

Panel Title:

Measuring Return on Investment for Usability

Abstract:

This timely panel discussion demonstrates the importance of return on investment (ROI) analysis in usability work and provides guidelines for applying it. The panelists present recent case studies from successful companies and leading consulting firms, in which measuring ROI helped make usability an integral part of the product development process.

Targeted Audience:

Manager/Advocate

Product Category:

No specific system, product, or project orientation

Topic Category:

Issues and strategies for experienced usability professionals

Topic Focus Keywords:

Cost-justifying usability

Selling usability

Strategic usability

Duration:

90 minutes

Learning Objectives:

Attendees will learn why measuring the return on investment (ROI) for usability can make an important contribution to the success of ongoing usability work, how to assess usability ROI, and how to communicate usability ROI to management and stakeholders.

Detailed Description:


Usability professionals and managers are continually faced with the need to justify their budgets. In the current economic climate, this need has become critical if we are to compete for adequate budgets to accomplish our goals.

In a recent article, Meta Group information technology analyst Donn DiNunno wrote that, "...companies will manage forecasts by measuring intangibles...that reduce uncertainties and balance long-term growth with short-term returns. Companies that don't evolve measurement skills will not have factual evidence to market services competitively or the management capability to leverage opportunities." Thus usability practitioners must build measurement skills to leverage usability opportunities and justify or market usability services.

This panel explores how measuring the usability return on investment (ROI) promotes the success of usability projects. Usability programs yield measurable benefits where we can demonstrate the robust ROI that almost always results from a user-centered design approach.



The costs of usability programs are easy to quantify—the fully burdened salary of a usability professional, the cost of a usability consultant, the hours that product developers devote to usability testing and usability improvements can be measured. The benefits of usability programs are harder, but still possible, to quantify. These benefits accrue to all concerned and include:

- Increased development efficiencies when problems are identified early and are relatively inexpensive to fix

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- Decreased burden of customer support calls
 - Reduced training needs
 - Increased sales
 - Increased user productivity because users spend less time making and recovering from errors
 - Increased ease of use that enables junior staff to accomplish tasks previously done only by senior staff
 - Increased customer satisfaction
 - Improved public relations and customer good will reflected in media reports

When usability professionals track these benefits, we can compete on equal ground with other disciplines vying for development resources. This panel will help attendees understand how to demonstrate the return on investment for usability dollars through cost-benefit analysis.

Moderated by the head of a respected usability consulting firm, this panel includes speakers from an international management consulting firm, a major enterprise database company, a well-known e-commerce company, and a consultant recognized for cost-justifying usability. The panelists will describe their own experiences, and we'll elicit and discuss the experiences of audience members. The panelists' case histories include:

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- A partner from an international management consulting firm will discuss how he measures return on investment in his projects and will share tools that you can adapt for your own use.
 - The usability manager at an enterprise database company will explain why their company takes the position that usability is a cost of doing business and "bakes in" the cost of usability work, making it impossible to measure its return on investment separately. Using a recent case study, this manager will discuss other means to demonstrate the value of usability work, and in doing so, present an alternative to return on investment analysis.
 - The usability manager at a well-known e-commerce company will discuss how they use ROI estimates to help determine the level of usability coverage a project will receive during development. She will describe how their company applied ROI measures from the kick-off of a project through release of the feature to the site.

This panel includes extensive audience interaction and discussion. After each panelist describes his or her case history, we'll solicit and discuss related experiences from the audience. We expect to conduct the session according to the following schedule:

Introduction of panelists and topic: 5 minutes

What is usability ROI and why should we measure it? 15 minutes

Measuring usability ROI in management consulting projects: 10 minutes

Interactive discussion of audience experiences related to consulting: 10 minutes

Measuring usability ROI in client/server products: 10 minutes

Interactive discussion of audience experiences related to client/server products: 10 minutes

Measuring usability ROI in e-commerce: 10 minutes

Interactive discussion of audience experiences related to e-commerce: 10 minutes

Additional Q & A and wrap-up: 10 minutes

Demonstration of Rigor:

Each panelist will describe how his or her measurement and analysis methods for return on usability investments compare to established ROI methods, and how standard ROI methods were adapted for usability projects.

Measuring Return on Investment for Usability
UPA 2002 Proposal
January 7, 2002

Presentation Strategy:

How-to discussion, illustrated with case histories and discussions of audience experiences.