

new technology cost-benefit analysis

Key Questions to Ask

Whether you're deciding to deploy new technology due to market conditions, acquisitions, the competitive landscape, or for another reason, you'll likely find yourself on an implementation team at some point. Your success depends on how well you understand the need for the technology, and the benefits it can offer your organization.

By first focusing on the journey of your accountholders and employees through the workflows they are currently managing, you'll increase your likelihood of success. By working closely with technology partners to understand the investments being made and the benefits gained, you'll find it easier to support the deployment with senior management in your institution. And by realizing that conditions are constantly changing, you can be prepared to adjust your strategy moving forward.

Let's consider two very different scenarios in which you may be asked to calculate ROI in new technology.

new revenue creation

The first involves an entirely new revenue stream for the institution, such as entering a new market, like small business. In this scenario, consider the following questions as you begin your analysis:

1. How realistic is the proposed revenue stream?
2. Does the project meet expectations for growth?
3. Does it give you a competitive advantage?



4. Does it provide an enhanced experience for your clients and employees?
5. Do you have faith in the revenue and expense assumptions being used?
6. Does the risk of the project match your organization's risk tolerance?

new technology evaluation

The second involves the replacement of current technology (or manual tasks) to achieve savings through efficiency or improving the effectiveness of your staff in delivering services. How might that analysis differ? Consider the following questions:

1. Do you understand the pre-project workflows of your organization?
2. Do you have all the right people involved in evaluating the new technology (including those doing the work today)?
3. Will there be any buy-in issues or any resistance to change?
4. How will implementation impact your go-live schedule and resulting ROI?

With such significant financial investments on the line (through both technology and personnel), the costs benefit analysis stage of the planning process is critical as you consider new technologies. Over the next 10 years, we will see a continued emphasis on these investments. By formulating reliable ROI calculations, your team will be better prepared to justify these investments over time and be able to adjust to changing circumstances as they arise.

unlock the possibilities

[Learn more](#) about maximizing your technology ROI.

For more information about Jack Henry™, visit jackhenry.com.



The costs benefit analysis stage of the planning process is critical as you consider new technologies.