



Why do you need a CPQ BOA?

Find out what your business is missing via a Breakthrough Opportunity Analysis (BOA) Workshop.

Oracle offers a comprehensive two-day workshop called a Breakthrough Opportunity Analysis (BOA) with the sole purpose of identifying opportunities for improvement in your company's selling process. The goal is to carefully map your current quote to cash process, including supporting systems, to provide a holistic understanding of the real business process flow. For many participants of BOA workshops, this is the first time they have the opportunity to map out the entire process including all parties involved, system challenges, approval points, wild card dependencies and commonly accepted process disturbances unique to the organization.

FINANCIAL BENEFITS OF CPQ

The following are the latest metrics on the financial benefits Oracle CPQ provided for its customers:

- 30% reduction in quote cycle time.
- Up to 5% reduction in operating costs.
- 10 - 20% in SG&A costs.
- 2% improvement in the bottom line.

BREAKTHROUGH OPPORTUNITY ANALYSIS (BOA)

The BOA workshop is typically part of a larger 'get well' initiative for many organizations that have experienced extraordinary growth, undertaken recent business acquisitions, initiated changes in product portfolio and/or added partners and sales channels. It is not unusual for a business to find that what brought them to this point in their evolution may not be what takes them through the next phase of development. Efforts to problem solve with creative re-use of existing tools might buy some time but ultimately will not fix the root cause of the process issue. It may be time to bring in an outside look.

THE ADVANTAGES OF GETTING OUTSIDE HELP

Engaging Oracle to conduct a BOA offers many advantages. Managers within organizations may 'know' they have process challenges without understanding the wider departmental or IT system dependencies. Or, perhaps they have a view of what needs to be changed and an outside party helps supports decisions that will have an organizational impact. Bringing in a consultant who has helped other clients through a wide range of issues within other organizations provides an invaluable perspective and can often provide innovative ideas that the company may not have considered otherwise.

MOVING UP THE CAPABILITY MATURITY SCALE

For many organizations, investigating the implementation of a Configure Price Quote solution is a strong indication of the desire to move up the organizational maturity scale. That is because CPQ projects are often part of a wide-ranging transformation change in the company.

BOA workshops are helpful in gauging the current state of capability maturity. The primary stages of organizational maturity that we see are:

- Marginal Stage- Process definition and KPIs tend to be lacking or inconsistent, multiple systems with limited integration, gaps in automation, multiple data masters.
- Stable Stage- Cross-functional processes and KPIs are consistently defined and measured, integrated systems and data, and average performance.
- Best Practice Stage- Value chain integrated to critical customers and suppliers, performance is equal to or better than competitors, proactive countermeasures.
- Transformational Stage- Processes are fully collaborative and routinely redefine the benchmark standard across their industry and are used as a reference for peer organizations.

BOA PROCESS OVERVIEW

Prior to the BOA workshop, the organization is asked to provide answers to a comprehensive set of questions including business background, business strategy, current state, IT systems, product landscape, revenue projection areas and internal resource allocations. This background provides Oracle consultants with an accurate, ground-level view of the state of the organization.

During the BOA session, Oracle consultants use a guided analysis process that incorporates Lean thinking and Six Sigma principles and refined over hundreds of workshops. Using a best practices approach and working with your team, Oracle consultants will:

- Identify issues, disturbances and determine current processes.
- Pinpoint current systems and tools in order to define a systems integration plan.
- Prioritize requirements to define a phased implementation plan.
- Define a future-state process that leverages best practices and web technology.

Following the BOA workshop, Oracle consultants deliver an executive level summary of findings and conclusions designed to help your team determine next steps appropriate for your company. The summary offers suggestions and guidance for implementing a CPQ solution that's right for your business, including:

- Quantification of benefits and detailed costs of implementing a solution.
- Full view ROI and opportunities for improvement.
- Initial project plan.
- Initial solution design.
- Suggested resource allocations.

SAMPLE BOA FINDINGS

The question that every customer asks before engaging in a BOA workshop is "What will you find in our organization?" Just like every organization is different, the findings of every BOA are unique. What follows are findings from an actual BOA workshop with sensitive company data removed. The results of each BOA vary on the particular company being assessed.

Pipeline Management- List of Findings: Product Selection and configuration is a manual process heavily dependent on specific staff knowledge.

- Processes between configuration and opportunity management are fragmented and any updates to product or prices are not captured in the CRM system.
- Maintenance of accurate opportunity information is not enforced or automated.
- Manual and time-consuming processes involving dedicated team (advocates) for the budgeting process verifying data across systems.

Select & Configure- List of Findings: Product selection and configuration is a manual process that heavily relies on the specific knowledge of select individuals.

- Selection and configuration processes are manual and time intensive.



"Oracle Configure, Price, and Quote Cloud helped transform our sales processes—allowing us to sell more effectively and efficiently while delivering a superior customer experience. There is nothing on the market today that compares to Oracle CPQ Cloud's functionality."

Director of IT, Global Customer-Facing, Supply Chain and Quality Applications
Flowserve Corporation

"An order of 100 lines would take an hour to enter and book; now we can do it in less than 10 minutes."

Quotation CPQ Program Director
Schneider Electric

- No systematic process for cross/up-selling and no automated tools to support guided selling.
- Only ~5% of contracts have extras attached (upsell component). Most often additional services (insurance, certifications, and training) are included in the bill rate.
- Heavy dependence on tribal knowledge. New sales reps often miss the opportunity to sell more (e.g. increased multipliers for urgency, etc.).

Pricing Governance & Margin Control- List of Findings: Pricing process assessment highlights that there is a high potential for margin erosion.

- Manual processes rely on excel spreadsheet templates, individuals' knowledge and judgment, i.e. no rules/guidelines are enforced through system checks.
- Excel template contains the rates of different workers and 'Customer X' margins. The most "profitable" candidates are selected manually.
- Big improvement potential in pricing governance. Currently, it's difficult to adapt to changing the market environment in time and get additional margin through the quick application of refreshed pricing policies.
- Discount levels rely on an individual's assessment and are not supported by a system with staged checks.
- Pricing updates are not real-time resulting in outdated figures used by sales for quotes.
- No tool for pricing in front of the client.
- No audit trail of prices offered to customers as the process is done through emails.
- Scenario analysis for profitability is not feasible.
- Automated renewals do not include checks of deal margins.
- Process for deal margin relies on manual checks and spreadsheet modeling by Finance.

Quote Generation- List of Findings: The quote generation and approval process is manually enforced and does not have automated workflows or system checks.

- Manual process to change a quote.
- Multiple quote iterations in case of changes in configuration and prices.
- Current pricing information and contracts are often held on paper for existing legacy customers making hard to search.
- Manual checks of revenue team of the pricing to be fed into the billing system vs. the contract values involving additional resources in case of a mismatch.
- Lack of data integrity impacting order management.

Approve & Propose- List of Findings: The approval process is not enforced through system checks and automated workflows.

- Approvals are done through T1000, which sends automatic email or SMS to the approver. Approval is granted with a single click. However, T1000 is an outdated system and needs to be replaced.

- Multi-branch deals require a complex approval process, which requires more manual effort.
- Inability to assess the lost revenue due to the lack of an audit trail of prices.
- Great variation in proposal generation time: from almost real-time to hours, days and weeks.
- Providing customer response in time is often difficult, leading to lower quality answers and lost business (esp. on the local level).

Reporting- List of Findings: Reporting capabilities are limited and not granular as a result of many manual processes and multiple sources of data.

- A proliferation of information silos: different sources of information with manual data inputs.
- Lack of comprehensive reporting on prices, sales, and profitability per specific business lines and on a sales rep level.
- Limited capabilities for management to monitor real-time KPIs, take corrective action and more insightful fact-based decision-making, especially on the group level.
- Limited capabilities to have access to accurate information fast to create campaigns and promotions. IN Summary

An Oracle Breakthrough Opportunity Analysis (BOA) is the opportunity to gain a holistic understanding of the real sales process flow of your business with the intention of benchmarking the value of change potential in the organization. The outcome of a BOA workshop will help you build a quantified and defensible business case based on industry standards, best practices and existing customer reference cases. Oracle consultants have lead hundreds of BOAs that uncovered millions of dollars of opportunity to transform sales teams and sales processes to fuel growth. Find out what value CPQ can provide in your organization.

What opportunities can an Oracle BOA uncover for you? Contact your Oracle sales representative for more information.

Helpful Links

- [Breakthrough Opportunity Analysis \(BOA\) Video](#)
- [Gartner Positions Oracle CPQ Cloud as a Leader](#)
- [Oracle CPQ Cloud Web Site](#)

Customers around the world have experienced significant results with Oracle CPQ Cloud, including:

- 10 x increases in quotes per month.
- 3 to 7 day process reduced to less than 30 minutes.
- 117 percent revenue growth.
- Margin increased by 1.5 percent.
- 20 percent increase in productivity of inside sales group.
- Faster, 100 percent accurate quotes.
- Weeks into days (decreased quote-to-cash time).
- Days into seconds (time to produce large proposals).
- 0 percent error rate (down from 70 percent).
- 400 percent increase in sales (with only a 50 percent increase in support).

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