Matthew Leaver

Flash Research #4: WordPress

By switching to WordPress for our web development, we will save $2.45 million over the next 3 years. WordPress is an open-source website creation platform that will increase the efficiency of our web-development work, saving costs in the form of headcount reduction.

WordPress’s key benefit is its ability to create and manage websites without developing them from scratch. WordPress’s open-source community provides a vast library of usable plugins for its users, eliminating the need to internally develop any functionality there is already a plugin for. Its vast amount of open-source plugins and efficient platform will increase the efficiency of our web-development by roughly 77%, enabling us to reduce our web-development team headcount by 7 developers.

Between training, purchasing the software and hardware, and a yearly agreement with WordPress, it will cost us $174 thousand over the next 3 years. However, we will save $2.6 million in wages through headcount reduction over the same period, giving us a 3-year net benefit of $2.45 million.

References

Hesketh, Shawn. "What Is WordPress?" *WP101*. WordPress 101 LLC, 2008. Web. 23 Nov. 2016. <https://www.wp101.com/tutorial/what-is-wordpress/>.

"10 Benefits of Using WordPress to Power Your Company's Website." *AspireID*. Aspire Internet Design, 27 Apr. 2013. Web. 23 Nov. 2016.

"About." *WordPress.org*. WordPress, n.d. Web. 23 Nov. 2016. <https://wordpress.org/about/>.<<http://aspireid.com/web-design/10-benefits-of-using-wordpress-to-power-your-business-website/>>.

Numbers:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Costs | Year 1 | Year 2 | Year 3 | Total |
| Hardware/Software Purchase | $100,000 |  |  | $100,000 |
| Maintenance agreement | $18,000 | $18,000 | $18,000 | $54,000 |
| Training of developers | $20,000 |  |  | $20,000 |
|  |  | Total Costs | | $174,000 |
|  |  |  |  |  |
|  |  |  |  |  |
| Benefits | Year 1 | Year 2 | Year 3 | Total |
| Headcount Reduction | $875,000 | $875,000 | $875,000 | $2,625,000 |
|  |  | Total Benefits | | $2,625,000 |
|  |  |  |  |  |
|  |  |  | Net Benefit | $2,451,000 |