



Automating Dynamic Pricing and Approvals

Success Story

Our client is a major manufacturer that produces engineered materials.

Client Vision

Reduce time elapsed between order and payment by streamlining the dynamic pricing approvals process.

Challenge

Adding controls and consistency while providing enough flexibility for changing business rules.

Converting from known paper based system to automated process.

Nobilis Solution

Nobilis Enterprise V4.01

Success

Approvals cycle times reduced from weeks to hours

Rules governing approvals logic and routing flexible to change without programming

Order timing from quote to cash receipt slashed by 50% to weeks from months

Problem

A global manufacturer of Engineered Materials faced a challenge in expanding its business. Faced with growing competition and increasing costs across multiple distribution channels, this manufacturer had to gain control over the pricing of its products and the chaotic approvals process that stemmed from widely divergent pricing that depended on multiple variables. The chaos evident in this process artificially extended the cycle time between the initiation of a sale and the end receipt of a payment.

“Nobilis gives us the flexibility we need to change rules and roles as we need and keep the approvals process humming.”

The original process involved a paper-based procedure of quoting prices based on a set of variables including product type, grade, tonnage, delivery method and a variety of other factors. Prices were supposed to be based on a price list and then adjusted for deviations across the many variables. When a price was quoted to the customer, the salesperson would submit a price deviation form which would require a varying number of approvals depending upon product type and other factors (organization, delivery method, etc.). The varying requirements of price deviation approval and the manual nature of controlling the process through faxes, email and letters led to approvals cycle times of weeks or months. The fact that many forms were filled out improperly or were missing information led to chaos in sorting out many approvals and many customers were billed incorrectly. The chaotic nature of the process resulted in long lead times for executing sales, missed opportunities, and net receivables of greater than 90 days.

Solution

A solution to the problem required that a layer of control and process automation be applied to streamline the process for efficiency, adherence to policy, and the elimination of mistakes in manual entries. Utilizing Nobilis Software to determine

the business flow or activities associated to sales, order fulfillment and billing was step one. The activities represented the entire process from quote submission by the sales person to the client receiving and processing the purchase order. The steps were examined for possible redundancy in data as well as communication points as to the status at any point in the "orders" lifecycle.

Nobilis Enterprise then provided the business users in the sales cycle the ability to define the activities, business rules, and process logic that made up the pricing and approvals process and configure a process agent to execute and monitor the process. Each user could configure a process, change a process and interact with others in the process as required. Customers were also given the ability to participate by subscribing to notifications and updates as the order was fulfilled.

Future enhancements to the baseline system will include the incorporation of a set of Nobilis Web Services to extend into the shipping and fulfillment by each department, further extending the business into individual entities and exposing the logic of each as a Web Service driven by Nobilis.

Results

Today Nobilis has streamlined approvals based on roles, eliminated most errors and cases of missing information that were prevalent with forms, and slashed cycle times from weeks to days. Opportunities that required fast approvals no longer pass the company by, and manpower that used to spend days every month reconciling approvals may be utilized elsewhere. Altogether, the improved process based on Nobilis reduced turn-around order timing from quote to cash receipt from 90 to 40 days and the system paid for itself and generated a positive return in days.

Nobilis provides the leading self-service application development platform that meets the needs of business users and IT resources alike to automate processes across the enterprise, from everyday work to mission critical activities. Nobilis Ci - the ProcessWriter™ for the business desktop - is the leading self-service application development platform for business users. Nobilis Enterprise provides the scalable and extensible platform required by IT resources to support enterprise level computing.

Nobilis Software
286 Congress Street
Boston, MA 02210
877-717-2424

info@nobilis.com
www.nobilis.com



NOBILIS
The process of doing business