Sales Operations Department

Evolving Shared Services
Position Document

Business Objective

Problem Statement

The effective operation of the Sales Engagement Team (SET) requires a support unit tasked with enhancing, delivering, documenting, measuring and communicating the internal processes of the department to Sales management, internal customers (i.e Sales, LoBs), and the SMT.

The SET itself was created to help raise the XYZ INC. revenue line. Growth requires investment. A large portion of that investment exists as SG&A in Shared Services. Consequently, in a fiscally responsible environment, valid (and measurable) return must be attributable to that investment in a reasonable amount of time or the SET could face budget cuts that would adversely effect its ability to grow revenue and fulfill its mission statement.

Therefore, evolving and refining the Shared Services function in order avoid that possibility is a time sensitive issue.

Current State

The current Shared Services environment encompasses the following:

Nascent B&P factory – A major effort is ongoing to collect, give structure to and make available the best examples of XYZ INC.'s proposal and SOW boilerplate. Using a customized extension of the Help Desk infrastructure, a home grown document repository is being rolled out. This function is currently staffed by a senior librarian and a technical writer. It is unclear how much the factory is being used by SET personnel to seed proposal creation efforts.

Knowledge Management – The SET is leveraging LiveLink (XYZ Inc. infrastructure) as a departmental "workspace" as a project WIP repository. There is currently no process in place for the use of the space that has been rolled out to the Strategic Services dept personnel.

Pipeline Management – Ad hoc data extracts are being requested from ADEPT to forecast SET activity and bookings.

SET Process "toolkits" – A collection of individual templates updated from legacy Strategic Outsourcing, SDT, RET are housed in LiveLink to provide starting points for the management of engagements. No cohesive ‘soup to nuts’ operations guides exist that propel the Stategic Services personnel through the engagement cycle.

Engagement Qualification – A process is in place to receive and subsequently qualify for engagement all requests from the field. The process is centered around the Engagement mailbox and is email driven. It is a holdover from the RET. While there is anecdotal evidence that overall qualification is improving, there is no metric or reporting to verify this. Under development is an “opportunity strength” indicator known as DVP that will be applied to all new SET requests and is intended to be a “living” measurement attached to each engagement as it progresses through the deal cycle. It will provide the basis by which SET resources are applied and removed from each engagement.

Resource Allocation – Once opportunities are qualified, available SET and LoB resources are assigned by a SPOC. Currently the available SET ‘bench’ is derived from a spreadsheet updated weekly by SET personnel showing a utilization forecast that looks ahead 2 weeks. There is no official utilization forecast for LoB sales support resources. ITC resources are sourced through their own SPOC. This entire mechanism is undergoing analysis.

Engagement Activation – resource allocation also assigns available activation resources to engagements both for pre-sales support as well as activation execution. Both of these scenarios are initiated by emails sent to the Design and Activation mailbox.

Contract Negotiations – this function is responsible for assisting the ED with customer negotiations during close and is also the liaison between the SET and XYZ INC. legal department.

Proposed Direction

Enhancing Shared Services involves a number of initiatives. The first two items below are in reference to the following org chart distributed by John Smith in March 20xx.

Splitting out Activation – Removing Activation from Shared Services accomplishes a couple of immediate benefits:

- It brings unfiltered SVP oversight and problem escalation to Activation Services - an extraordinarily important (and visible) function in the SET and the company. While the SET in between Sales and Delivery, Activation services is the physical embodiment of that premise acting as the physical hand off between sales, engagement and the LoBs.

- Activation's departure leaves behind a department much more singularly focused on operational support. Its resulting size is also more aligned to Director level management.

Transfer Contract Negotiations – Participating and sometimes driving the customer negotiations requires intimate association with the everyday ins and outs of current engagements as well as the ED's themselves. It seems to make much more sense to have the SET negotiator(s) inside the Strategic Engagement department attending all the departmental calls and meetings and deploying at the discretion of the Strategic Engagement VP. Like activations, this function is much more akin to "doing" than operationally supporting.

B&P/Knowledge Mgmt – This sub-dept encompasses two distinct but mutually dependant disciplines. The "librarian" or knowledge mgmt half of the group centers around the creation and refinement of SET templates (proposal, SOW, presentments). This is embodied by the maintenance of the document repository and the input (from LiveLink WIP) and extraction of material from that repository on demand.

The other half of the sub-dept houses the internal tech writers pool. Utilizing the infrastructure above, tech writers should be able to affect the Engagement lifecycle in a number of ways:

- Lower the cost of each engagement by having much lower salaried resources take over bulk writing tasks from Solution and Engagement personnel.

- Lower the cost of pursuit and engagement by re-using best practices materials and shortening the bid cycle time (and by extrapolation have fewer resources working more simultaneous B&P projects) by specifically not re-creating the wheel.

- Help prevent GP erosion by making sure all outgoing presentments utilize current legal language, current service offerings (scope), expiration dates etc.

While the B&P function is built and (will be) staffed to support the SET for the foreseeable future, this basic design can be easily scaled to support Tier 4 deals and/or non-SET engagements if that requirement should ever come to pass. Regardless, the prospect of utilizing contractors to augment the tech writer team should be explored to better match supply with demand as business ebbs and flows.

Qualification/Resource Allocation/Pipeline Mgmt – The engagement process itself needs to be standardized and communicated to the field in order to set proper expectations of performance. All requests for SET assistance should be treated the same way with identical entry and exit points to the lifecycle.

As stated above, initial steps have been taken. However, the introduction of DVP should help stabilize this (currently) subjective process. The Ops dept should act as the initial "gate" to the SET.

The first step is referring back to the field all opportunities which do not meet basic criteria (identified opportunity that XYZ INC. services, decision date, available budget etc.). Opportunities that stand up to the initial assessment are confirmed with the owning RVP, acquire a "tier" designation, are given an initial DVP rating (recorded in ADEPT) and are assigned to an ED and Solution strategist. Once assigned, the ED completely qualifies the engagement with the sales team according to the proper tab in ADEPT and updates the DVP accordingly (and continues to do so until disengagement).

The owning ED makes HPWT resource requests through the resource allocation SPOC and the engagement continues forward. A request for activation resources is made through the SPOC after the customer signature.

The resource allocation SPOC should also be tasked with taking point on resourcing from all Lob's (not just MS) as well as 3rd party external vendors as appropriate. (SPOC should mean SPOC).

In addition, since all resource allocation must traverse this group, it makes sense for all utilization forecast and time card maintenance to originate here as well so the proper available resources are matched to the appropriate engagements (pipeline mgmt).

Reporting & Analysis – The equivalent of the SET "IT Dept". A large amount of data should be collected from the day-to-day operations of the SET and converted to information that the SVP SET can use to run the organization. Some examples would include: status on all open engagements, forecasted bookings for the SET, demographics or common profiles on won (or lost) engagements, utilization forecasts for personnel to determine staffing requirements for both short and long term, skill set matching to deal types to determine training/hiring needs, strategic "balanced scorecard" reporting to the SMT to demonstrate SET value/ROI to the organization, DVP score vs. win/loss results to refine deal qualification proficiency, inter-group cross charges, international engagement accounting, SET service level attainment, customer satisfaction surveys, post implementation design/profitability analysis etc. etc..

This function doesn't formally exist in Shared Services now. Qualified business analysts would need to be hired to properly execute. But with the right talent, some attention could also be given to analysis currently performed in other XYZ INC. departments outside the SET but instead with an SET-centric focus. This could include things like win/loss analysis, market research, deal financial engineering/analysis and portfolio training. In fact, with the scarcity of Sales Finance resources (and RIF's about to occur), having analysts that could double as native financial engineers would be a windfall.

Miscellaneous – a number of required ops tasks don't fall into a neat category but nevertheless require the attention of the Ops Director and would require a mix of dept resources to address:

- Strategic Engagement Toolkit. Output from each engagement includes WIP tracking, win plan, B&P plan, project plan, solution review, deal engineering brief, risk recommendations, activation review, P&L approval, delivery acceptance checklist, win/loss review. These disparate elements need to be fashioned into an ED "ops guide" both for steady state consistent execution as well as transparency to external departments and new hire training.

- Solutioning Toolkit. Consistent solution design has a desireable effect on the B&P cycle time, deal engineering, the RAP process as well as effective negotiations during the close phase. A number of distinct tools are in use (mostly addressing B&P phase), but a consistent, integrated and robust methodology must be developed and maintained to achieve expected results.

- T&E/bid costs. For both budgetary and management purposes, T&E must be collected and analyzed for trends. While analysis and reporting of T&E is the responsibility of the Ops dept analysts, it makes most sense for the individual engagement leader on each deal to approve project expenses for their HPWT. This would happen as part of the project cost tracking they will be doing anyway and provides a measure of accountability.

- Communications. To achieve transparency, it is the Dir Ops primary responsibility to make sure all of the advantages gained through the department and the SET are given proper "airtime" thus fulfilling the SET's mission.

Summary

Next steps

Two quarters after the reorganization it's probably time for "transparency" to begin making an appearance. To that end, ADEPT modifications are underway that will allow for some rudimentary summary and status reporting – at least for internal SET consumption. However, without standardized processes, any reporting will ultimately be 'garbage in, garbage out'.

In concert with the hiring of the first analyst, crystallizing, communicating and (most importantly) adhering to a standard qualification and engagement process is paramount to getting the ship moving in the proper direction. A final draft for internal agreement should be in place within 2 weeks of establishing the org changes.

At the same time, the resource allocation SPOC, which is already in place, should begin refining (and enforcing) the utilization forecast to the point where the bench (or lack thereof) should be thoroughly understood with a 2-4 week window.

A more robust DVP metric should follow closely since that is the only objective way we can intelligently manage the bench (while avoiding the de rigeur religious battles over resource allocation with sales).

After the analyst hire gets up to speed, work should get serious on a “dashboard” type reporting suite that will enable true transparency and provide a better mechanism to run the business. By that time the current ADAPT modifications should be in place that will enable the required data mining.

With processes established, the pipeline coming into focus and reporting underway, thought should be given on how to best leverage the D&P operation. A “real” proposal generator tool should be considered. Tier 3 deals and the B&P phase of Tiers 1 and 2 (and Tier 4 should we wish to partake) should be performed at the least possible cost. There is no better way to achieve that than with a proven library/proposal machine. As most of the cost of implementing these tools is process related, cost should be minimal as we can reuse all the fine process/design work done up to this point with the current solution. Ironically, the only piece not in place (and can never be implemented) with the Mason solution is intelligent document assembly and construction which provides the lions share of the cycle time ROI.

Utilizing some of the tech writing talent as available, it would then be time to polish the toolkits and ops guides which admittedly have more of a long term dividend.

Two to three months in, it would be time to begin analyzing all the process changes to qualification, resource allocation and DVP to evaluate success and make course changes where necessary (more criteria for DVP, pipeline/utilization forecast accuracy, personnel “yield” for B&P activities etc.).

None of these activities in isolation is exactly rocket science. Taken together they become a fairly complex operation to get off the ground. Time is not an ally in this case and decisive action is called for to ward off any potentially punitive budget actions. However, success can be very much realized with the proper sponsorship and focused management.