



December 2013

Document **N156**

ROI CASE STUDY **NETSUITE FINANCIAL PLANNING** **DOCUSIGN**

THE BOTTOM LINE

DocuSign deployed NetSuite Financial Planning, NetSuite's cloud budgeting, forecasting and planning solution, to support its finance team's need to provide managers with greater visibility into budgets and margins across the company. Nucleus found this enabled DocuSign to better position itself for growth while avoiding the additional finance hires that would have been needed to deliver the same level of fiscal visibility.

ROI: 802%

Payback: 1.5 months

Average annual benefit: \$269,000

THE COMPANY

DocuSign, a privately held company, provides cloud-based electronic signature technology that facilitates exchanges of contracts, tax documents, and legal materials. DocuSign's global customer base includes more than 60,000 companies in the financial services, insurance, technology, healthcare, manufacturing, communications, property management, consumer goods, and higher education. DocuSign is headquartered in San Francisco, California.

THE CHALLENGE

DocuSign was heavily reliant on spreadsheets for financial planning and budgeting of resources such as personnel. This spreadsheet approach presented several challenges, including the time and effort to review and update multiple spreadsheets, and difficulty in developing and reconciling multiple versions of plans.

Management knew it had to streamline processes and improve decision making to ensure it could take advantage of opportunities to grow the company and expand globally. DocuSign needed a solution that provided companywide visibility into bookings, resources, and revenue forecasts. It also needed a solution that would provide business owners visibility into headcounts and requisition status, could be readily integrated with other applications such as human resources and finance, and one that could scale to

support DocuSign’s global requirements. DocuSign also needed a solution that was easy to use, inexpensive (compared to industry alternatives), and rapid to implement.

“Instead of actually doing analysis, finance would spend 80 percent of their time adjusting data and structure in spreadsheets. Contrast that with 20 percent of their time currently. The extra time is now spent helping their respective business owners understand and scale their business efficiently.”

- Mike Wong, Senior Director of Financial Planning and Analysis, DocuSign

THE STRATEGY

The new CFO and his team knew they would implement NetSuite Financial Planning when they joined DocuSign in August 2010. Based on the success they experienced at their previous company, the team had a very good understanding of the software and knew it would meet DocuSign’s needs. At the previous firm they had looked at several larger vendors, invested significantly in a process to select the best platform, and developed the skills of how to manage a successful implementation.

Types of Benefits



At DocuSign, they simply had to understand the department and account structure in use, and were able to quickly and easily implement the solution with limited additional consulting. They successfully rolled out the solution within a few weeks. Users were trained using 16 hours of online training, while managers were provided individual training.

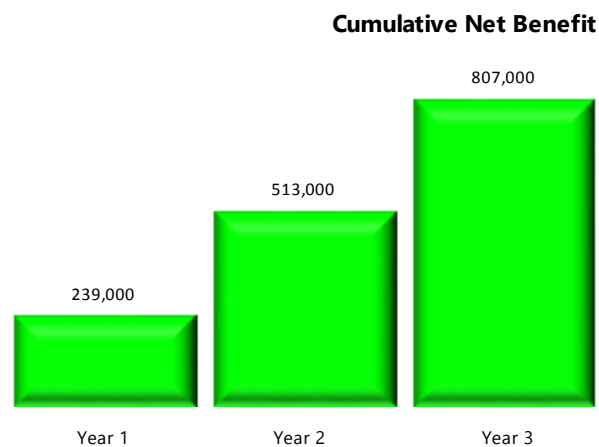
Since the initial implementation, DocuSign has expanded the system to include bookings, provide forecasted revenues directly from Salesforce. They have a single view of approved headcount.

Cost : Benefit Ratio | 1 : 5.1

KEY BENEFIT AREAS

Deploying NetSuite Financial Planning enabled DocuSign to drive greater visibility and productivity across the organization by providing managers and finance users with a cloud-based application that they can access from anywhere. The main benefits of the project included:

- Increased visibility for managers for decision making. The main focus for DocuSign's managers is growing the business. They now have an easy to use and single place to view all their financials. They are able to view actual versus budget. Everyone can view headcount information from within the same familiar environment. Reports and metrics are now being published globally using Birst.
- Increased visibility for Sales. They now have scenarios which provide quota builds, with multiple quarter based reporting, that lets them beat and exceed forecasts.
- Improved efficiency. Previously, the finance team would spend 80 of their time reconciling spreadsheets instead of doing analysis. Now that time is down to 20 percent.



KEY COST AREAS

The largest cost area of DocuSign's deployment was software subscription costs, making up 57 percent of the total project. Other cost areas over the 3-year period include additional deployment, consulting, personnel, and training. Personnel costs are minimal with only one person in the finance department spending approximately one quarter their time supporting the system. Consulting costs were minimized because of the existing team's expertise developed during a previous deployment. Training costs were minimal.

BEST PRACTICES

One key reason the deployment was so successful at DocuSign was the experience the project leader and the CFO had with NetSuite Financial Planning. Some of those best practices applied as a result of this experience included:

- Clear definition of departments and account structures. Because of their previous experience with the application, the team knew exactly what information and data was required to implement the first stages.

- Willingness to push the boundaries. Because of their previous successful deployment, they were able to quickly expand to include bookings and revenue forecasting directly from Salesforce.
- Executive support of the initiative. The CFO's previous experience with NetSuite Financial Planning ensured confidence in the software and its capabilities, and he was able to use specific experience to convince the rest of the DocuSign organization that the project would be successful.

CALCULATING THE ROI

Nucleus Research calculated the initial and ongoing costs of the software subscription, consulting, personnel, and training over a 3-year period to quantify DocuSign's investment in NetSuite Financial Planning.

Direct benefits quantified included the avoidance of additional administrative hires that would have been needed to provide the same level of visibility to senior staff without NetSuite Financial Planning. Indirect benefits quantified included were the increased productivity of financial analysts at DocuSign and were calculated based on their time savings using the fully loaded cost of an analyst, using a productivity correction factor to account for the inefficient transfer of time between time saved and additional time worked.

FINANCIAL ANALYSIS

NetSuite

Annual ROI: 802%

Payback period: 0.1 years

ANNUAL BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	100,000	100,000	100,000
Indirect	0	234,000	234,000	234,000
Total per period	0	334,000	334,000	334,000

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
Total per period	0	0	0	0

DEPRECIATION SCHEDULE	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
Total per period	0	0	0	0

EXPENSED COSTS	Pre-start	Year 1	Year 2	Year 3
Software	20,000	20,000	20,000	0
Hardware	0	0	0	0
Consulting	4,000	0	0	0
Personnel	5,000	32,500	32,500	32,500
Training	6,000	7,500	7,500	7,500
Other	0	0	0	0
Total per period	35,000	60,000	60,000	40,000

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
Net cash flow before taxes	-35,000	274,000	274,000	294,000
Net cash flow after taxes	-19,250	150,700	150,700	161,700
Annual ROI - direct and indirect benefits				802%
Annual ROI - direct benefits only				133%
Net Present Value (NPV)				385,214
Payback period				0.1 years
Average Annual Cost of Ownership				65,000
3-Year IRR				782%

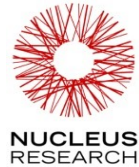
FINANCIAL ASSUMPTIONS

All government taxes	45%
Cost of capital	7.0%



By the Numbers

DocuSign's NetSuite project



Annual Return
on Investment **802%**

1.5 months
The total time to value, or
payback period, for the project

Cost : Benefit
Ratio **1 : 5.1**

\$269,000
Average annual benefit

THE PROJECT

DocuSign deployed NetSuite Financial Planning to support finance's need to provide managers with greater visibility into budgets and margins across the company. Nucleus found this enabled DocuSign to better position itself for growth while avoiding the additional finance hires that would have been needed to deliver the same level of fiscal visibility.

THE RESULTS

Avoided \$100,000 in administrative staff hires
Reduced finance time spent on planning by 60%
Increased global visibility

Number of **users: 120**

3 Weeks
Total time for the company to
deploy NetSuite Financial Planning

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