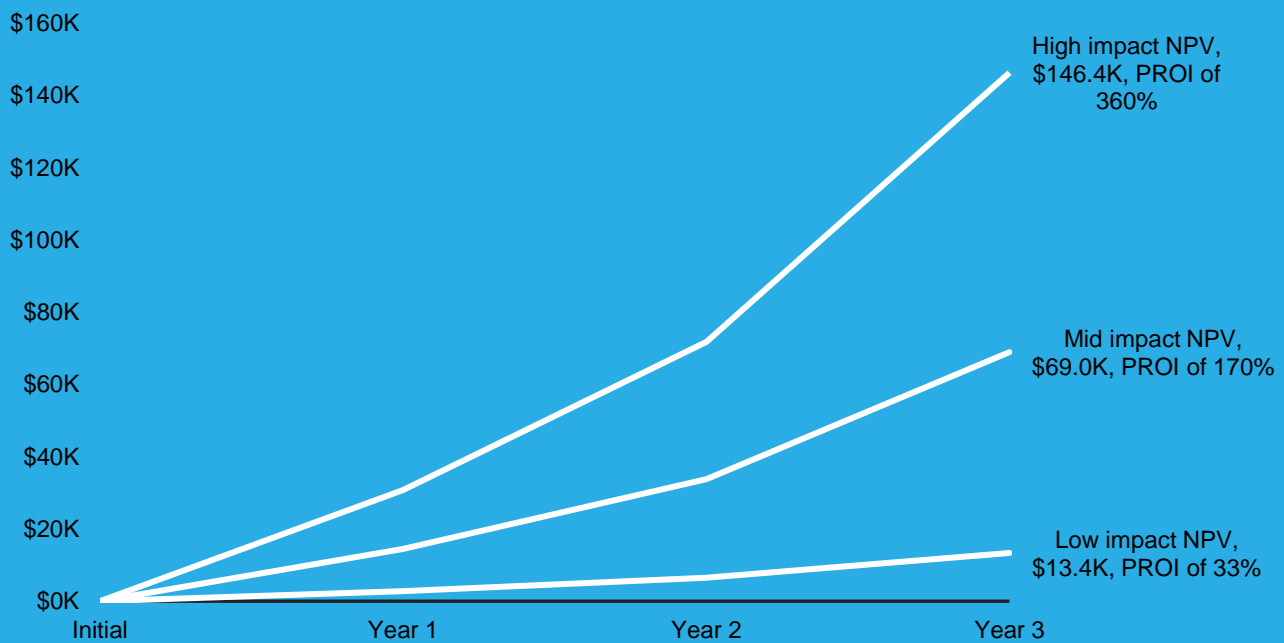


PROJECTED NPV  
**\$13,400 to  
\$146,400**



TOTAL  
COSTS  
**\$40,700**

### Three-Year Projected Financial Analysis For The Composite Organization



## NEW TECH TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a New Technology: Projected Total Economic Impact™ (New Tech TEI) framework for those organizations considering an investment in Dell APEX Managed Device Service.

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 Dell APEX Managed Device Service can have on an organization.

### DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Dell 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 Dell APEX Managed Device Service.

Dell 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.

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



### DUE DILIGENCE

Interviewed Dell stakeholders and Forrester analysts to gather data relative to Dell APEX Managed Device Service.



### EARLY-IMPLEMENTATION INTERVIEWS

Interviewed seven representatives at organizations using Dell APEX Managed Device Service in a pilot or beta stage to obtain data with respect to projected costs, benefits, and risks.



### COMPOSITE ORGANIZATION

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



### PROJECTED FINANCIAL MODEL FRAMEWORK

Constructed a projected financial model representative of the interviews 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.

# The Dell APEX Managed Device Service Customer Journey

## Drivers leading to the Dell APEX Managed Device Service investment

Interviews		
Role	Industry	Approximate number of users
Chief technology officer	Industry standards	10
Compliance manager	Insurance	20
Director of IT	Healthcare services	15
VP of operations	Healthcare staffing	40
Attorney	Legal	3
CEO and founder	Marketing	25
Value capture manager	Professional services	15

### KEY CHALLENGES

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

- **IT tasks and user-device provisioning were side jobs that distracted key staff members from their core responsibilities.** Many of the interviewees are not IT specialists by title, and their organizations historically contracted IT services or managed these tasks ad hoc. In many cases, device provisioning took a backseat to the users' core responsibilities, which fostered inconsistent user device experiences. A value capture manager at the professional services firm told Forrester: "I don't even have 'IT' or 'CTO' or anything like that in my title, but I'm known as the IT guy internally. And that's mainly because I happen to have the most IT acumen."
- **User-device experiences were inconsistent.** Stemming from inconsistencies in the delivery of IT tasks, there were often variances in the readiness of users' devices at onboarding. Users often lacked access to key applications from day one, while inconsistent device quality (e.g.,

**"We still are growing and knew that we really needed to up our IT capabilities and mature from a device perspective."**

*Value capture manager,  
professional services*

different hardware sourced across several vendors) continued to represent a productivity issue for many users down the road. An attorney from a law firm noted: "[My firm is] not the most tech savvy. ... We needed a partner that we could call or email when something went wrong."

- **IT projects related to growth took a backseat.** As the interviewees' organizations continued to grow, IT projects such as cloud migrations, office-suite migrations, and/or cloud-application migrations were delayed indefinitely because IT resources were too limited to undertake these initiatives.



- **Security postures were left to chance.** Given the ad hoc nature of device provisioning and support, several interviewees said security posture and compliance at their organizations often left much to be desired. The value capture manager in the professional services industry summarized their organization’s improvement in security posture with Dell APEX Managed Device Service. They said: “Having Dell frees me up to think more about the strategic aspects of my job rather than meeting our compliance requirements when it comes to things like security given our primarily government clients. Dell does security scanning [and] provides our cybersecurity monitoring.”
- **Capital expenditures on devices were large.** Despite the importance of users’ devices for their jobs, interviewees from organizations at this stage of growth noted the importance of cash flow when it came to purchasing these devices. Large, up-front expenditures on devices or device refreshes limited the organizations’ abilities to spend in other areas of the business that were more directly tied to growth.

### INVESTMENT OBJECTIVES

The interviewees’ organizations searched for a solution that could:

- Provide quality devices on a “pay as you go” basis as new users are added or subtracted.
- Assist with device-application provisioning and provide ongoing support.
- Ensure device security and compliance.

### 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 seven 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 is industry-agnostic, based in North America, generates \$2 million in annual revenue, and is experiencing steady growth.

Before joining the Dell APEX Managed Device Service program, the composite organization sourced its own devices through several third-party resellers, and it paid for devices in their entirety up front. A local company then supported these devices during traditional business hours.

**Deployment characteristics.** The organization joins the Dell APEX Managed Device Service program primarily to take advantage of 24/7 support and to tackle device modernization projects (e.g., migrating to a popular cloud-based suite of productivity applications) to support its growth. The organization starts with 10 users supported by Dell APEX Managed Device Service, and this number grows to 30 users by the beginning of year three.

#### Key Assumptions

- **\$2 million annual revenue**
- **Based in North America**
- **Increases the number of users from 10 in year one to 30 in year three**



# 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)	\$12,273	\$18,410	\$36,819	\$67,502	\$54,034
Total projected benefits (mid)	\$25,201	\$37,243	\$74,486	\$136,929	\$109,651
Total projected benefits (high)	\$43,081	\$63,488	\$126,975	\$233,544	\$187,032

## AVOIDED IT PERSONNEL HOURS

**Evidence and data.** As the interviewees' companies continued to grow in employee and end-user counts, the ad hoc methods of device provisioning and support that had been the norm for the smaller organizations could no longer support larger fleets of devices to a satisfactory level regarding application and access requirements, security and compliance requirements, updates, and miscellaneous support.

Interviewees noted that by joining the Dell APEX Managed Device Service program, staff members who had previously been responsible for these tasks gained the ability to focus more on their core responsibilities rather than ramp on more IT responsibilities amid growth. This saved the organizations on potential IT hires, improved the productivity of those previously responsible for IT, and reduced any outsource fees in this area.

- The value capture manager in the professional services industry said that between all of the user-device and application-related work they managed for their organization on a weekly basis, they estimated they **freed up 10 hours per week for their core responsibilities once their organization joined the Dell APEX Managed Device Service program, and they expect the savings to increase significantly as the organization grows.**

In addition, the interviewee told Forrester that deployment services from the Dell APEX Managed Device Service program assisted their organization in migrating from one productivity suite to another cloud-based productivity suite for users. The interviewee noted that it would not have been possible to complete this work in any reasonable timeframe with the resources currently available without using Dell APEX Managed Device Service. Based on this, the interviewee concluded that Dell APEX Managed Device Service will allow them to focus their future hiring budget on business-related hires, rather than on expertise that Dell's experts can provide.

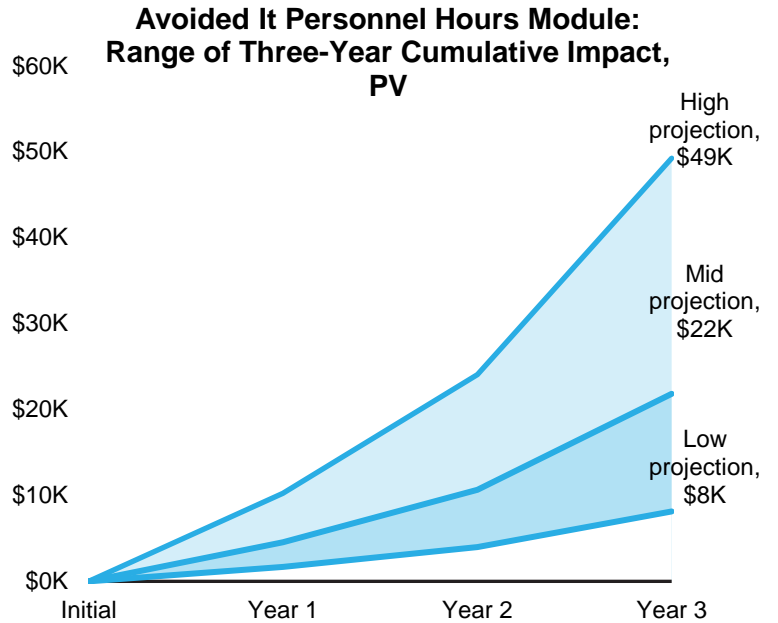
- The director of IT in the healthcare services industry noted that they completed IT tasks informally and as needed with no set processes. The interviewee said this did not position the organization for sustained growth, especially if they were to leave the organization or retire. They said, "With the support from Dell, I know that our organization will always have enough IT backup that they can get through anything [with or without me]."
- The CEO and founder of a marketing agency said that despite a relatively fluid influx and outflux of end users based on project work at their organization, it still didn't make a ton of

sense given the firm’s average of 30 users to set up an IT function. They said: “Given our smaller size, it would be difficult and expensive for us to have an in-house IT department to get our [devices] configured, shipped, and updated. We needed a partner that was an expert on this.”

**Modeling and assumptions.** For the composite organization, Forrester makes the following assumptions:

- The organization’s devices require procurement, configuration, deployment, and updates.
- Device application provisioning, data migration, and support require 2 to 8 hours per device annually.
- Device and application updates require 2 to 8 hours per device annually.
- Device procurement and provisioning (for refreshed devices only) require 2 hours per device (see benefit D).
- The fully loaded hourly rate for IT personnel and other employees who manage these device-related tasks ranges from \$42 to \$67 depending on the level and job title.

**Results.** This yields a three-year projected PV ranging from \$8,000 (low) to \$49,000 (high).



Avoided IT Personnel Hours					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Dell APEX Managed Device Service users	Composite	10	15	30
A2 <sub>Low</sub>			2	2	2
A2 <sub>Mid</sub>	Average hours spent on device application provisioning, migration, and support per device	Interviews	4	4	4
A2 <sub>High</sub>			8	8	8
A3 <sub>Low</sub>			2	2	2
A3 <sub>Mid</sub>	Average hours spent on device updates per device	Interviews	4	4	4
A3 <sub>High</sub>			8	8	8
A4 <sub>Low</sub>			4	6	12
A4 <sub>Mid</sub>	Average annual hours spent on device provisioning for refreshed devices	D3*2 hours	6	8	16
A4 <sub>High</sub>			8	10	20
A5 <sub>Low</sub>			44	66	132
A5 <sub>Mid</sub>	Subtotal: Total required IT/support resource hours	$A1*(A2+A3)+A4$	86	128	256
A5 <sub>High</sub>			168	250	500
A6 <sub>Low</sub>			\$42	\$42	\$42
A6 <sub>Mid</sub>	Average fully loaded hourly rate for an IT/device support resource (rounded)	TEI standard	\$58	\$58	\$58
A6 <sub>High</sub>			\$67	\$67	\$67
At <sub>Low</sub>			\$1,848	\$2,772	\$5,544
At <sub>Mid</sub>	Avoided IT personnel hours	$A5*A6$	\$4,988	\$7,424	\$14,848
At <sub>High</sub>			\$11,256	\$16,750	\$33,500
<b>Three-year projected total: \$10,164 to \$61,506</b>			<b>Three-year projected present value: \$8,136 to \$49,245</b>		

### AVOIDED COST OF SUPPORT

**Evidence and data.** Some of the interviewees' organizations had support contracts in place with organizations to support their devices and miscellaneous IT needs. By and large, these relationships were with local organizations and support personnel who operated during normal business hours.

Several interviewees noted that by joining the Dell APEX Managed Device Service program, their organization reduced or eliminated these support contracts while also gaining access to 24/7 support from Dell. In most cases, the cost of the Dell APEX Managed Device Service program was completely offset by avoidance of these contracts.

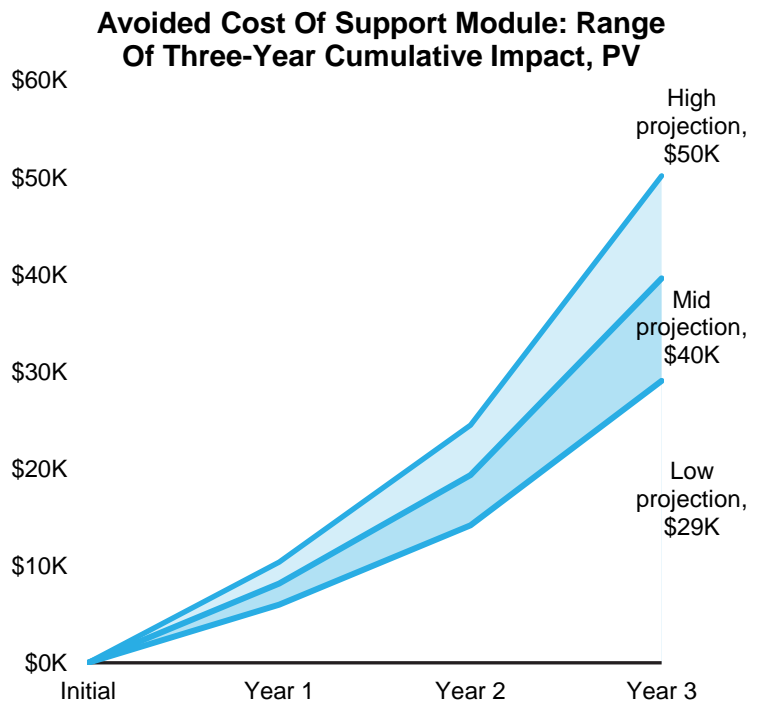
- A compliance manager in the insurance industry said that by joining the Dell APEX Managed Device Service program, their organization greatly reduced spend with its contracted IT support resource and completely eliminated device support.
- The attorney at a law firm explained that Dell's support through APEX Managed Device Service helped their firm transfer all of its sensitive client data to its new devices and to the cloud. This allowed the firm to avoid the costs of another third-party support resource.
- The value capture manager in the professional services industry said that after doing their due diligence with local companies to support their organization's users, no companies within their organization's price range could provide the 24/7 support it receives with the Dell APEX Managed Device Service program. They said: "[The companies we looked into] were just supporting business hours and didn't have anybody that could help on the weekend. Now, when it comes to Dell, we can get 24/7 support."
- The director of IT in the healthcare services industry said the pay-as-you-go support model

for Dell APEX Managed Device Service was a benefit because support companies their organization previously used required up-front annual payments to support users. They said: "The companies we've worked with and talked to certainly didn't have a pay-as-you-go option like Dell does, which is what we're trying to move most of our contracts to as an organization."

- The VP of operations in the healthcare staffing industry said their organization chose Dell APEX Managed Device Service over another incumbent support partner based on Dell's ability to scale its support model to an organization that's growing quickly.

**Modeling and assumptions.** Forrester assumes the composite organization pays its incumbent partner between \$55 (low) and \$95 (high) per user, per month to support its end users.

**Results.** This yields a three-year projected PV ranging from \$29,000 (low) to \$50,000 (high).



Avoided Cost Of Support					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Dell APEX Managed Device Service users	A1	10	15	30
B2 <sub>Low</sub>			\$55	\$55	\$55
B2 <sub>Mid</sub>	Monthly cost for device support per user	Interviews	\$75	\$75	\$75
B2 <sub>High</sub>			\$95	\$95	\$95
Bt <sub>Low</sub>			\$6,600	\$9,900	\$19,800
Bt <sub>Mid</sub>	Avoided cost of support	B1*B2*12 months	\$9,000	\$13,500	\$27,000
Bt <sub>High</sub>			\$11,400	\$17,100	\$34,200
Three-year projected total: \$36,300 to \$62,700			Three-year projected present value: \$29,059 to \$50,191		

### BUSINESS IMPACT THROUGH IMPROVED END-USER PRODUCTIVITY

**Evidence and data.** Many of the interviewees spoke about the benefits for their organizations’ end users as a result of joining the Dell APEX Managed Device Service program. Interviewees said the most significant drivers of improving end-user productivity include using faster devices, reducing downtime, and improving the speed of support and resolution of issues through Dell.

- An attorney at a law firm noted that the Dell APEX Managed Device Service program devices that replaced the firm’s aging legacy devices provide a more modern experience for attorneys, respond quicker, and are issue-free.
- Several interviewees told Forrester that their organization’s user-support capabilities improved significantly with the Dell APEX Managed Device Service program because their previous support (either in-house or contracted) was not 24/7 and often delayed resolutions. The VP of operations at a healthcare staffing organization said,

“Turnaround times are a lot faster [with Dell APEX Managed Device Service].”

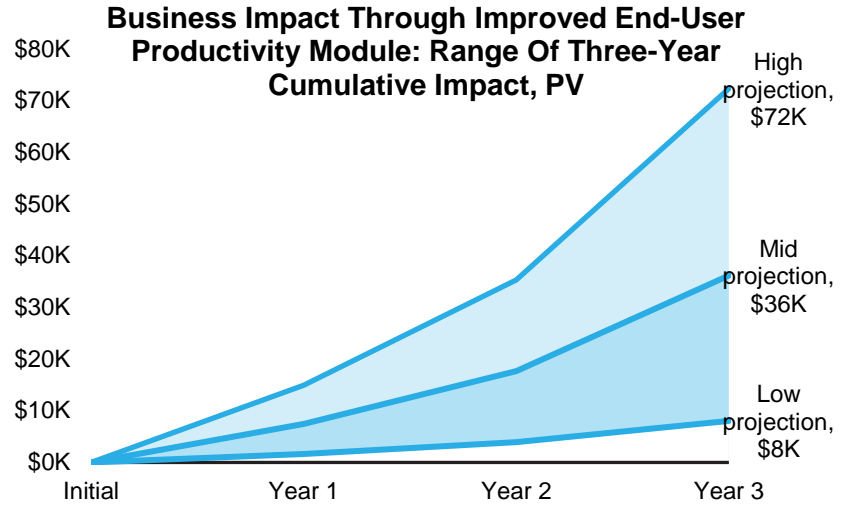
- Interviewees cited quality of the Dell APEX Managed Device Service devices as a benefit and productivity boon for users. The director of IT at a healthcare services organization noted that their organization’s users are taking their devices into meetings more often and finding hardware features such as touchscreens on laptops to be useful in their day-to-day workflows.

**Modeling and assumptions.** For the composite organization, Forrester makes the followings assumptions:

- End users spend between 50% (low) and 90% (high) of their working time on their devices, or between 1,040 and 1,872 hours annually.
- The average hourly rate for an affected end user is \$35.10 per hour.
- Users are between 1% (low) and 5% (high) more productive on their devices annually through improved hardware and better support.

- Employees recapture of 50% of their time productively because not all productivity reclaimed is repurposed to value-added work.

**Results.** This yields a three-year projected PV ranging from \$8,000 (low) to \$72,000 (high).



**Business Impact Through Improved End-User Productivity**

Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Dell APEX Managed Device Service users	A1	10	15	30
C2 <sub>Low</sub>	Percentage of working hours spent on device	Interviews	50%	50%	50%
C2 <sub>Mid</sub>			75%	75%	75%
C2 <sub>High</sub>			90%	90%	90%
C3	Annual working hours (per user)	Assumption	2,080	2,080	2,080
C4 <sub>Low</sub>	Subtotal: Annual hours on device	C2*C3	1,040	1,040	1,040
C4 <sub>Mid</sub>			1,560	1,560	1,560
C4 <sub>High</sub>			1,872	1,872	1,872
C5	Average user hourly rate (rounded)	TEI standard	\$35.10	\$35.10	\$35.10
C6 <sub>Low</sub>	Productivity increase from faster devices and improved support	Assumption	1%	1%	1%
C6 <sub>Mid</sub>			3%	3%	3%
C6 <sub>High</sub>			5%	5%	5%
C7	Productivity recapture	Assumption	50%	50%	50%
Ct <sub>Low</sub>	Business impact through improved end-user productivity	C1*C4*C5*C6*C7	\$1,825	\$2,738	\$5,475
Ct <sub>Mid</sub>			\$8,213	\$12,319	\$24,638
Ct <sub>High</sub>			\$16,425	\$24,638	\$49,275

**Three-year projected total: \$10,038 to \$90,338**      **Three-year projected present value: \$8,035 to \$72,312**

### ANNUAL DEVICE REFRESH CAPEX SAVINGS

**Evidence and data.** Interviewees spoke about the cash-flow benefit of the Dell APEX Managed Device Service program for their organizations. By paying for device support on a per-user, per-month basis, the organizations save on capital expenditure through avoided device refreshes and carrying costs for users who leave the organizations and leave a device idle. They also save by avoiding support and maintenance of devices for future employees.

- The CEO and founder in the marketing industry noted that contract employees frequently come and go at their firm given the project-based work. They said the Dell APEX Managed Device Service program allows their firm the flexibility to deploy devices directly to users who need them when they need them, but also that the firm can shed these devices quickly if and when these employees finish their projects or contracts.
- The director of IT at a healthcare services organization noted that the quality of the devices sourced through the Dell One program may allow their company to use them for longer than its previous devices, and that this saves additional long-run costs of its legacy devices. They said: “These laptops are an upgrade from what we had. They’re more powerful, and they’ll last longer than our aging machines or machines that were not top of the line.”

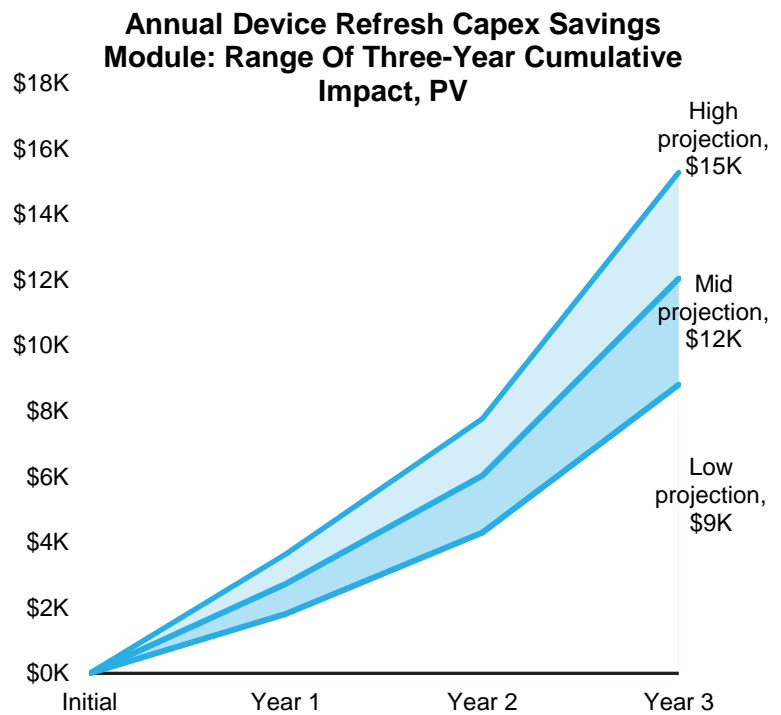
**Modeling and assumptions.** For the composite organization, Forrester makes the following assumptions:

- It historically replaced devices on a five-year (low) to three-year (high) refresh cycle.
- By joining the Dell APEX Managed Device Service program, monthly payments replace the need to replace aging hardware on an annual basis at an average of \$1,000 per device.

**Results.** This yields a three-year projected PV ranging from \$9,000 (low) to \$15,000 (high).

**“Dell [has] the ‘pay-as-we-go’ support model, which is what we’re trying to move most of our contracts to as an organization.”**

*Director of IT, healthcare services*





Annual Device Refresh Capex Savings					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Dell APEX Managed Device Service users	A1	10	15	30
D2 <sub>Low</sub>			20%	20%	20%
D2 <sub>Mid</sub>	Percentage of devices refreshed annually	Interviews	25%	25%	25%
D2 <sub>High</sub>			33%	33%	33%
D3 <sub>Low</sub>			2	3	6
D3 <sub>Mid</sub>	Subtotal: Avoided device refreshes (rounded to whole device)	D1*D2	3	4	8
D3 <sub>High</sub>			4	5	10
D4	Average cost per new device	Assumption	\$1,000	\$1,000	\$1,000
Dt <sub>Low</sub>			\$2,000	\$3,000	\$6,000
Dt <sub>Mid</sub>	Annual device refresh capex savings	D3*D4	\$3,000	\$4,000	\$8,000
Dt <sub>High</sub>			\$4,000	\$5,000	\$10,000
<b>Three-year projected total: \$11,000 to \$19,000</b>			<b>Three-year projected present value: \$8,805 to \$15,282</b>		

**UNQUANTIFIED BENEFITS**

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

- **Improved security posture.** Several interviewees told Forrester that their organization’s security posture has improved since joining the Dell APEX Managed Device Service program due to 24/7 Dell monitoring, hardware-level security features, and more frequent updates.
  - Several interviewees from organizations in regulated industries noted that Dell APEX Managed Device Service helps their firm maintain compliance effortlessly.
  - The CEO and founder of a marketing agency specified that the Dell APEX Managed Device Service program helps their organization maintain ISO/IEC 27001 certification, which is required to work with many of its clients.
  - The value capture manager at a professional services organization said government agencies represent a significant portion of their firm’s customer base and that Dell APEX Managed Device Service manages many of the organization’s day-to-day security requirements so the manager can focus on the more strategic aspects of security. They said: “Having Dell [APEX Managed

Device Service] frees me up to think more about meeting the government’s more nuanced compliance requirements when it comes to security.”

- **End-user experience.** Beyond the user-productivity benefits quantified for this report, interviewees also spoke holistically about the quality-of-life benefits the Dell APEX Managed Device Service program provides its end users. They said the program gives users more frequent access (upon each refresh) to newer, faster devices. Dell APEX Managed Device Service also advises organizations on refresh cadence.

### FLEXIBILITY

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

- **The accelerated value of Dell-supported IT initiatives.** Several interviewees discussed IT projects such as cloud-platform deployments and data migrations that were supported by Dell APEX Managed Device Service support and coaching, which accelerated the timeline of these projects. Over time, an organization may realize additional value from these projects as they occur faster and more frequently.
- **Capitalizing on the opportunity costs lost to IT management.** The Dell APEX Managed Device Service program frees key staff from IT work that they were previously responsible for, which gives them more time and focus for their core duties. For smaller, growth-oriented organizations, this type of work may better support business objectives. The director of IT from a healthcare services firm said: “[Dell APEX Managed Device Service] takes responsibility off of my plate, [which is] a plate that already has too much responsibility on it.”

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

**“With support from Dell, we can always have enough backup for our [users so] that they can get through anything.”**

*Value capture manager,  
professional services*

# 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	Annual subscription for Dell APEX Managed Device Service program	\$0	\$9,240	\$13,860	\$27,720	\$50,820	\$40,681
	Total costs (risk adjusted)	\$0	\$9,240	\$13,860	\$27,720	\$50,820	\$40,681

## ANNUAL SUBSCRIPTION FOR DELL APEX MANAGED DEVICE SERVICE PROGRAM

**Evidence and data.** Interviewees said their organizations pay for the Dell APEX Managed Device Service program on a per-user, per-month basis and that users can be onboarded or offboarded as required.

**Modeling and assumptions.** For the composite organization, Forrester makes the following assumptions:

- The composite pays \$70 per user per month for the Dell APEX Managed Device Service program for its 10-30 annual supported devices over three years.

- Pricing may vary. Contact Dell for additional details.

**Risks.** This cost may vary among organizations based on:

- The number of users the organization onboards or removes from the Dell APEX Managed Device Service program.
- Organizational specifics that may impact list pricing.

**Results.** To account for these variances, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$40,500.

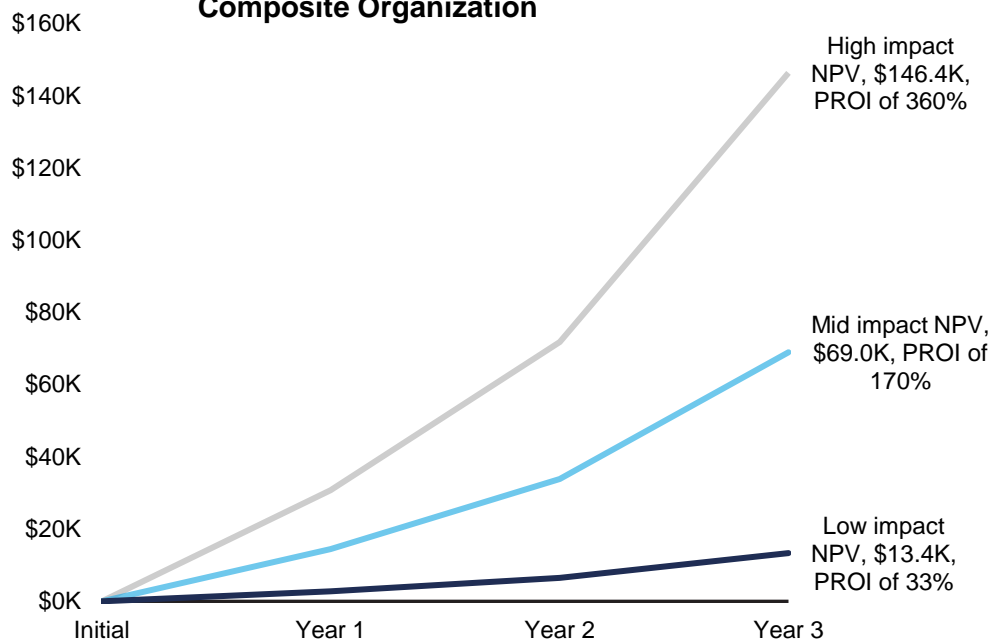
## Annual Subscription For Dell APEX Managed Device Service Program

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Dell APEX Managed Device Service users	A1	0	10	15	30
E2	Monthly user cost per Dell APEX Managed Device Service subscription	Dell	\$0	\$70	\$70	\$70
Et	Annual subscription for Dell APEX Managed Device Service program	E1*E2*12 months	\$0	\$8,400	\$12,600	\$25,200
	Risk adjustment	↑10%				
Etr	Annual subscription for Dell APEX Managed Device Service program (risk-adjusted)		\$0	\$9,240	\$13,860	\$27,720
<b>Three-year total: \$50,820</b>			<b>Three-year present value: \$40,481</b>			

# Financial Summary

## CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

### Three-Year Projected Financial Analysis For The Composite Organization



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.**

### Cash Flow Analysis (Risk-Adjusted Estimates)

	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$9,240)	(\$13,860)	(\$27,720)	(\$50,820)	(\$40,681)
Total benefits (low)	\$12,273	\$18,410	\$36,819	\$67,502	\$54,034
Total benefits (mid)	\$25,201	\$37,243	\$74,486	\$136,929	\$109,651
Total benefits (high)	\$43,081	\$63,488	\$126,975	\$233,544	\$187,032
Net benefits (low)	\$3,033	\$4,550	\$9,099	\$16,682	\$13,353
Net benefits (mid)	\$15,961	\$23,383	\$46,766	\$86,109	\$68,970
Net benefits (high)	\$33,841	\$49,628	\$99,255	\$182,724	\$146,351
PROI (low)					33%
PROI (mid)					170%
PROI (high)					360%

# 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 vendors in communicating the value of their products and services to clients. The New Tech TEI methodology helps companies demonstrate and justify the projected tangible value of IT initiatives to senior management and key business stakeholders.

## TOTAL ECONOMIC IMPACT APPROACH

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

**Projected Costs** consider all expenses necessary to deliver the proposed value of the product. The projected cost category within New Tech TEI captures incremental ongoing costs over the existing environment that are 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."

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.



## 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%.

## Appendix B: Endnotes

---

<sup>1</sup> 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.



FORRESTER®