

Potential Return on Investment (ROI) for Users of SiteOps Software[®]

SiteOps Return on Investment (ROI) – There are several avenues available in estimating ROI for SiteOps in an organization. Some are tangible, while others that impact business development are somewhat intangible, yet realistic nonetheless.

Tangible ROI: This can be achieved to a reasonable level based on the pure ability to automate planning efforts using optimization automation. The software far and away outperforms any traditional CAD system for site layout, grading, achieving balanced earthwork conditions, drainage and cost estimates and excels at the planning and conceptual design phase of the work. An inarguable, tangible asset is that SiteOps will perform conceptual planning faster than anything a company is doing today.

Intangible ROI: Additional ROI can be achieved by studying the business development affect that the solution has in lifting your company’s reputation in the industry. It will be instrumental in showing that your firm has made an investment that will directly assist clients in their pursuit of a cost-optimized and developable site. This can take numerous forms such as how SiteOps:

- 1) can expand site design business opportunities with current clients by informing them of your investment in a technology that will help them save money
- 2) can open the door to working with new clients by (re-) introducing your firm but with a new message of improved technical resources,
- 3) allows your firm to outperform the consultant currently on board with a given developer,
- 4) allows sites that were deemed too expensive to build in the past but can now be optimized with lower costs and improved design which may result in the developer green lighting the project or,
- 5) allows you to more easily refine designs in accordance with the emerging “form-based codes” appearing around the country.

Examples of Return on Investment when using SiteOps:

- **87% renewal rate** for customer’s annual subscription. This rate, of almost 9 out of 10 customers renewing annually, is among the strongest proof of an effective ROI. They wouldn’t renew if they weren’t receiving the benefit. [*Tangible and supported by metrics*]
- **Proven savings in construction** – SiteOps performed grading services for around 600 projects prior to selling the software publicly. They began their company by offering conceptual layouts for many big box stores and land developers. Their metrics reveal that there was a real savings of \$15,000/acre on average in the construction of the projects for their clients. Since earthwork is minimized through cost optimization processes, the developer benefits greatly and this leads to a loyal, repeat customer. This information would be particularly pertinent for a design/build company. [*Tangible and supported by metrics*]
- **Charge clients for access to SiteOps** – Some of our clients are setting up administrative rights for their clients to access their project data and make modifications so they can examine “what-if” scenarios. If we use a \$100/hour access rate and authorize 5 clients, one can extrapolate the fees easily. If the clients

access their data for a conservative estimate of 1 hour per month, the revenue is $5 \times 100 \times 12 = \$6,000$.
[Tangible and suggested by our clients]

- **More billable time for more projects** – SiteOps outperforms typical planning production capabilities. Planners will complete their tasks much more rapidly than they are currently achieving using traditional CAD programs. An estimate of a production increase of 25% is anticipated and will yield more throughput capacity to move projects from planning to final design quicker. That means more alternative site plans being approved by the client and more design work moving into design. SiteOps provides the best “cheat sheet” ever for designers who are commencing work in final design because they already know where the troubling issues are, what the grading must be in order to meet constraints and what the costs are if the design from SiteOps is achieved. Savings in final design are estimated at, at least 10% if not more. [Tangible and suggested by our clients]
- **Reduced dependence on CAD** solutions on the front-end of the project. Since CAD workflow is strictly manual-entry oriented, combined with the lack of any planning automation tools, leads to the fact that CAD is a poor tool to use for conceptual design. We submit the argument that 1/3 of the planning work now performed in CAD would be more efficiently done in SiteOps. Your productivity rises due to your use of a tool built to perform this work, unlike your current approach. ROI might be augmented by reducing CAD subscription fees since you would require less CAD licenses. [Intangible but worthy of consideration]
- **Reduce cost of Pro-bono work** by 33%. Many firms are performing more work up front with a deferred fee structure in order to sweeten the ability to secure new work, expand existing work opportunities, bring in new clients or re-energize work that hasn’t, up to this point, been green-lighted. Since SiteOps has automated abilities to help decision-making for site selection, presenting alternative designs and producing cost estimates for multiple alternative designs, customers find they spend significantly less time in SiteOps than in a traditional CAD system. To anticipate a 33% improvement over current methods is a reasonable assumption for any conceptual engineering design. [Intangible and based on experience and examples]
- **Increase business development** activity by using SiteOps to market your design services. If each Project Manager is tasked with introducing your company to 2 new developers each week, there will be a statistical increase in your workload. Even if you have spoken to the developer in the past, this technology gives you an excellent reason to re-introduce your firm and its new capabilities in conceptual design. Offer to perform site layout options, perhaps for free in return for their consideration of your firm! Provide results within a day or so and inquire as to whether their current consultant can produce a turn-around which includes geometry, grading, balanced conditions, drainage computations and cost estimates for multiple layout alternatives, all within a day or so. [Intangible and based on experience of current clients]
- **Fits into the workflow** – SiteOps fits snugly into the workflow of any organization because it automates the planning process. CAD software does not offer conceptual design assistance and thus virtually everything performed in this arena is done manually which increases the client’s costs needlessly. It is only a matter of time before a competitor shows them what SiteOps can do before you are on the defense regarding your technology adoption. SiteOps is the first software that directly caters to the decision making required at this stage. Data created in the planning department can be easily ported to

the design staff and savings will occur due to increased dataflow and communication. [*Intangible and based on experience of current clients*]

- **A Conservative, Hypothetical ROI** - We are estimating a conservative 25% immediate savings when conceptual design work is offloaded into SiteOps. Here is why. If the average effort for a planning task takes say, 3 days, then we suggest that 1 day of that effort can be done more efficiently using SiteOps. An effort of about 2 hours in SiteOps will replace 1 full day of CAD work, thereby producing a savings of 75% for the 33% of the work offloaded into SiteOps. The total savings of effort would be $0.33 \times 0.75 = 25\%$ for this one single day. Assuming the designer or planner is paid at \$40/hour, then \$240/day are saved. Multiply that by how many projects like this are done each year and you would reasonably estimate the ROI for the year. I propose that your planners could perform about 1/3 of their work in SiteOps annually for a net 25% savings in costs. Therefore, 3 planners x 2080 hours/year x \$40/hour = \$83,000 indicating that you might be overstaffed for your current workload. Weigh that against your ability to obtain new and expanded work orders and you are now serving your client more effectively and making more money. [*Intangible and based on experience of current clients*]

Summary: SiteOps is a solution for companies that strive for increased production in planning and conceptual design. The production improvements are undeniable and the result is a “cheat sheet” for the designers who move the project into final design and plans production. Considering that no one has automation software for planning purposes and the effort is currently being done completely manually and by hand, SiteOps is destined for a place in every organization. The main question is, will your firm obtain this capability in order to improve your service to your client, or will you obtain it after your clients realize that your services can be better performed by your competitors who have this modern, cloud-based technology and can produce 10 alternative site plans in the time it takes your firm to complete 1 or 2?

The tangible reasons for adopting SiteOps do not have to be overwhelmingly convincing since we are talking about a product that costs less than \$550/month. This is less than a single copy of Civil 3D! The intangible ROI only adds further reasons to adopt SiteOps.

SiteOps maintains any investments you have already made in your CADD system and fits directly into your current workflow. As an annual subscription, if it somehow does not make sense to continue to use the product, simply do not renew.

Of course 9 out of 10 companies see it the other way and will be presenting their capabilities and differentiating their companies from others every chance they get.

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