Section 06

Economic impact and investment case

Economic Impact and Investment Case

Shared operational infrastructure for small patient organisations

Australia | United States | United Kingdom | India | Brazil | South Africa

Purpose. This section converts the preceding economic methodology, country-specific market benchmarks and 5-to-100 organisation scale model into an investment case. It distinguishes equivalent-capability value from actual cash savings and adds organisational capacity, capability uplift, avoided duplication, break-even, implementation cost, return on investment and payback.

Scope and interpretation

The preceding modelling established the cost of obtaining comparable operational capability independently and through shared provision across seven functions: IT support, cybersecurity, CRM/data infrastructure, finance administration, HR administration, reporting and software procurement. This section evaluates the economic value generated by that shared model.

The analysis remains a decision model rather than a claim of demonstrated savings. Market-price inputs are benchmarked; shared-service workload assumptions are modelling assumptions. Actual patient-organisation expenditure has not yet been validated across the six countries. For that reason, equivalent-capability value and actual cash savings are reported as different concepts.

Measure	Definition	Current status
Actual cash saving	Reduction in observed cash expenditure after the shared-service contribution is paid.	Requires current-spend validation
Equivalent Capability Value (ECV)	Cost avoided compared with independently purchasing equivalent professional capability.	Can be modelled now
Released Organisational Capacity (ROC)	Internal administrative hours released for redeployment.	Can be modelled now
Capability uplift	New or improved capability obtained through shared infrastructure.	Can be assessed now; baseline requires validation
Avoided Duplication Index (ADI)	Proportion of duplicated infrastructure instances consolidated.	Can be modelled now
ROI / payback	Return after recurring and implementation costs.	Can be modelled as a scenario

Equivalent Capability Value

Equivalent Capability Value compares the cost of independently acquiring the modelled level of professional capability with the cost of obtaining that capability through shared provision. It does not assume that patient organisations currently spend the independent-market amount.

ECV = Independent equivalent-capability cost - Shared-service cost

Country	Independent cost / org / yr	Shared cost / org / yr	ECV / org / yr	ECV %	10-org cohort ECV / yr
Australia	A$50,227	A$24,615	A$25,612	51.0%	A$256,120
United States	US$37,364	US$18,570	US$18,794	50.3%	US$187,940
United Kingdom	£22,453	£11,220	£11,233	50.0%	£112,330
India	₹697,000	₹386,400	₹310,600	44.6%	₹3.106m
Brazil*	R$64,833	R$30,000	R$34,833	53.7%	R$348,330
South Africa	R281,867	R142,500	R139,367	49.4%	R1.394m

** Brazil remains the lowest-confidence country benchmark because transparent local pricing is thinner for several functions.*

> Central interpretation: at a cohort of 10 organisations, the model indicates that equivalent operational capability can potentially be provided at approximately half the cost of each organisation independently purchasing comparable capability. This is an equivalent-capability result, not a claim of 45-54% cash savings.

Actual cash savings and budget impact

Actual cash saving is a different test. It compares observed current cash expenditure with the contribution an organisation would make under the shared model.

Actual cash saving = Observed current cash expenditure - Shared-service contribution

A small organisation may currently spend very little because capability is absent, informal, volunteer-provided or absorbed by senior staff. In that case, shared provision may increase cash expenditure while still generating substantial economic value and capability uplift.

Illustrative interpretation

If an Australian organisation has an independent equivalent-capability cost of A$50,227 but currently spends only A$15,000 because IT, CRM, cybersecurity, finance and HR functions are partly informal or internally absorbed, moving to the modelled A$24,615 shared service would produce ECV of A$25,612 but a cash budget impact of -A$9,615. The organisation would be buying substantially greater capability for less than its independent market value, but it would not be correct to describe the result as a cash saving.

Reporting rule: the 40-60% scale-model results shouldn't be described as cash savings until actual current expenditure has been validated.

Released Organisational Capacity (ROC)

The model explicitly includes three internal administrative workloads that can be compared before and after shared provision: CRM administration, reporting/data administration and software procurement or management.

Activity	Independent hours / org / yr	Residual shared-model hours / org / yr	Hours released
CRM administration	48	8	40
Reporting/data administration	120	50	70
Software procurement/management	12	2	10
Total	180	60	120

ROC = 180 - 60 = 120 hours per organisation per year

Participating organisations	Minimum directly modelled ROC / year	Approx. 8-hour working days
5	600 hours	75 days
10	1,200 hours	150 days
20	2,400 hours	300 days
50	6,000 hours	750 days

Participating organisations	Minimum directly modelled ROC / year	Approx. 8-hour working days
100	12,000 hours	1,500 days

This estimate is deliberately conservative. It does not yet count internal time currently spent on IT troubleshooting, bookkeeping, HR administration, cybersecurity or other duplicated work. Released capacity should be reported as resources available for redeployment according to organisational priorities; it should not automatically be interpreted as additional patient-contact time.

6.5 Capability uplift

For very small organisations, capability uplift may be more important than direct cash saving. A shared model can provide access to professional systems and expertise that would otherwise be unaffordable or unsustainable. A five-point capability scale provides a practical way to measure this change.

Score	Capability level
0	Function effectively absent
1	Informal / ad hoc
2	Basic capability with significant gaps
3	Functional minimum standard
4	Good professional capability
5	Mature / integrated capability

Expected capability effects

Function	Typical constraint	Shared-service target	Expected uplift
IT	Ad hoc or fragmented support	Professional managed environment	High
Cybersecurity	Under-resourced security controls	Defined minimum security baseline	Very high
CRM/data	Spreadsheet or fragmented systems	Structured CRM/data architecture	Very high
Finance	Volunteer or fragmented arrangements	Standard professional processing	Moderate-high
HR	Informal administration for small teams	Policies, systems and specialist advice	High
Reporting	Repeated manual assembly	Reusable integrated reporting	Very high
Procurement	Individual purchasing decisions	Coordinated eligibility/licence management	Moderate

Capability Coverage Rate

$$CCR = \text{Organisations meeting minimum standard} / \text{Participating organisations} \times 100$$

For example, if three of ten organisations currently meet an agreed cybersecurity baseline and all ten meet it after implementation, the Capability Coverage Rate rises from 30% to 100%, an uplift of 70 percentage points. This provides an auditable capability outcome without attempting to monetise hypothetical avoided incidents.

Avoided Duplication Index (ADI)

ADI measures the structural duplication removed when independently maintained infrastructure is consolidated. For a function currently maintained separately by every organisation and consolidated into one common infrastructure instance:

$$ADI = 1 - (1 / N)$$

Participating organisations	ADI
5	80%
10	90%
20	95%
50	98%
100	99%

ADI is not a cost-saving percentage. Organisation-specific transactions, relationships and local work remain. It measures duplicated infrastructure instances rather than total workload.

Function	Potential structural ADI at 10 organisations	Interpretation
CRM platform architecture	90%	One common architecture rather than 10 independent configurations
Cyber tooling/management	90%	Common stack and management capability
Reporting architecture	90%	Common framework with organisation-specific outputs
Software procurement	90%	One coordinated procurement capability
IT vendor management	90%	Common standards/procurement; delivery may remain local
Finance processing	<90%	Infrastructure shared; transactions remain organisation-specific
HR administration	<90%	Platform/expertise shared; employment relationships remain local

Break-even analysis

The model indicates that most functions reach economic plausibility at relatively small cohort sizes. The principal exception is internally delivered IT support in lower-cost local markets, where coordinated procurement of an existing local provider may be preferable.

Function	Australia	US	UK	India	Brazil	South Africa
IT	~5	~3	~7	No cash break-even*	No cash break-even*	~4
Cybersecurity	~4	~4	~5	~1	~4	~4
CRM/data	~2	~2	~2	~2	~2	~2
Finance	~3	~1	~2	~1	~1	~6
HR	~1	~1	~1	~1	~1	~1
Reporting	~1	~1	~1	~1	~1	~1
Procurement admin	~2	~2	~2	~2	~2	~2

** Under the current technical-hours assumption. This does not imply that shared IT has no value; it indicates that capability, integration, standards and vendor management may be the stronger case in these markets.*

The break-even pattern supports a hybrid architecture: shared standards, data architecture, procurement and governance; national or local professional services where regulation or market economics require them; and organisation-level ownership of mission, relationships and local decision-making.

Implementation and transition costs

Steady-state operating models do not capture the one-off cost of moving from fragmented systems to shared infrastructure. Until supplier architecture is designed and quoted, the central investment scenario uses an explicit implementation allowance equal to 50% of one year of shared operating cost. This is a modelling assumption, not an observed market quote.

- CRM configuration, migration and data cleaning
- System integration and security configuration
- Process redesign and documentation
- Organisation onboarding and training
- Transition and project management

Country	Annual shared cost / org	Central implementation allowance / org
Australia	A$24,615	A$12,308
United States	US$18,570	US$9,285
United Kingdom	£11,220	£5,610
India	₹386,400	₹193,200
Brazil	R$30,000	R$15,000
South Africa	R142,500	R71,250

Three- and five-year ROI and payback

The following scenario uses a 10-organisation cohort and the central implementation allowance above. ROI is calculated against the cost of obtaining equivalent capability independently. It is therefore equivalent-capability ROI, not guaranteed cash ROI.

ROI = (Cumulative independent-equivalent cost - Total shared-service and implementation cost) /

Total shared-service and implementation cost × 100

Country	3-year ROI	5-year ROI	Approx. payback
Australia	74.9%	85.5%	5.8 months
United States	72.5%	82.9%	5.9 months
United Kingdom	71.5%	81.9%	6.0 months
India	54.6%	64.0%	7.5 months
Brazil*	85.2%	96.5%	5.2 months
South Africa	69.5%	79.8%	6.1 months

** Brazil should not be used as the flagship ROI result until lower-confidence local inputs are validated.*

> Central scenario result: equivalent-capability implementation expenditure is recovered in approximately 5-8 months across the six modelled countries. This is a model result requiring validation, not a forecast of realised cash payback.

Sensitivity analysis

The investment case should be tested under conservative, central and high-efficiency scenarios. The central model should not be treated as a point forecast.

Assumption	Conservative	Central	High-efficiency
Implementation cost	75% of annual shared cost	50%	35%
Reporting reduction	25%	~58%	70%
CRM admin reduction	50%	~83%	90%
Procurement admin reduction	50%	~83%	90%
Shared-service labour efficiency	Low	Central	High
Software savings	0%	0% initially	10-20% where verified
Adoption / utilisation	60%	80%	95%
Transition friction	High	Moderate	Low

Software savings remain at zero in the central scenario because nonprofit technology programmes may already provide substantial discounts. Collective purchasing savings should be added only where actual vendor pricing demonstrates them.

Cross-country investment implications

The model suggests that the economic case is not identical in every country. In Australia, the United States, the United Kingdom and South Africa, shared IT has a credible direct economic case. In India and Brazil, relatively inexpensive local IT markets make an internally delivered shared helpdesk less compelling on cash cost alone. In those markets, the shared layer may be better focused on architecture, standards, cybersecurity, CRM/data integration, procurement and vendor management, with local MSP delivery.

Across all six countries, CRM/data infrastructure, reporting/data reuse, finance administration, HR administration and cybersecurity remain strong candidates for shared infrastructure because they combine repeatable processes, specialist capability and fixed-cost duplication.

Equity and policy implications

The smallest patient organisations face a structural scale disadvantage. Fixed administrative and technical requirements are spread across very small workforces, revenue bases and programme volumes. A larger organisation can absorb these costs across more staff and activity; a micro organisation cannot.

> **The policy proposition is therefore broader than "shared services save money": shared infrastructure can reduce the economic cost of organisational capability and give smaller patient organisations access to systems and expertise that scale currently makes disproportionately expensive or inaccessible.**

This also supports a potential government or philanthropic role in funding fixed infrastructure, such as common CRM/data architecture, cybersecurity standards, integrations and initial implementation, while participating organisations contribute only to variable operating costs where appropriate.

Evidence status and limitations

Conclusion	Evidence status
Operational constraints recur across countries	Strongly supported by preceding evidence review
Small organisations face structural scale disadvantages	Strongly supported
Shared infrastructure creates economies of scale	Strong economic rationale; modelled
Most scale benefits emerge by 10-20 organisations	Supported by current model
CRM/data and reporting are strong sharing candidates	Supported by evidence and model
Every function should be centrally delivered	Not supported
Equivalent capability may be approximately 40-60% cheaper at mature scale	Preliminary model result
3- and 5-year equivalent-capability ROI is positive	Preliminary scenario result
Payback is approximately 5-8 months	Central scenario; requires validation
Patient organisations will save 40-60% cash	Not established
At least 120 internal hours/org/year can be released from three explicitly modelled activities	Modelled estimate; requires validation
Shared services improve patient outcomes	Plausible pathway; not yet demonstrated

Minimum validation required

The remaining validation should be deliberately light-touch. The preceding evidence review means patient organisations do not need to be asked to re-describe the existence of the problem. The highest-value validation is limited to the assumptions that materially affect the investment case.

- Number of paid staff and regular volunteers
- Approximate annual expenditure on the seven modelled functions
- Major software currently used
- Approximate internal hours per month spent on IT, CRM/data, finance, HR and reporting
- Capabilities currently considered inadequate or unavailable
- Functions the organisation would or would not consider sharing
- Non-negotiable governance, privacy, data-control and relationship-ownership requirements

These inputs would allow the model to replace the highest-sensitivity assumptions with observed data while minimising the burden on organisations that are already resource constrained.

Conclusion

The economic analysis provides credible preliminary support for proceeding to a shared-infrastructure design and validation phase. Across six different economic environments, the model indicates that much of the scale

advantage emerges at relatively small cohort sizes - around 10 to 20 organisations - rather than requiring a very large global network.

For a 10-organisation cohort, the central model indicates approximately 45-54% lower economic cost for equivalent capability, depending on country. With an explicit implementation allowance equal to 50% of first-year shared operating expenditure, the central scenario remains positive over three and five years, with modelled equivalent-capability payback of approximately 5-8 months. These results are preliminary and should not be represented as realised cash savings.

Direct cost is only part of the investment proposition. The model also identifies at least 120 hours of released organisational capacity per organisation per year from CRM, reporting and procurement administration alone, together with potential capability uplift in cybersecurity, data, finance and HR and substantial reduction in duplicated infrastructure.

Investment proposition: shared operational infrastructure can reduce the economic cost of organisational capability, release scarce administrative capacity, reduce duplicated infrastructure and improve access to professional systems, while allowing patient organisations to retain control over patient relationships, advocacy, community engagement and strategic priorities.

Basis of this section

This section should be read with the preceding Amplify Impact economic-model documents: the cross-country pre-analysis and evidence matrix, the economic-model methodology, the country-specific market-cost benchmarks, and the bottom-up 5-to-100 organisation scale model. Detailed market references are retained in those source sections and are not duplicated here. Values in this section are derived from the central assumptions and outputs of those preceding models unless explicitly identified as an illustrative or validation-dependent scenario.