

NUCLEUS
RESEARCH

ROI: 1342%

Payback: 2.4 Months

SALESFORCE FIELD SERVICE LIGHTNING POWERHOME SOLAR

ANALYST

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THE BOTTOM LINE

POWERHOME Solar deployed the Salesforce Field Service Lightning (FSL) mobile application for communication with agents in the field to supplant a legacy customer relations management (CRM) solution that was inefficient, had limited capabilities, and could not scale to support the company's growth. Additionally, POWERHOME Solar needed to modernize its scheduling management and provide its field technicians with real-time mobile access to critical information. Without adding additional staff, the company was able to efficiently manage a 70 to 75 percent daily volume increase at call centers. POWERHOME was also able to avoid additional hires that would have been needed to support and upgrade the legacy system, saving the company almost three-quarters of a million dollars annually.

THE COMPANY

POWERHOME Solar designs, installs, finances, maintains, and monitors American-made solar energy systems and roofing applications for residential, commercial, and public clients. The company was founded in 2006 as Rescomm and rebranded in 2014 as POWERHOME Solar to reflect the focus of the organization. Headquarters are in Mooresville, North Carolina and the company employs more than 700 employees at its 12 service regions and three call centers.

THE CHALLENGE

Before the deployment of Salesforce FSL mobile application, POWERHOME Solar was using enGarde customer relationship management (CRM) software for email communications with field service agents. POWERHOME Solar experienced communication obstacles with enGarde including the lack of reliability, efficiency, and scalability. Once enGarde shifted its CRM focus to security applications and alarm systems, POWERHOME Solar decided to find a different vendor.

POWERHOME selected Salesforce FSL because it most closely aligned with the company's strategy of "the best solution is the right solution." Most notably, the company's management had experience with several of Salesforce's products and was impressed with its mobile capabilities. The more POWERHOME investigated the Salesforce offerings, the more it believed that FSL was the solution needed to support its business because of FSL's flexibility and scalability. Also, the move to FSL gave POWERHOME Solar the option of changing mobile vendors, saving the company \$40,000 per year.

**Cost : Benefit
Ratio**

1 : 5.1

THE STRATEGY

POWERHOME Solar began the implementation of the Salesforce FSL solution in March 2017 and deployment began in May 2017. The project was completed in less than two months, and it went live in July 2017. There are currently 40 call center agents, 15 dispatchers, and more than 450 mobile devices on the platform.

POWERHOME users received training and demonstrations internally to understand and learn the mobile capabilities. On an ongoing basis, the project leader is responsible for all aspects of FSL including (but not limited to) maintenance, upgrades, and staff education. The project leader is a dedicated position and is responsible for managing and supporting

the FSL solution. Since the deployment went live, POWERHOME Solar has maintained 100 percent user adoption, and the call center handles an increase of more than 80 percent of call volume without any additional staff.

TYPES OF BENEFITS

Direct 10%



90% Indirect

KEY BENEFIT AREAS

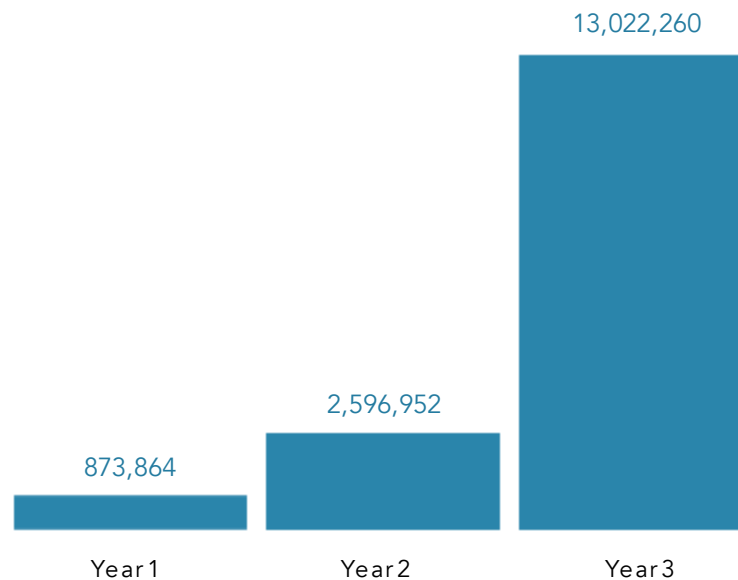
Key benefit areas seen as a result of the Salesforce FSL deployment include cost savings from eliminating the legacy system, avoiding hires who would have been needed to support the legacy system and increased volume of activities, and switching mobile vendors to a less expensive option with the same services. The company also achieved higher user productivity from time saved as a result of the efficiency and scalability of the Salesforce solution. The deployment of the FSL mobile solution improved dispatch and delivered, in real time, access to documentation needed on the job site.

- **Cost savings.** With Salesforce FSL, POWERHOME avoided additional hires that would have been needed to support its legacy program, saving nearly \$500,000 annually in addition to the elimination of the annual costs of that software. Furthermore, the option to move from Verizon to Sprint saved \$40,000 annually.
- **Improved user productivity.** The POWERHOME call center had 40 employees at the time of the FSL deployment managing about 300 calls per week. Since the deployment of Salesforce FSL, the same number of staff can manage more than 300 calls per day as a result of automation, bots, and—most importantly—access to data in real time for immediate answers, thus reducing the need for multiple contacts.
- **Profitability.** POWERHOME Solar achieved significant sales growth, due in part to its enhanced capabilities and efficiencies achieved through Salesforce FSL. Rapid scalability has enabled POWERHOME to deliver more solutions to more customers. Senior management stated that they experienced an annual average of ten percent increased profitability attributable to FSL over the three years reviewed.
- **Other benefits.** FSL capabilities enabled greater efficiency, accuracy, and monitoring for agent dispatching. Access to real time data and improved reporting contributed to a reduction of audit expenses. The sales team experienced a significant time reduction in the sales cycle from the time of lead to closure, which previously took 90 to 120 days and is now averaging 43 days. It is also noteworthy that POWERHOME's net promoter score (NPS), a metric used to measure customer loyalty, rose from 72 to 82 percent—a 15 percent improvement since the deployment of FSL.

KEY COST AREAS

The most significant costs related to POWERHOME's implementation and continued use of FSL is product licensure. Other cost areas over the three years included the price of annual maintenance and consulting services to aid in implementation and training.

CUMULATIVE NET BENEFIT

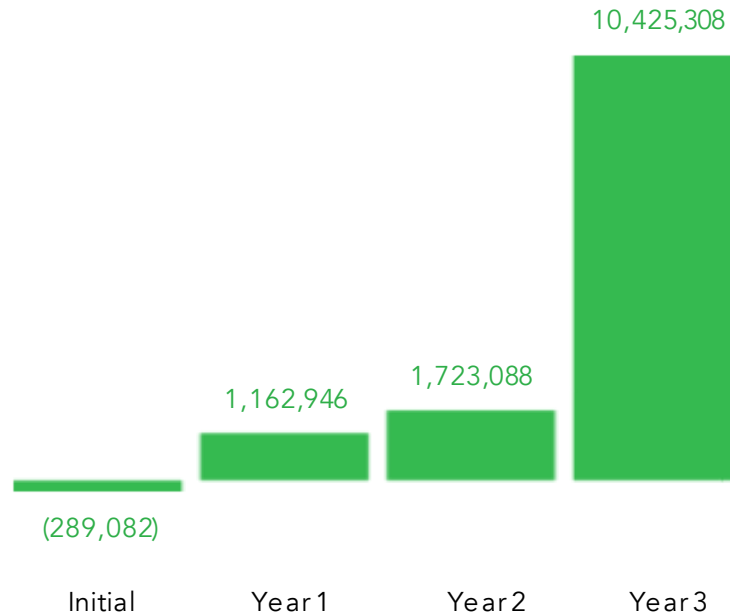


LESSONS LEARNED

The challenge of modernizing the POWERHOME Solar from a basic email communication system to a field service management solution required a full system overhaul. As an organization selling products and services for field operations, POWERHOME found that pre-deployment planning was a critical factor in its success.

With more data and insights available to POWERHOME, the company has incorporated more analysis into its operations-planning and review processes. Field agents and installers use FSL's mobile functionalities to work more efficiently because they can access regularly updated data on demand. The result is a collaborative business environment that can adapt to new methods and technologies more easily than before.

NET CASH FLOWS



CALCULATING THE ROI

Nucleus Research analyzed the costs of software, annual maintenance, personnel, and consulting services over three years to quantify POWERHOME Solar's total investment in Salesforce FSL technology. Direct and indirect benefits were also quantified over the three-year period.

Direct benefits quantified included the cost savings realized from the elimination of the legacy system and the avoidance of additional hires that would have been needed to support and manage the previous software solution.

Indirect benefits quantified included the additional productivity exhibited in the call and service center that increased its workload by 70 to 80 percent with the same number of staff members. Direct benefits included the additional profits that were generated from the new business POWERHOME was able to capture. This new business was generated because FSL was instrumental in improving efficiency and shortening the sales cycle. Nucleus calculated the time savings benefit using the fully loaded cost per hour of employees. Time savings were multiplied by a correction factor to account for the inefficient transfer of time between time saved and additional time worked.

FINANCIAL ANALYSIS

Annual ROI: 1342%

Payback period: 0.2 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	528,800	528,800	528,800
Indirect	0	1,740,540	2,300,682	10,539,258
Total per period	0	2,269,340	2,829,482	11,068,058

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	91,667	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	91,667	0	0	0

COSTS - DEPRECIATION	Pre-start	Year 1	Year 2	Year 3
Software	0	550,000	550,000	550,000
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	550,000	550,000	550,000

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	0	501,000	501,000	501,000
Hardware	0	0	0	0
Consulting	45,000	0	0	0
Personnel	152,415	605,394	605,394	141,750
Training	0	0	0	0
Other	0	0	0	0
Total per period	197,415	1,106,394	1,106,394	642,750

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(289,082)	1,162,946	1,723,088	10,425,308
Net cash flow after taxes	(200,245)	887,120	1,195,198	5,981,420
Annual ROI - direct and indirect benefit				1342%
Annual ROI - direct benefits only				7%
Net Present Value (NPV)				6,555,392
Payback period				0.2 years
Average Annual Cost of Ownership				1,048,207
3-Year IRR				518%

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