

# Methodology & Assumptions for Teams Rooms ROI Calculator

## 1. Overview

This ROI calculator is based on the Forrester Total Economic Impact™ of Microsoft Teams Rooms study, commissioned by Microsoft and published in March 2024. The methodology, assumptions, and baseline values are derived from structured interviews with four organizations that deployed Teams Rooms. Individual results will vary based on numerous factors including organization size, industry, current technology state, work patterns, deployment approach, and change management effectiveness. This tool provides a research-backed framework for estimating potential value—it is not a guarantee of specific outcomes. Organizations should use their own data for the most accurate projections and conduct their own due diligence before making investment decisions. Complete methodology and assumptions are included in this document.

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### 1.1 Purpose

The calculator is designed to enable organizations to:

Estimate the financial impact of Teams Rooms deployment

Customize projections based on their specific environment

Justify investment decisions with research-backed data

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### 1.2 Study Methodology

Forrester conducted in-depth interviews with four organizations that deployed Microsoft Teams Rooms. The interviews explored:

Organizational context and deployment approach

Quantified benefits across multiple dimensions

Implementation costs and ongoing expenses

Risk factors and adjustments

From these interviews, Forrester constructed a composite organization that represents the typical experience and serves as the foundation for all calculations.

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## 2. Composite Organization Profile

The composite organization represents a typical enterprise deploying Teams Rooms. All baseline values in the calculator reflect this profile:

Characteristic	Value
Total Employees	2,800
Industry	Multiple sectors
Total Teams Rooms Deployed	32 rooms (by Year 3)
Room Mix	4 Large, 16 Medium, 12 Small
Deployment Timeline	3 years (phased rollout)
Hybrid Work Model	29% of workforce
Average Employee Hourly Rate	\$55 (fully-burdened)
IT Support Hourly Rate	\$65 (fully-burdened)

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## 3. Benefit Calculations

The ROI Calculator quantifies three major benefit categories. Each uses a specific methodology based on Forrester's research with actual customers.

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### 3.1 Improved User Workflow Efficiency

**Benefit Description:** Teams Rooms' one-touch join eliminates technical startup issues that disrupt meetings and require time to refocus on work tasks.

#### Required Customer Inputs

Number of rooms by size (Large/Medium/Small)

Weekly utilization hours per room type

Average meeting attendance per room type

Fully-burdened employee hourly rate

#### Calculation Formula

**Step 1:** Calculate Total Annual Utilization

= (Rooms × People × Hours/week for each size) × 52 weeks

**Step 2:** Calculate Time Saved

= Total Utilization × 30% disruption rate × (5 min ÷ 60)

**Step 3:** Apply Productivity Recapture

= Time Saved × 50% × Hourly Rate

**Step 4:** Apply Risk Adjustment

= Annual Value × 90%

#### Key Assumptions

30% disruption rate: Percentage of meetings experiencing technical startup issues

5 minutes lost: Average time to refocus after a technical disruption

50% recapture rate: Percentage of saved time that translates to productive work

10% risk adjustment: Conservative downward adjustment for uncertainty

Study Result: \$133,204 over three years for the composite organization

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## 3.2 Commute Time Savings

**Benefit Description:** Teams Rooms enables more flexible hybrid work patterns, reducing unnecessary office commutes while maintaining high-quality collaboration.

### Required Customer Inputs

- Total number of employees
- Percentage working hybrid (some remote, some in-office)
- Days per week in office BEFORE Teams Rooms
- Days per week in office AFTER Teams Rooms
- Average one-way commute time (minutes)
- Work weeks per year (excluding vacation)
- Fully-burdened employee hourly rate

### Calculation Formula

**Step 1: Calculate Hybrid Workforce**

$$= \text{Total Employees} \times \% \text{ Hybrid}$$

**Step 2: Calculate Days Reduced**

$$= \text{Days Before} - \text{Days After}$$

**Step 3: Calculate Annual Commute Hours Saved**

$$= \text{Hybrid Emp} \times \text{Days Reduced} \times \text{Commute}(\text{min}) \times 2 \div 60 \times \text{Work Weeks}$$

**Step 4: Calculate Work-Available Hours**

$$= \text{Commute Hours} \times 30\%$$

**Step 5: Apply Productivity Recapture**

$$= \text{Work Hours} \times 50\% \times \text{Hourly Rate}$$

**Step 6: Apply Risk Adjustment**

$$= \text{Annual Value} \times 85\%$$

### Key Assumptions

- **29% hybrid rate:** Based on Stanford Institute research (1.5 days/week WFH average)
- **30% work availability:** From National Bureau of Economic Research on time reallocation
- **50% recapture rate:** Standard TEI methodology for productivity conversion
- **15% risk adjustment:** Conservative downward adjustment for uncertainty

**Study Result:** \$819,958 over three years for the composite organization

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### 3.3 Complete IT Savings

**Benefit Description:** Teams Rooms delivers IT transformation through three mechanisms: remote issue resolution, elimination of meeting babysitting, and proactive device analytics.

#### **Component A: IT Admin Time Savings**

*Description:* IT can resolve most technical startup issues remotely instead of requiring on-site visits.

**Formula:**

1. Disrupted Hours = Utilization × 30% × 30min ÷ 60
2. IT Hours Saved = Disrupted Hours × % Remote
3. Value = IT Hours × 50% × IT Rate × 90%

**Key Assumption:** % Remote grows from 30% (Y1) → 50% (Y2) → 70% (Y3) as IT masters remote tools.

**Sub-Total:** \$514,250 over three years

#### **Component B: Meeting Efficiency Savings**

*Description:* Teams Rooms reliability eliminates the need for IT to attend or be on standby for meetings.

**Formula:**

1. Hours Saved = (Hours Before – Hours After) × Rooms × 52
2. Value = Hours Saved × IT Rate × 95%

**Key Assumption:** IT support drops from 2.25 hrs/room/week to 0.13 hrs (94% reduction).

**Sub-Total:** \$490,127 over three years

#### **Component C: Remote Config & Device Analytics**

*Description:* Remote management tools and proactive device analytics automate issue resolution and prevent problems.

**Formula:**

1. Remote Value = In-Person Issues × % Remote × Resolution Time × IT Rate
2. Analytics Value = Manual Issues × 10% × Resolution Time × IT Rate
3. Total = (Remote Value + Analytics Value) × 95%

**Key Assumption:** 10% of manual troubleshooting automated through device analytics.

**Sub-Total:** \$50,943 over three years

**Complete IT Savings Total:** \$1,055,321 over three years

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## 4. Cost Calculations

The Total Cost of Ownership calculator includes four cost components across the deployment timeline.

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### 4.1 Teams Rooms Devices

**Description:** Hardware costs for Teams Rooms equipment including displays, cameras, microphones, speakers, and compute devices.\*

**Formula:** Device Cost = (# Large Rooms × \$10,000) + (# Medium × \$8000) + (# Small × \$6000) × 1.05

**Risk Adjustment:** 5% upward adjustment for cost uncertainty

\* Device costs have been updated from the original study to reflect current average pricing.

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### 4.2 Installation

**Description:** Professional installation services including mounting, cabling, and hardware integration.

**Formula:** Installation = (# Large × \$7,438) + (# Medium × \$6,009) + (# Small × \$3,280) × 1.05

**Risk Adjustment:** 5% upward adjustment for complexity

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### 4.3 IT Setup & Configuration

**Description:** Internal IT time for initial setup, configuration, testing, and deployment support.

**Formula:** IT Setup = Total Rooms × 20 hours × IT Rate × 1.05

**Risk Adjustment:** 5% upward adjustment for learning curve

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## 4.4 Teams Rooms Licenses

**Description:** Annual Microsoft Teams Rooms license fees (ongoing operational expense).

**Formula:** Licenses = Cumulative Rooms × \$40/month × 12 months

**Risk Adjustment:** None (pricing is fixed)

**Total 3-Year Cost:** \$408,220

## 5. Risk Adjustments

All calculations include risk adjustments per the TEI methodology to account for uncertainty and variability across different organizations.

Component	Adjustment	Rationale
Workflow Efficiency	×0.90 (↓10%)	Variable meeting patterns
Commute Savings	×0.85 (↓15%)	Work pattern uncertainty
IT Admin Savings	×0.90 (↓10%)	Variable issue rates
Meeting Efficiency	×0.95 (↓5%)	High reliability
Remote Config	×0.95 (↓5%)	Proven capability
Device Costs	×1.05 (↑5%)	Price variability
Installation	×1.05 (↑5%)	Complexity variation
IT Setup	×1.05 (↑5%)	Learning curve
Licenses	×1.00 (0%)	Fixed pricing

## 6. Data Sources & References

### 6.1 Primary Source

*Forrester Research.* "The Total Economic Impact™ of Microsoft Teams Rooms." Commissioned by Microsoft. March 2024.

This study forms the foundation for all calculations, assumptions, and methodology in the ROI calculator.

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### 6.2 Supporting Research

- **Stanford Institute for Economic Policy Research:** Hybrid work patterns and remote work adoption rates
  - **National Bureau of Economic Research:** Time reallocation and productivity impacts of commute elimination
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### 6.3 Calculator Applicability

This calculator is designed for organizations that:

- Are deploying or considering Microsoft Teams Rooms
- Have a distributed workforce with hybrid work patterns
- Experience technical challenges with existing meeting room technology
- Seek to quantify the business case for collaboration technology investments

**Important Note:** Individual results will vary based on organization size, industry, current technology state, and deployment approach. The calculator provides a research-backed framework for estimating potential value, not a guarantee of specific outcomes.

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## 7. Using the Calculator

### 7.1 Data Collection

Before using the calculator, gather the following information from your organization:

#### **Meeting Room Data**

- Current inventory of meeting spaces by size
- Average utilization hours per week per room type
- Typical meeting attendance patterns

## Workforce Data

- Total employee count
- Percentage working hybrid (some remote, some in-office)
- Current office attendance patterns
- Average commute times

## IT Data

- Current IT support hours per meeting room per week
- Annual volume of meeting room technical issues
- IT staff hourly costs (fully-burdened)

## Financial Data

- Average employee hourly cost (salary plus benefits)
  - Hardware and installation pricing from vendors
  - Teams Rooms licensing costs
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## 7.2 Customization

The calculator pre-populate with values from the Forrester composite organization. Replace these with your organization's actual data.

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## 7.3 Interpreting Results

The ROI Summary dashboard provides:

- **Total Benefits:** Sum of all quantified value creation
- **Total Investment:** Complete 3-year cost of ownership
- **Net Benefit:** Benefits minus investment
- **ROI Percentage:** Return relative to investment
- **Payback Period:** Time to recover investment from benefits

**Remember:** These are conservative estimates using actual dollars (not present value with discount rates). The Forrester study applied a 10% discount rate, which reduced their reported 3-year benefits from \$2.0M to \$1.6M and costs from \$408K to \$370K. Our calculator show the actual dollars to make the numbers more practical for business conversations.

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## 8. Disclaimer

The calculator is based on the Forrester Total Economic Impact™ study of Microsoft Teams Rooms. While the methodology and assumptions come from research with actual customers, individual results will vary based on numerous factors including:

- Organization size and structure
- Industry and business model
- Current technology environment
- Work patterns and culture
- Deployment approach and timeline
- Change management effectiveness

The calculator provides a research-backed framework for estimating potential value, not a guarantee of specific outcomes. Organizations should:

- Use their own data for the most accurate projections
- Adjust assumptions to reflect their specific circumstances
- Consider qualitative benefits not captured in financial calculations
- Conduct their own due diligence before making investment decisions

*For questions about the methodology or to discuss your specific situation, please contact UnifiedCommunications.*