

NUCLEUS  
RESEARCH

ROI: 500%  
Payback: 2.4 Months

# SALESFORCE LIGHTNING

## INSURANCE COMPANY

### ANALYST

Daniel Elman

### THE BOTTOM LINE

The company deployed Salesforce Lightning to upgrade the functionality of its existing Sales Cloud deployment. It used Lightning to enable faster data exploration and automated repeated processes across the complete sales cycle to enable more efficient and optimized sales operations. The primary benefits achieved as a result of the deployment included an increase in general user productivity facilitated by more streamlined data search, and an additional increase in administrator productivity from completing reports 25 percent faster which saved admins an average of 3 hours per week.

## THE COMPANY

The company is a global provider of financial risk management products and services, specializing in warranty solutions and benefits. It operates in over 35 countries worldwide and employs a workforce of over 1500 people. It serves enterprise customers, primarily in the retail space, as well as financial institutions.

## THE CHALLENGE

Sales Cloud was deployed in 2005 to meet basic customer relationship management (CRM) needs but was only used for basic pipeline management and didn't achieve widespread adoption. In 2014 the company began internal discussions to relaunch the platform more effectively. Administrators met with department leaders to outline business processes and how they could be improved with on the system. As the project team learned more about available Salesforce products that could add value to the business, a migration to Salesforce Lightning stood out for its ease-of-use and how it could dramatically expedite sales processes to boost agent productivity.

**Cost : Benefit  
Ratio | 1 : 15.0**

## THE STRATEGY

To explore the feasibility of a Lightning migration for the company, an administrator completed the Lightning readiness assessment with assistance from a Salesforce Lightning implementation expert. Although the company had created many customized records and fields within Sales Cloud, it hadn't configured many custom processes requiring backend integrations, so the report indicated that it would be an easy upgrade to migrate to Lightning.

A month-long pilot for 25 users was launched in March 2018, with each user being given 8-10 assignments on Lightning weekly to gain familiarity and build confidence using the system. The month of April was spent incorporating and testing suggestions for improvements from pilot-users. In May, the official training program and rollout commenced for all US-based staff, and their improvement suggestions were built-on in June. The end of July signaled the completion of the global rollout for users worldwide with 473 people currently online using the platform. All users received 1.5 hours of training via a live webinar.

The project was completed internally without any third-party consulting, and took 80 hours of administrator time, with 8 additional business people with Salesforce training providing approximately 30 percent of their time to support the deployment for one month. The most labor-intensive aspect of the transition was configuring the page layouts for custom objects in Lightning and meeting with the users to ensure that the converted objects functioned correctly.

Currently, all users are live using Lightning and the configuration team is looking out for recommendations from non-US users to improve the platform. Users have all been taught how to use Lightning and how to convert back to Sales Cloud Classic if they need to, and managers are working to create dashboards that track internal adoption.

## TYPES OF BENEFITS

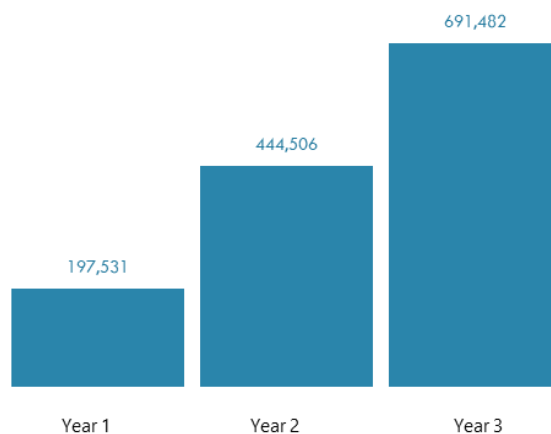


## KEY BENEFIT AREAS

The main benefit realized because of the Lightning adoption was increased productivity for users and administrators alike. With task automation and custom processes built in Lightning, users found themselves spending less time on repeatable tasks, like data entry and data quality verification, and were able to dedicate more effort to serving customers.

- Increased user productivity. Lightning streamlines the process to create and edit records and facilitates global search of data on the platform. With Favorites, users get easy access to the files they most commonly use. Users spend less time searching for the data they need to use, with each of the 473 users saving an average of 30 minutes per week.
- Increased administrator productivity. With Lightning the data is stored in a more organized framework on the backend, so validation processes can be run more smoothly. The added structure expedites report-generation, allowing the three internal admins to complete reporting tasks in 25 percent of the time it took on Classic and save approximately 3 hours per week.

## CUMULATIVE NET BENEFIT



## KEY COST AREAS

Since the implementation was executed internally, the largest cost area for the deployment was employee time spent in training as all 473 users received 1.5 hours of instruction to become proficient with the system. The only other cost was the personnel time for the implementation team, composed of one administrator and 8 other employees. No third-party consultants were used, and there were no additional software or hardware expenses incurred during the upgrade as Lightning is included with Sales Cloud.

## LESSONS LEARNED

Completing the Lightning Readiness Report prior to beginning the deployment was a key step that indicated the feasibility and value of the project. In this case, the results indicated that the company was a good fit and could transition to Lightning without a complex or expensive integration process. Because of this, the company did not hire third-party consultants to assist with the project, and instead kept the team in-house, which lowered implementation costs.

The high readiness score was produced because the company's Sales Cloud deployment was simple without a lot of custom integrations or backend configuration. It did, however, have a large portfolio of custom objects that were in use on the platform, and the most time-consuming aspect of the deployment was ensuring that these custom-built objects functioned as-intended in Lightning. For deployments entailing less custom configuration, an even shorter project duration would be expected.

## CALCULATING THE ROI

Nucleus Research analyzed the costs of software, hardware, personnel, consulting, and training over a 3-year period to quantify the company's investment in Salesforce technology. Direct and indirect benefits were also quantified over the 3-year period.

There were no direct benefits identified as a result of the deployment.

Indirect benefits quantified included increases in productivity to both users and administrators. We calculated the productivity benefits using the fully loaded cost per hour of employees. Time savings were then multiplied by a correction factor to account for the inefficient transfer of time between time saved and additional time worked.

# FINANCIAL ANALYSIS

**Annual ROI: 500%**

**Payback period: 0.2 years**

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	0	0	0
Indirect	0	246,975	246,975	246,975
<b>Total per period</b>	<b>0</b>	<b>246,975</b>	<b>246,975</b>	<b>246,975</b>

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COSTS - DEPRECIATION	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
<b>Total per period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Consulting	0	0	0	0
Personnel	20,894	0	0	0
Training	28,551	0	0	0
Other	0	0	0	0
<b>Total per period</b>	<b>49,444</b>	<b>0</b>	<b>0</b>	<b>0</b>

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(49,444)	246,975	246,975	246,975
Net cash flow after taxes	(27,194)	135,836	135,836	135,836
<b>Annual ROI - direct and indirect benefits</b>				<b>500%</b>
Annual ROI - direct benefits only				0%
Net Present Value (NPV)				329,283
<b>Payback period</b>				<b>0.2 years</b>
Average Annual Cost of Ownership				16,481
3-Year IRR				497%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.