

# Reduce Cost and Increase Sales with Oracle Fusion Sales Planning

Sales Planning/Performance Management (SPM) solutions, part of the CRM suite of applications, include process and applications which help an organisation during the Pre and Post Sales phase, that include processes from defining Territories to Incentive Planning and Calculation.



It is estimated that about 60% to 70% of organisations continue to execute these processes manually using excel spreadsheets which is time consuming and error prone. Another 10% to 15% of organisations rely on home grown systems, with high TCO.

Even though SPM solutions have been in the market for a long time, adoption has been slow. The reasons could be many from considering it to be a back office process and not a revenue generating process, to the inability of organisations to build a business case for implementing a SPM solution as part of the CRM endeavors.

It is recommended that organisations broaden their CRM endeavors to include **Sales Planning Solutions**, to help them take on top challenges of sales organisations as listed below,

- **Reducing Cost of Sale**
- **Increasing Sales Revenue**

To dig deeper into the various solutions for the challenges mentioned above, we will need to have a look at **Oracle Fusion Sales Planning** offering.

## Oracle Fusion Sales Planning Overview

Oracle Fusion Sales Planning suite is part of Oracle Fusion CRM Applications, built on best of breed functionality of existing Oracle Applications like Oracle E-Business Suite, Siebel and designed and developed on Oracle Fusion Middleware Technologies.

Oracle Fusion Sales Planning suite consists of 3 modules namely Oracle Fusion Territory Management, Oracle Fusion Quota Management and Oracle Fusion Incentive Management.

**Oracle Fusion Territory Management:** Provides best of functionality, to help organisations define balanced and effective territories using past, present data through embedded BI. And also helps organisation in defining valid territories with various tools. Supports the following functionality:

- Support of both Centralised and De-centralised Territory Management Process.
- Embedded BI i.e. Oracle Essbase and Oracle Fusion Sales Predictor Dashboard, which help sales organisations to slice and dice data to define Balanced and Effective Territories
- What-If analysis functionality – Territory Proposals
- Productive Territory Planning tools like Territory Simulation and Territory Validation Tools to identify Gaps, Overlaps and Invalid territories.

**Oracle Fusion Quota Management:** Another module in Oracle Fusion Applications provides the functionality of organisations to set Quotas/Sales target for Territory and a separate quota for Territory Owners. It does support both top down and bottom up quota setting process.

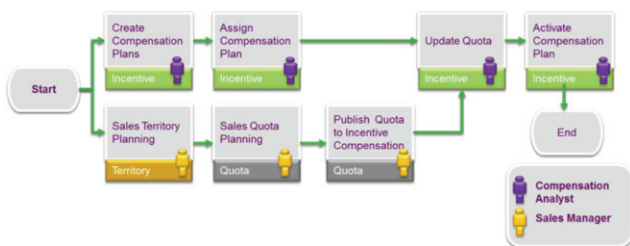
The process is tightly integrated with Oracle Fusion Territory management and requires territories to be defined prior to Quota setting. The process ends with Quotas being published into Oracle Fusion Incentive Compensation and supports following functionalities

- Support of Top Down and Bottom Up Quota Management Process
- Productive Tools to set aggressive yet attainable Quotas based on past and present Transactional Data
- Productive Tools that help in distributing variance and setting Quota Seasonality
- Loosely connected with Oracle Fusion Incentive Compensation

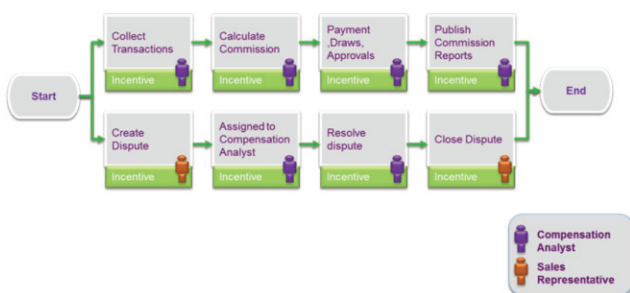
**Oracle Fusion Incentive Compensation:** Provides best of breed functionality which includes processes for Compensation Planning, Transaction Collection and Commission Calculation, Payment and Dispute Management in addition to Oracle Fusion Applications key differentiators like User Experience, Embedded Dashboards etc.

Oracle Fusion Sales Planning can be divided into 2 major flows **Pre and Post Sales**

- **Pre Sales:** This process starts with sales organisation setting sales Territories, then defining with a sales Quota/Targets for them and Compensation Planning

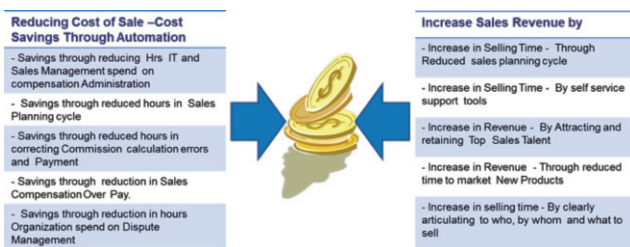


- **Post Sales:** This process flow starts with Transactions collection, followed by Commission Calculation, Payout and Dispute Management



Having briefly discussed the capabilities of Oracle Fusion Sales Planning, let's look at how the solution as a whole, stacks up in addressing the top challenges of sales highlighted above

- **Reducing Cost of Sale** –Cost Savings Through Automation
- **Increasing Sales Revenue** – By Increase in selling time, increase in sales productivity and Agility to respond to marketing dynamics.



### Reducing Cost of Sale - Cost Savings through Automation:

The Pre and Post Sales process is very long ranging from weeks to months to complete, and requires a lot of manual work through its various stages like territory planning, sales target setting, transaction collection, commission calculation and payment; any sought of automation would definitely result in driving down **cost of sale**.

**Saving Through Reduced Sales planning Time:** Sales Planning process includes Sales Managers and Commission Administrators, crunching excel spreadsheets for planning territories, setting sales targets and incentive plans, the process is complicated, error prone and long. Latest statistics show an increase of 15% to 20% pre and post sales process time in a sales organisation, and a substantial decrease in selling time.

As a best practice SPM solutions should streamline and automate the complete process from Territory Planning to Incentive planning and Commission Payout. Thereby providing benefits to an organisation in the form of cost savings through reduced sales planning time from weeks to days.

**Saving Through Reduced Commission Overpayment:** Use of excel spreadsheets for planning incentives can lead to over compensation forecasting as well as commission over payments, hence increasing cost per sales.

As a best practice SPM solution it should provide comprehensive analytical reports, and “What If scenarios” to help managers forecast their sales commission budget more accurately and reduce over payments.

### Saving Through Reduced Commission Calculation Errors:

Commission process includes compiling thousands of transactions from single or multiple transaction management systems, applying credit rules and calculating commissions. The process itself is extremely error prone and cumbersome. A good SPM solution should be robust to handle large amounts of transactions and provide the necessary Tools to ensure accuracy in commission calculations.

### Increase in Sales Revenue

SPM solutions are not front line revenue generating solutions, but contribute to Increase in Sales Revenue by:

**Increasing Selling Time:** Sales Management spend most time in manually executing pre and post sales process, leading to loss of precious selling time. Good SPM solutions should provide automation of Pre & Post Sales process, that would free up the sales organisations from excel crunching and hence Increased Selling Time

**Doing more with less- Increasing Sales Productivity:** Post-recession organisations have inclined towards building high performing and lean sales organisation with the ability to remove flab at every level of the process. Yet sales organisations need to acquire and retain top sales talent, increase sales revenue through increase in sales productivity

Good SPM solutions should increase sales productivity through automation and self-service oriented functionalities by involving sales representatives in the pre-sales process from accepting territories, quota and post sales process of viewing and simulating commission. Otherwise sales reps would be required to manually colligate and verify the same.

**Attracting and Retaining Top Sales Talent:** With the costs of retaining top talent shooting up, organisations with a sound SPM strategy are better placed to attract and retain talent by providing a transparent and accurate commission process with a high emphasis on self-service and ability to address employee grievances through fixed SLA.

**Improved Sales Organisations Agility to Ever Changing Market demands:** Organisations with manual processes would need to spend weeks in sales planning prior to the launching of new products, leading to loss of first mover advantage.

SPM solutions designed around component re-use and self-service helps in reducing sales planning time significantly prior launching of new products to days or hours from weeks and months.

**Better Alignment to Organisation Business Objectives:**

SPM solutions support top down process for sales planning. Corporate targets are set at the top and then rolled down the hierarchy, with inbuilt tools for verifying and correcting variance and canned historical reports ensuring better alignment, with organisations’ business objectives.

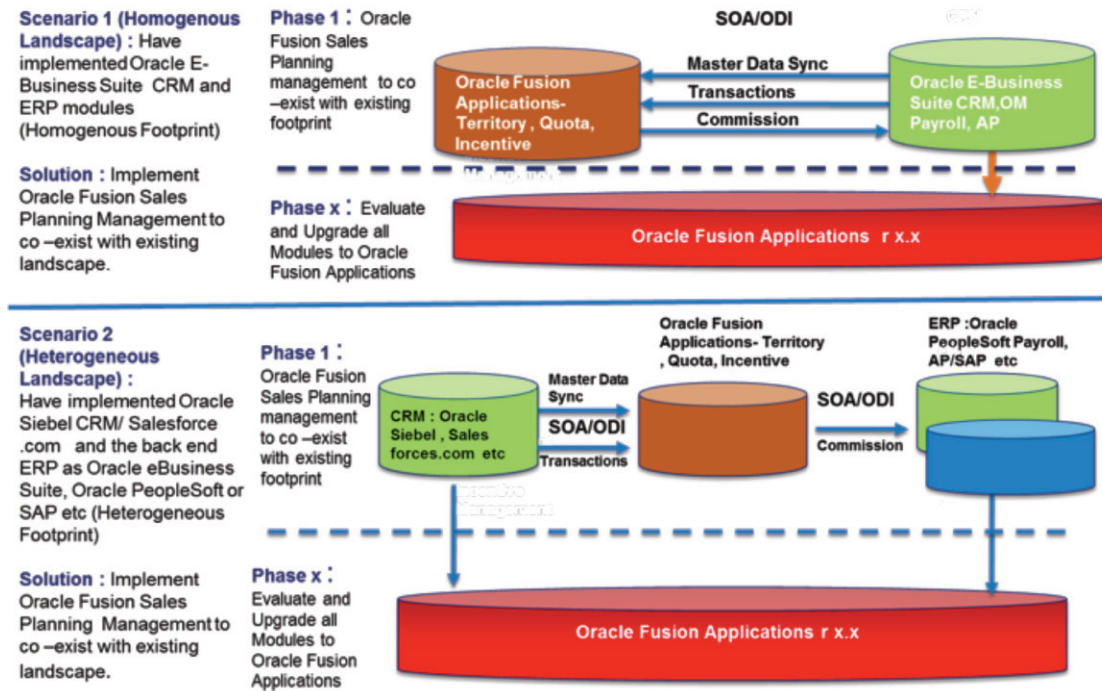
**Art of Motivation of Sales Organisation, Through Creative Incentive Programs:**

Gone are the days when sales reps were paid just for products sold. Organisations are looking at coming up with innovative compensation programs to include, number of opportunities generated through self-prospecting, green field accounts generated, recurring revenue etc, ensuring they align to organisations’ business objectives, making it more challenging for tracking and administration.

Oracle Fusion Sales Planning Key Enablers	KPIs Affected
<ul style="list-style-type: none"> <li>• <b>Automated Closed Loop Planning cycle</b>, frees up sales organisation from manual process by providing an integrated solution from territory management to incentive calculation, payment and dispute management. Drives cost down with high emphasis on user experience, embedded BI and automation</li> </ul>	<ul style="list-style-type: none"> <li>• Cost savings through automation</li> <li>• Saving through reduced sales planning time</li> <li>• Increase Selling Time</li> <li>• Improved sales organisations agility to ever changing market demands</li> </ul>
<ul style="list-style-type: none"> <li>• High re-use quotient of compensation plan components like performance measures, rate tables, which tremendously reduces time to define new compensation plans</li> <li>• Productivity tools, reports for setting balanced territories and quota using past and present transactional data</li> </ul>	<ul style="list-style-type: none"> <li>• Saving through reduced sales planning time</li> <li>• Increase selling time</li> <li>• Doing more with less - increasing sales productivity</li> <li>• Improved sales organisations agility to ever changing market demands</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Comprehensive embedded business intelligence and dashboard reporting</b> to enable sales organisations to better forecast commission payout and prevent commission calculation errors at an earlier stage.</li> <li>• Embedded exception process flows and integrated robust payment process (process for verifications of commission calculations with approvals prior payment) would help reduce over payment and reduce commission errors</li> </ul>	<ul style="list-style-type: none"> <li>• Saving through reduced commission overpayment and calculation errors</li> </ul>
<p><b>High Self Service Quotient with</b></p> <ul style="list-style-type: none"> <li>• Support of centralised and de centralised territory management process; where in the sales organisation can take part in the territory planning process on the system directly.</li> <li>• Support of top down approach for quota management, where in the sales management can take part in the quota management process</li> <li>• OOTB reports for sales organisation to view quota attainment &amp; commission</li> <li>• Self service dispute management process to handle employee grievances towards commission payments.</li> </ul>	<ul style="list-style-type: none"> <li>• Doing more with less-increasing sales productivity</li> <li>• Attracting and retaining top sales talent</li> <li>• Improved sales organisations agility to ever changing market demands</li> <li>• Better alignment to organisation business objectives</li> </ul>

### Oracle Fusion Sales Planning Adoption Scenarios

Oracle Fusion Sales Planning can be adopted as a co-existing solution to existing Oracle and non-Oracle Systems or as part of Oracle Fusion CRM pillar as a whole.



Adoption Scenarios	POV
Customer on Oracle E-Business Suite 12.X/ Siebel CRM 8.x / Sales Force.com/Siebel On Demand / SAP CRM with no SPM solution	Recommended to evaluate to implement Oracle Fusion Sales Planning suite as co-existing solution
Customer on Oracle E-Business Suite 12.x with Oracle E-Business Suite incentive Compensation	Recommended to evaluate to Implement Oracle Fusion Sales Territory and Quota Management as a co-existing solution with Oracle E-Business Suite Incentive Compensation
Customer on Oracle E-Business Suite 11.x with Oracle E-Business Suite Incentive Compensation	Recommended to upgrade to latest release of Oracle E-Business R12.x also evaluate to Implement Oracle Fusion Sales Territory and Quota Management as a co-existing solution with Oracle E-Business Suite Incentive Compensation
Customer on Siebel CRM 6.x, 7.x with Oracle Siebel Incentive Compensation Management	Recommended to upgrade to latest version of Oracle Siebel CRM, also to evaluate to upgrade Oracle Siebel Incentive Compensation Management to Oracle Fusion Sales Planning as co-existing solution
Customer on Oracle PeopleSoft 8.x with no Sales Planning solution	Recommended to upgrade to latest release of Oracle PeopleSoft, also evaluate to implement Oracle Fusion Sales Planning as a co-existing solution.
Customer on Competitor product like SFDC, SAP etc.	Recommend to evaluate to implement Oracle Fusion Sales Planning suite as a co-existing solution

## Conclusion

This article covered the Oracle Fusion Sales Planning solution and how it can help organisations to reduce the cost of sales with automation. The Oracle Fusion Sales Planning solution can be highly beneficial for client who want to to adopt a co-existing approach with their existing Oracle or Non-Oracle investments, or as part of the Oracle Fusion CRM pillar as a whole. ■



## ABOUT THE AUTHORS

### Kiran Amara & Mahesh Potluri

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Kiran Amara a Principal Consultant at Infosys has around 12+ experience in helping customers on their CRM journey across industries like Hi-Tech, Telecom, Professional Services and Retail.

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Both of them are part of Oracle Fusion Applications CoE at Infosys Limited and also have been part of Oracle Fusion CRM Co-development program with Oracle Fusion Applications Development Team from Infosys.

