

Understanding and Calculating Return on Investment



Overview

DefenGPT is a secure, enterprise-grade AI platform designed to boost productivity, reduce operational risk, and unlock knowledge across your organization—all while keeping sensitive data private. Whether deployed as Private AI or AI Firewall, DefenGPT offers tangible business value that can be measured in terms of cost savings, increased productivity, and risk mitigation.

This guide outlines how organizations can think about and calculate the ROI of DefenGPT

Key ROI Drivers

Employee Productivity Gains

- Reduced time spent searching for information
- Accelerated code development and fewer code errors
- Faster access to insights from structured and unstructured data

Operational Cost Reduction

- Lower reliance on external contractors or manual workflows
- Fewer redundant licenses for general-purpose AI tools

Data Privacy and Risk Mitigation

- Mitigation of sensitive data exposure
- Visibility and control over AI usage.
- Policy enforcement
- Reduced data breach risks through AI Firewall and Private AI deployment

Compliance and regulations

- Improved audit readiness and regulatory compliance (e.g. HIPAA, GDPR, NIST AI RMF)

Faster Time-to-Decision

- More timely access to accurate internal knowledge and data
- Better informed teams through natural language interaction with business systems



Sample ROI Formula

To calculate ROI, use the following simplified formula:

$$\text{ROI (\%)} = ((\text{Total Benefit} - \text{Cost of Pragatix}) / \text{Cost of DefenGPT}) \times 100$$

Where:



Total Benefit includes:

- Value of time saved per employee per week
- Number of employees impacted
- Cost savings from reduced tool usage or service outsourcing
- Risk reduction value (e.g., estimated cost of potential breach or fine avoided)



Example Calculation

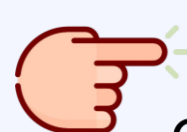
Scenario:	A 500-person company using DefenGPT Private AI
Avg. hourly rate:	\$50
Time saved per employee/week:	1.5 hours
Annual working weeks:	48
Risk mitigation value:	\$100,000/year
Annual platform cost:	\$120,000

Total Productivity Benefit = 500 employees x 1.5 hrs x \$50 x 48 weeks = \$1,800,000
 Total Annual Benefit = \$1,800,000 + \$100,000 = \$1,900,000
 ROI = $((\$1,900,000 - \$120,000) / \$120,000) \times 100 = \underline{1483\%}$



How to Maximize ROI

- Identify key roles that will benefit most (developers, analysts, customer support, compliance)
- Prioritize high-volume, high-risk, or repetitive tasks
- Use AI Firewall for safe rollout of public AI tools
- Customize deployment (Private Cloud, On-Prem) for compliance-sensitive environments
- Continuously monitor and report usage metrics and insights



Contact DefenGPT to request a **personalized** ROI model for your organization based on your **team size, industry, and use case** needs.

