

A close-up, slightly blurred photograph of a person's hands working at a wooden desk. One hand is pressing a button on a black calculator, while the other hand holds a pen over an open notebook. In the background, there are various business-related items, including a colorful pie chart and some papers. The overall lighting is warm and soft.

# How to Quantify the Business Value of Your Low-Code Apps and Automations

Measuring the effectiveness  
of low-code apps and  
automations

# Introduction

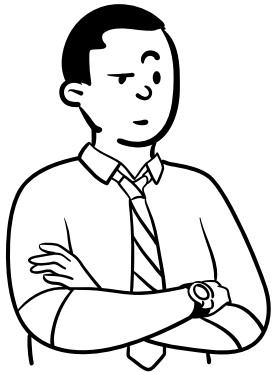
## Joel Lindstrom

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**Importance of Quantifying Business Value in Low-Code Development**



# A tale of two companies



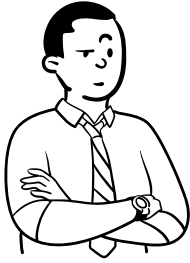
\$15 for an automation license? \$20 for a per user app license? We can't spend that much on our frontline workers – we will do everything in SharePoint!



We are giving everybody premium licenses! We've been able to reduce our Service Now spend by \$1 Million Dollars per year! Power Platform is so affordable!

## What's the difference?

# A tale of two companies



- 1. Cost-focused**
- 2. Short-term thinking.**
- 3. Limited functionality**
- 4. Increased complexity**
- 5. Security risks**



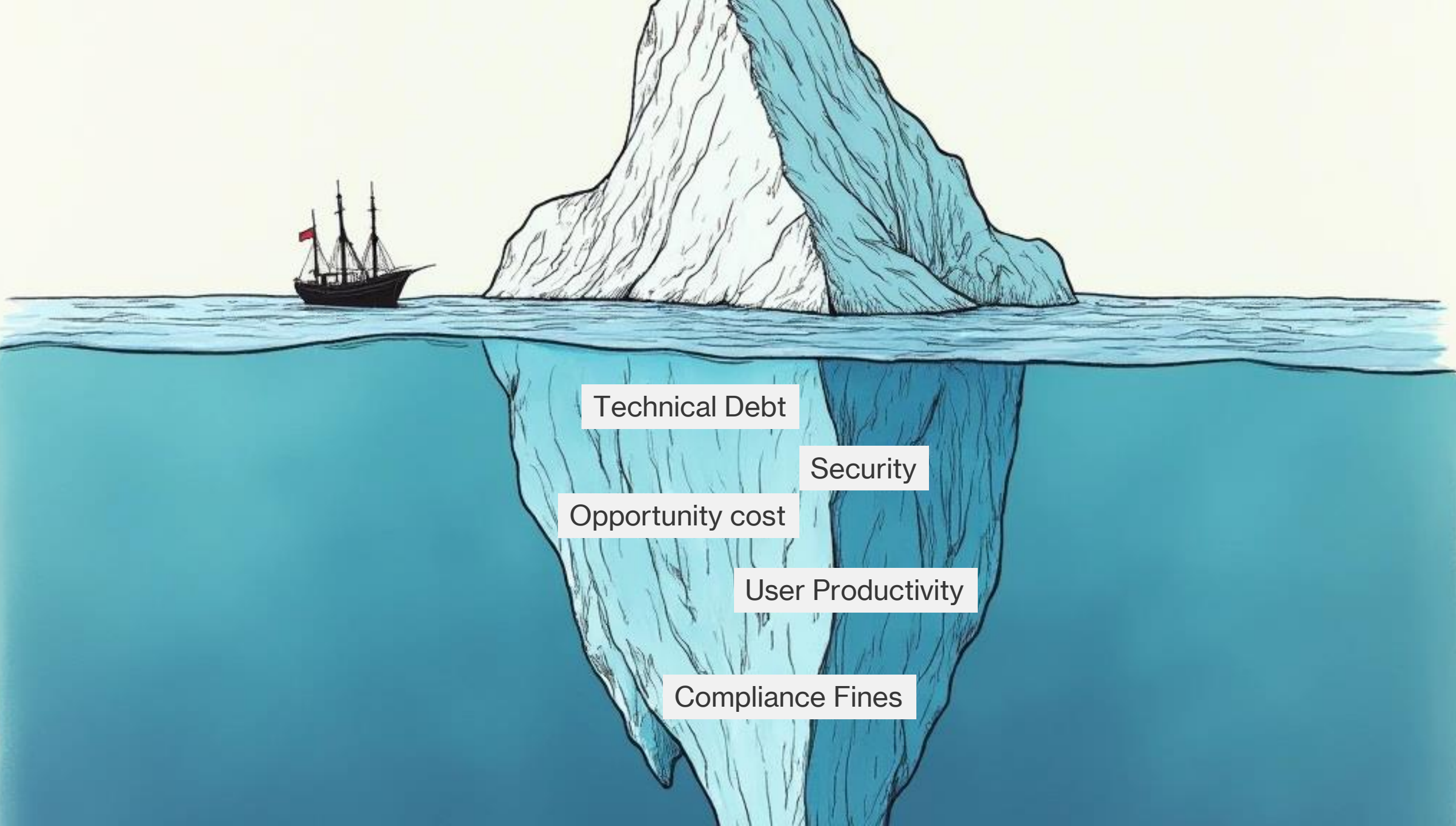
- 1. Value-focused**
- 2. Long-term vision**
- 3. Enhanced functionality**
- 4. Simplified architecture**
- 5. Improved security**
- 6. Business justification**

# Licensing is a cost, but it's not the **ONLY** cost

- Licensing is an important consideration for low-code app development and automation.
- However, it is not the only cost that should be taken into account.
- Other factors, such as development time, maintenance requirements, security and business impact
- Hidden costs: compliance risk, user productivity, opportunity cost, technical debt







Technical Debt

Security

Opportunity cost

User Productivity

Compliance Fines



# The Importance of Measuring Business Value

## **Focus on the Right Projects and Features**

Measuring business value helps to focus on the right projects and features that will have the most impact on the business and avoid wasting valuable resources and time on the wrong ones.

## **Justify Investments**

Measuring business value helps to justify investments in premium licenses and connectors and ensures that they have a positive impact on productivity and efficiency.

## **Strategic Alignment**

by measuring potential value for ideas, you can ensure that the idea is aligned with wider goals of the org.

# Why organizations need a rapid approach to business justification

- All makers must have a fast and repeatable way to justify the business case of their apps and automation – even citizen developers
- Traditional methods of business justification take too long, so 8/10 times it doesn't happen
- A rapid approach will ensure that everyone is able to participate in the creation of low-code apps and automation, instead of just the core team
- Approach should be scalable to handle simple and complex scenarios







# Consequences of Not Measuring Business Value

Not measuring business value can lead to development of low-code apps and automations that do not align with the business goals, which can result in missed opportunities, wasted resources, and unhappy stakeholders.

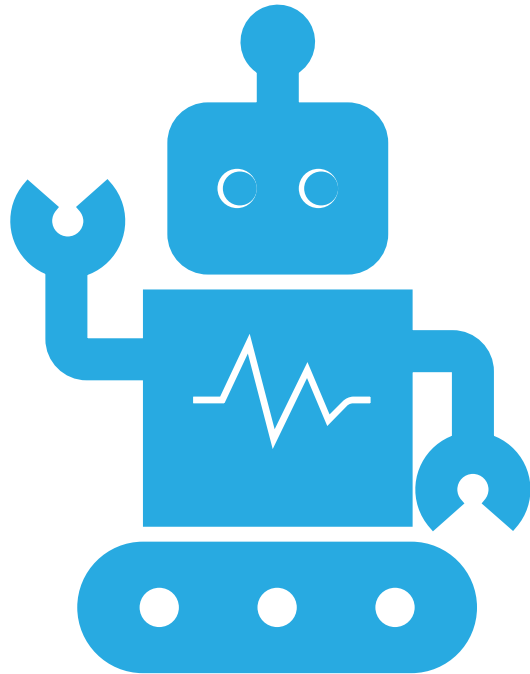
They also can compound the problem by adding steps and complicating processes.

# The Switching Tax

- Time Lost: On average, employees switch between applications about 1,200 times a day, which can add up to nearly four hours a week spent just reorienting themselves
- Workflow Disruption: It takes approximately 9.5 minutes to regain focus after switching between digital apps
- “Scattered development of trivial quick-fix apps and automation, instead of a strategic approach, hampers employee productivity and well-being.”



**“Automation can sometimes lock us into an outdated process. If we simply automate a process with technical debt, we further lock into the existing process, just more automated.”**

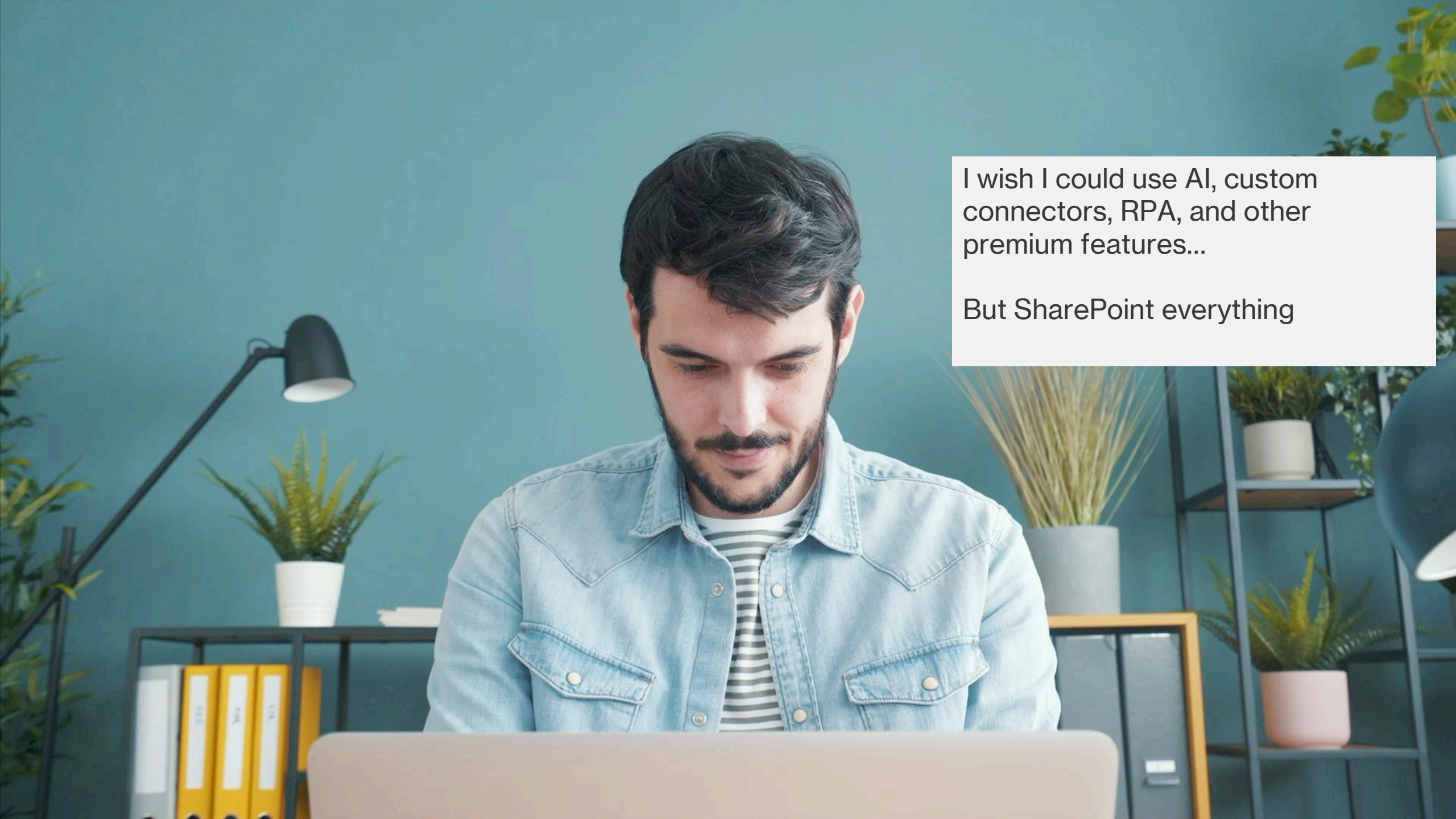


Without business justification:

- Putting out fires
- Addressing low-hanging fruit
- Make the overall process more complex
- Lock-in of technical debt

With rapid business justification

- Each use case is evaluated
- Business justification quantified
- Premium licenses used where justified
- Redundancies eliminated



I wish I could use AI, custom connectors, RPA, and other premium features...

But SharePoint everything



# **Business justification is storytelling**

- Know your numbers
- Know your audience
- Tell a story that resonates





# Know Your Numbers

- Tangible metrics are measurable and quantifiable. Examples include revenue, cost savings and productivity gains.
- Intangible metrics are not as readily measurable or quantifiable. Examples include customer satisfaction, brand reputation and employee engagement.

# Useful example: Vehicle Check-In/Out App

Paper based process

1000 vehicles in fleet

Inspection average 3 – 4 minutes \* 2 per day





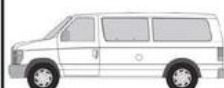

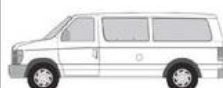



Average 15 minutes per day with paperwork

= \$500K per year

App estimated to save ~ 40% (\$200k)

Van Condition and Inspection Addendum

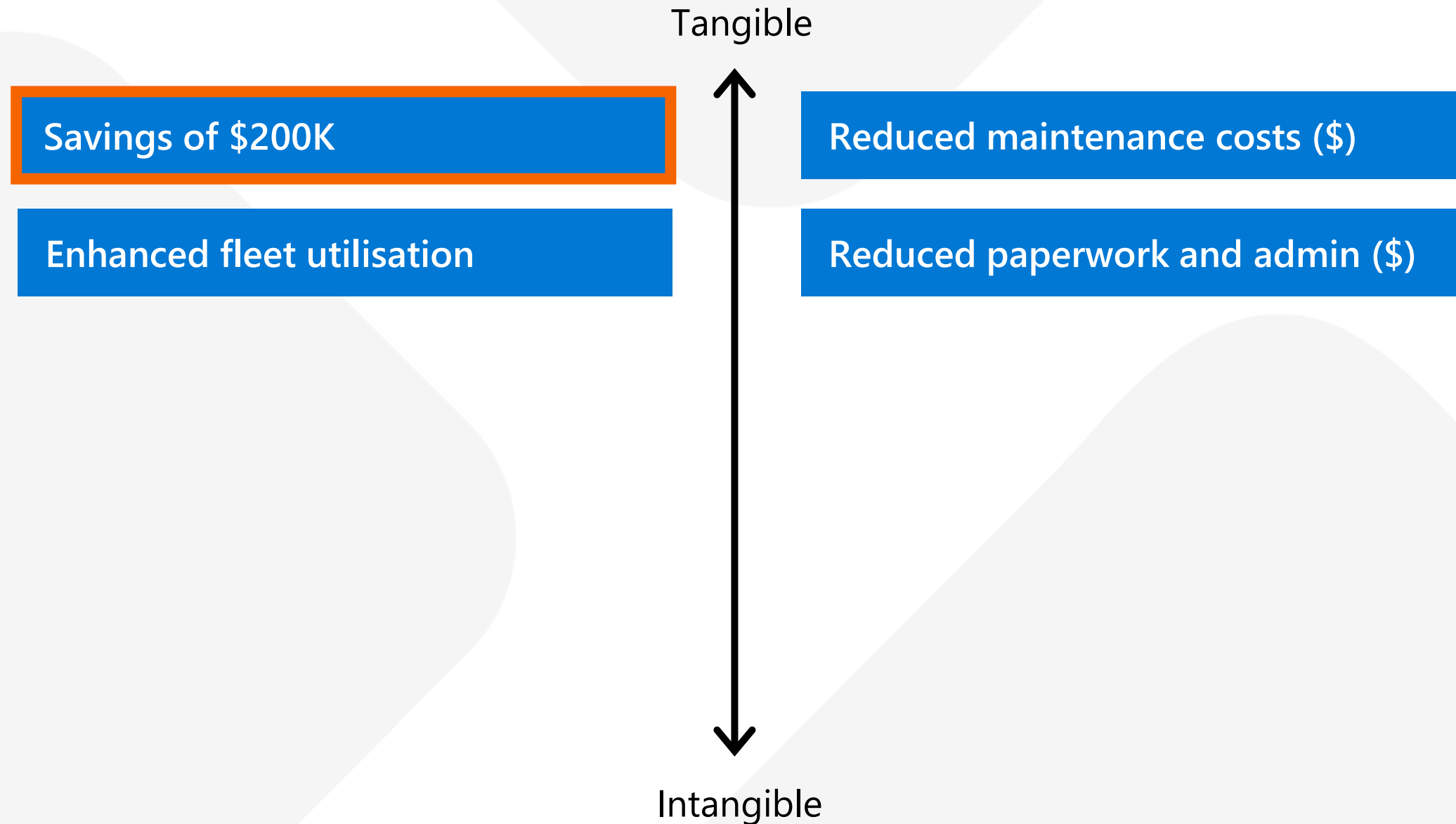
Unit No: \_\_\_\_\_ Make: \_\_\_\_\_ Model: \_\_\_\_\_

Check Out Condition		Check In Condition	
Clearly indicate all damaged areas and briefly describe damage as referenced below: <small>S=Scratch, C=Chip, D=Dent, B=Broken, H=Hole, G=Chip/Crack in Glass</small>		Clearly indicate all damaged areas and briefly describe damage as referenced below: <small>S=Scratch, C=Chip, D=Dent, B=Broken, H=Hole, G=Chip/Crack in Glass</small>	
			
Right	Front	Right	Front
			
Left	Rear	Left	Rear
	<input type="checkbox"/> Spare Tire Mileage: _____ Fuel: _____/8		<input type="checkbox"/> Spare Tire Mileage: _____ Fuel: _____/8
Roof		Roof	
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Inspected By: _____ Inspection Date: _____ <small>You, or any additional authorized drivers, are not allowed to use the roof of this van to carry, haul, or support any persons or objects.</small>		Inspected By: _____ Inspection Date: _____	
I have read, understand, and agree to be bound by this Addendum		I have read, understand, and agree to be bound by this Addendum	
X Renter	Date	X Renter	Date

Rev. 12/11



# Initial value assessment





# Understanding tangible & intangible value

## Tangible value

Measurable and quantifiable benefits that can be expressed in monetary terms



Cost savings



Increased revenue



Reduced expenses

## Intangible value

Benefits that are qualitative and challenging to quantify directly



Improved brand reputation



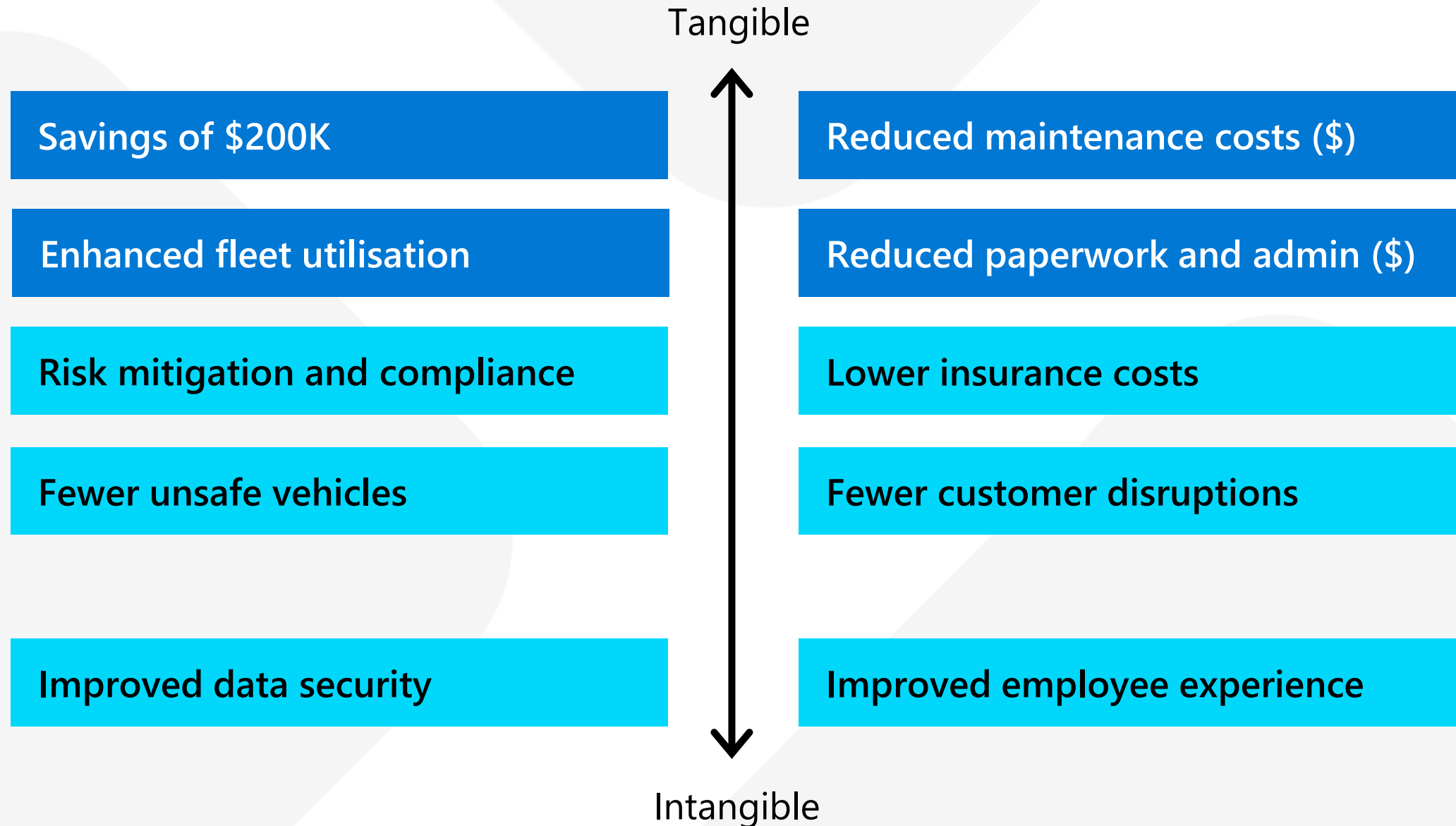
Enhanced customer satisfaction



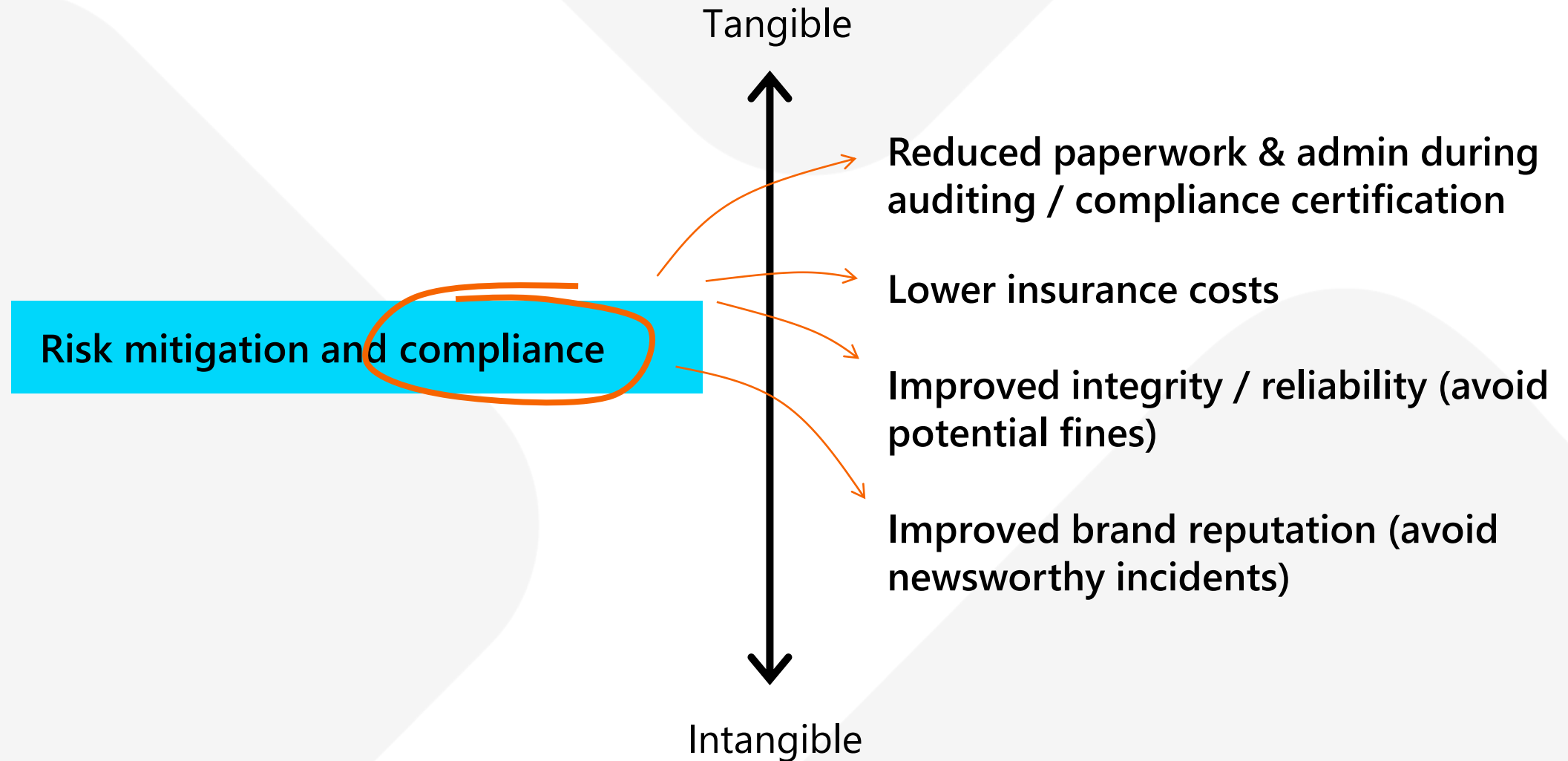
Boosted employee morale



# Deeper value assessment



# Even deeper value assessment



# A few more examples

## Tangible value

### Cost reduction

"By automating our manual data entry processes with the Power Platform solution, we saved \$50,000 annually in labor costs."

### Increased productivity

"After implementing our Power App, our teams experienced a 30% boost in productivity, resulting in annual savings of 1,000 hours."

## Intangible value

### Enhanced reputation

"The agility of our Power Platform solutions allowed us to respond quickly to customer needs, enhancing our reputation as an innovative and customer-centric organisation."

### Improved employee morale

"By automating repetitive tasks, our employees experienced reduced frustration and improved morale, contributing to a more positive workplace atmosphere."







# Know Your Audience

- What information is important to the role
- What communication channels will reach them
- How can you align value messaging to their interests
- What level of technical detail do they need
- Why is their buy-in important?

# Aligning Your Business Case with Company Goals

- Corporate initiatives and goals are important considerations when making a business case
- Example: Sustainability is a common initiative that many businesses prioritize
- Business cases that align with key initiatives are more likely to be approved



# Soft Skills for Business Justification

- Effective Communication
- Salesmanship
- Negotiation Skills
- Persistence
- Positivity
- Creativity
- Curiosity



# The Importance of Taking a Long-Term Perspective

- Start small with a pilot or POC
- Capture success stories and quantify value achieved through existing solutions
- It's unlikely to get everything you want in one step
- Success begets success
- Showing the value brought to the team with Power Platform can lead to greater justification for future initiatives





# Example: Bank onboarding



Multinational bank



complex internal processes and strict regulatory requirements



The onboarding app built to modernize and improve the employee onboarding process,



App delivered faster than other technology estimates (1 month vs 8 months)

Key metrics and benefits in business case:

Agility and speed to value

Cost effective

Scalability

Governance and security

- **License Cost:**
  - 100 users involved in the onboarding process with licenses at \$20/user/month = \$24,000 annually.
  - Onboarding 20 new employees per month with licenses at \$5/user/month = \$1,200 annually.
- **Time Savings:** 2 days saved per new employee in the onboarding process.
- **Productivity Gain:** Average employee daily cost: \$307.
- **Per Employee Savings:**
  - \$614 saved per employee by reducing onboarding time.
- **Annual Savings:**
  - For 240 new employees onboarded annually (20 per month):  
 $\$614 * 240 = \$147,360$  saved from faster onboarding.
- **Total License Cost:**
  - \$24,000 annually for the team + \$1,200 annually for the new employees = \$25,200.
- **Net Savings:**
  - \$147,360 (savings from faster onboarding) - \$25,200 (license costs) = **\$122,160 annually.**

# Example: Timesheet reconciliation



Leading provider of  
healthcare staffing



9,000-12,000  
timesheets per week



Time must be entered  
in customer's billing  
system



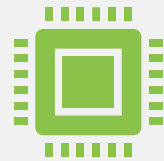
50% of time entries  
require manual  
reconciliation

- Reconciled timesheets take on average 10 minutes
- Average wage \$30/hour
- Manual intervention is estimated to cost \$45,000 per week or \$2.34 million annually
- Processing delays can lead to late payroll, impacting clinician satisfaction
- Delayed billing affects cash flow
- Errors expose company to legal risks and potential fines

# Example: Fraud Prevention – Mobile Deposit Alerts



**Problem:** Credit union had \$60,000 is missing and fraudulent mobile deposits per month.



**Solution:** Leveraging the Power Platform, the credit union automated OCR of check images and RPA process compared routing information with known offender databases to detect fraudulent deposits.



**Outcome:** Significant reduction in fraudulent mobile deposits, now looking to extend to other types of deposits. Saved \$50,000-\$60,000 per month, paying for the project in under two months.

# The Importance of Advertising Your Wins

- **Creating a Community:** Share wins and connect with others who are interested in your work
- **Sharing Success:** Communicating your successes can help build more support for your projects and initiatives. Viva Engage, email newsletters, company meetings, etc
- **Demonstrating Value:** Advertising your wins can help demonstrate the value of your work to your stakeholders and justify additional initiatives.



# Premium license justification

Don't try to justify a platform by a single application



Premium licenses are not limited to a single application or automation, so should not be viewed in isolation.

Viewing the license as a gateway can significantly alter cost-benefit analysis

Limiting applications to only SharePoint can deny frontline workers access to essential features

If you give frontline workers slow applications that don't meet their need it can exceed the cost of the premium license in lost productivity

When viewed cumulatively, justification for per-user licenses becomes clearer and more compelling





# Business value toolkit

The Microsoft Business Value Toolkit is new in the August 2024 release of the COE Starter Kit.

- Capture business cases in a five-step storytelling process
- AI-driven business case generation
- Central database of metrics for consistent and rapid ROI calculation
- Create compelling articles to communicate business case to stakeholders

# A message from Steve Jeffery





# Kickstarter Workshops

Microsoft's experience in **guided** workshops to establish the foundations of your digital transformation program, in a series of one-day workshops delivered by trusted partners.

1

## Vision, Metrics & Goals



Executive Sponsor, Power  
Exec Steering Group and all  
other participants

### Outputs

- ☐ Power Platform Vision Statement
- ☐ Initial KPIs with measurements
- ☐ Three horizon action plan

2

## Measuring & Communicating Business Value

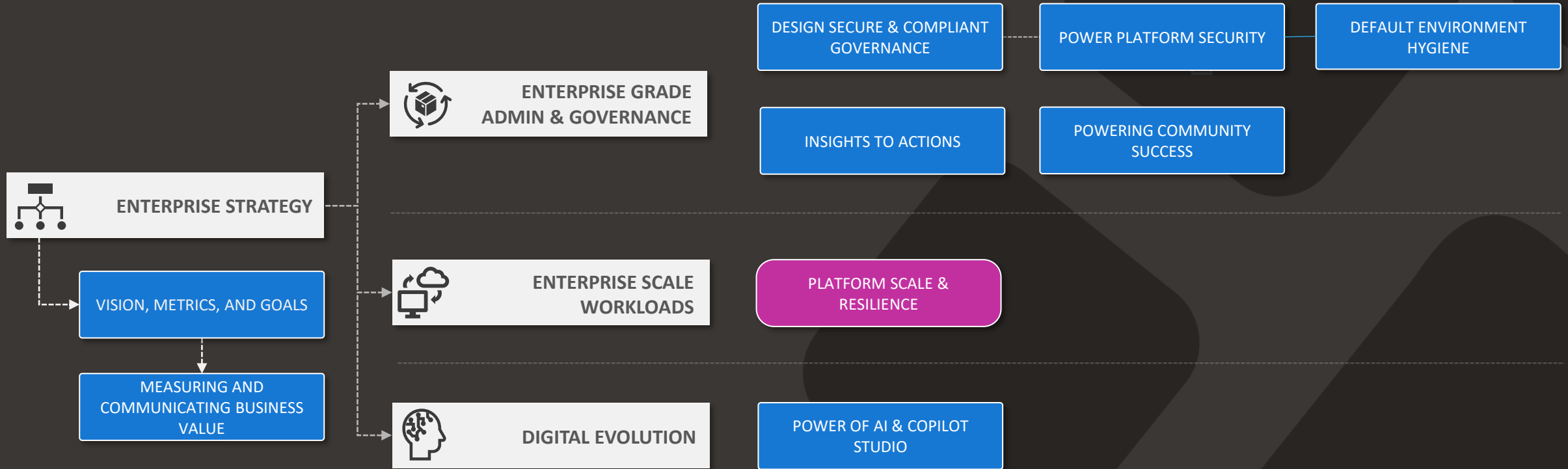
Governance Lead, Power  
Adoption Lead, Community and  
Skilling Lead

- ☐ GPT-enabled Power App to scale across the org
- ☐ Framework for business value measurement
- ☐ Storytelling framework



# Power CAT Kickstarter Workshops

Microsoft's experience in **facilitated conversations** to establish the foundations of your digital evolution program, in a set of **one-day** workshops & **workshop series**.



Learning Path / Pillar



Workshop




Training





# Kickstarter Workshops

Microsoft's experience in **guided** workshops to establish the foundations of your digital transformation program, in one-day workshops delivered by trusted partners.

			Technical focus	
	Vision, Metrics & Goals	Measure & Communicate Business Value	Maximizing Value: Powering Community Success	
	Executive Sponsor, Power Exec Steering Group and all other participants	Governance Lead, Power Adoption Lead, Community and Skilling Lead	Governance Lead, Power Adoption Lead, Community and Skilling Lead	
	<ul style="list-style-type: none"> <li>Power Platform Vision Statement</li> <li>Initial KPIs with measurements</li> <li>Three horizon action plan</li> </ul>	<ul style="list-style-type: none"> <li>GPT-enabled Power App to scale across the org</li> <li>Framework for business value measurement</li> <li>Storytelling framework</li> </ul>	<ul style="list-style-type: none"> <li>Clear purpose and goals of community</li> <li>Establish roles and responsibilities</li> <li>Content plan</li> </ul>	
			Design Secure and Compliant Governance	Platform Scale & Resilience
			Governance Lead, Power Platform Admin	Pro Dev, Architect & Security
			<ul style="list-style-type: none"> <li>Identify &amp; anticipate governance gaps using real-world scenarios</li> <li>Target improvement of policies, procedures and automation</li> </ul>	<ul style="list-style-type: none"> <li>Platform scale and resiliency fundamentals</li> <li>Foundation for communicating with customer network</li> </ul>

Outputs





# Key Takeaways

## Measuring Business Value

Measuring business value is essential for the success of low-code apps and automations. It helps to justify investments in premium licenses and connectors and communicate the impact of low-code solutions on business value.

## Formula for Success:

Business Benefit + Corporate Alignment + Compelling Story =  
Business Justification

