S&OP Sales and Sales Pipeline Bridge: Connect Your Sales Pipeline to Your Demand Plan

The sales team has the first line of sight for your company—it's your "ear to the ground" for interacting with customers and prospects. These interactions yield invaluable insights into the dynamics of the marketplace: Where are new opportunities arising? What is the competitive landscape? What are the intractable challenges that companies face that your product can solve?
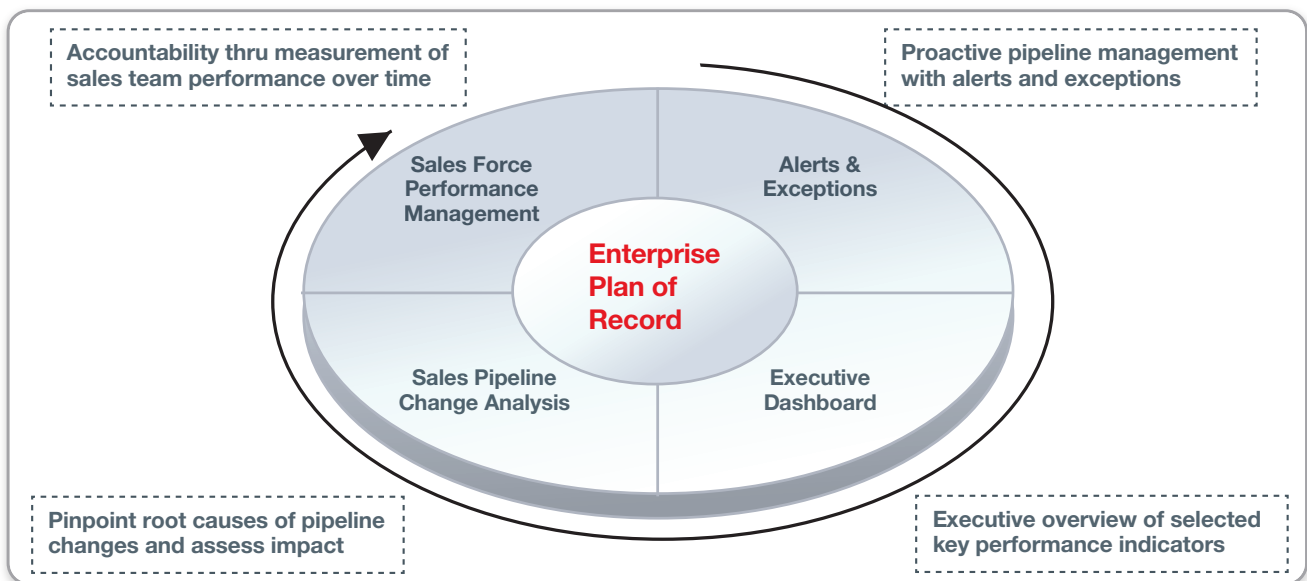
The sales force knows better than anyone about what—and when—customers will buy. More often than not, however, this critical information is actually not considered in the formalized demand planning process that forms the marching orders for operations. But the downstream implications of an inaccurate forecast—the "bullwhip effect"—can be quite severe. If your sales forecast is too low, you'll encounter product shortages and lost sales. If your forecast is too high, it will lead to valuable capital tied up in excess inventory. You need a reliable sales forecast, one that can drive operations to create an accurate production and distribution schedule.

You know that's more difficult than it sounds. While customer relationship management (CRM) tools like Salesforce.com have emerged to support the sales process, the translation of valuable sales funnel information into meaningful demand planning data remains largely missing. You need a planning tool that surmounts this hurdle by enabling you to extract, understand, and operationally act on the critical information in your sales funnel. Enter Steelwedge.

Create a truly demand-driven consensus plan with Steelwedge S&OP Sales

The sales pipeline, a rich source of information of not only current opportunity status but also of current confidence, is typically left out of traditional forecasting methods completely. The right approach is to consider past sales (via statistical forecasting), current consensus (via formal cross-functional collaboration), and current confidence and sentiment on the pipeline from the sales teams themselves.

Steelwedge S&OP Sales, along with Sales Pipeline Bridge, addresses this by systematically capturing the sales opportunities in your CRM applications and intelligently filtering and transforming sales data into a view that is meaningful to finance, product management and operations. With Steelwedge S&OP Sales, companies are able to align sales pipeline-based and demand history-based forecasts, quickly responding to changing market conditions and improving revenue predictability. And now Salesforce.com customers can enjoy faster time to value by leveraging the new Steelwedge Sales Pipeline Bridge for Salesforce.com, a Salesforce AppExchange solution ready to connect pipeline data in Salesforce.com with Steelwedge S&OP Sales.

Accountability thru measurement of sales team performance over time

Proactive pipeline management with alerts and exceptions

Sales Force Performance Management

Alerts & Exceptions

Enterprise Plan of Record

Sales Pipeline Change Analysis

Executive Dashboard

Pinpoint root causes of pipeline changes and assess impact

Executive overview of selected key performance indicators

Sales Pipeline Intelligence Tools Drive Sales Effectiveness

Case study: Automating the Forecasting Process—in a Flash—for More Reliable, Profitable S&OP

In 2007, leading provider of NOR flash memory technology needed a forecasting process that could support the speed and complexity of its global business. To remain competitive, the organization needed an agile, reliable forecast and cost-conscious production planning to keep prices competitive, ensure quick order-to-delivery times and protect its margin. In dynamic, competitive markets, statistical projections of historical demand data no longer provide a sufficient basis to forecast future demand and drive executive-level decisions. Only through intelligent filtering and translation of sales opportunities into the demand management process can planners render an accurate view of demand.

The company's Vice President of Sales Operations and the executive team realized that the company urgently needed a new way to capture a top-down/bottom-up forecast that was in sync with actual customer demand. Partnering with Steelwedge, the flash memory technology leader deployed an enterprise-class sales and operations planning (S&OP) system that delivered great results not only to sales, but to the entire company:

- A 40% increase in forecast accuracy
- A 400% improvement in cycle time: slashed planning cycle from 12 weeks to a few days
- Reduced costs by decreasing safety stock, E&O inventory, and order expediting as a result of closely aligning production plans with customer requirements and sales objectives
- Exception monitoring in real-time and modeling of "what-if" scenarios to make cost-effective decisions
- Improved communication and collaboration across the sales, marketing, finance and supply chain functions

This was possible because Steelwedge connects the sales funnel to the demand plan

Sales opportunities are typically associated with a date, deal size, and a customer. But the more insightful information—progress in the sales cycle, and confidence levels—doesn't get passed through to the demand plan. Without that information, deals won't provide as clear a picture of quantity and value of demand. When you consolidate the opportunities, incorporate product details, and integrate them into the demand planning process, it becomes easy to see the bigger picture.

Steelwedge S&OP Sales with the new Sales Pipeline Bridge connector to Salesforce.com

Steelwedge Sales Pipeline Bridge pulls and updates new sales opportunities from the sales pipeline where all sales data is saved and archived. This gives sales operations and demand managers the ability to slice, dice and analyze both raw and cleansed pipeline data in any conceivable manner within the Steelwedge solution. And as required on an exception basis, Sales Pipeline Bridge allows the demand manager to manually adjust specific sales opportunities for forecasting purposes. This capability enables a true planning environment focused exclusively on demand forecasting, separate from day-to-day sales pipeline management. Here are some key capabilities that this feature and partnership will facilitate.

- **Filter, clean and manage information**
  - Incorporates multiple business rules to automatically clean, filter and adjust sales pipeline data
  - Statistical and regression-based techniques can be used to separate out true changes in demand signals from pipeline ″noise″

- **Data bridge between clean pipeline data and unit demand data**
  - Compare different information sources on an equal basis and conduct gap analysis between pipeline-based projections and demand data
  - View detailed pipeline data from various perspectives and levels of aggregation

- **Flexibly view and override data**
  - Analyze and edit data from any perspective
  - Reconcile pipeline-based forecast data with order history, causal data and other data sources
  - Adjust pipeline opportunity data for forecasting purposes

- **Alert and event management system**
  - Highlight demand changes and missed actions according to your business rules
  - Integrated email notifications, tasks and calendar entries

- **Reporting, performance metrics and archiving**
  - User-definable sales opportunity dashboard and reports with embedded email delivery
  - Seamless visibility for performance measurement and analysis
  - Automatically archive all changes to sales pipeline data

Steelwedge
Plan. Perform. Profit.

Steelwedge: Pioneering Cloud-based Integrated Business Planning

Steelwedge was founded in 2000 to deliver a powerful, simple tool for demand planning. With early customer success and market demand behind it, the company quickly realized a much broader value for its approach to automating the cumbersome process for Sales and Operations Planning (S&OP). While most of our customers begin their Steelwedge journey with demand planning, the vast majority quickly recognize the tremendous benefits of integrating their improved demand forecast with the overall business plan, connecting sales, operations, and finance, all in one place.

With a fully-scalable cloud-based infrastructure for managing, processing and reporting complex S&OP processes, the Steelwedge technology architecture - NAPA (New Architecture for Planning Analytics) facilitates seamless influx of sales pipeline data that is typically incomplete, often distorted due to gaming by the sales force, and only available in terms that do not easily translate into the planning process.

Steelwedge NAPA addresses these issues by systematically capturing the sales opportunities existing in a Salesforce.com Customer Relationship Management (CRM) application. It then allows intelligent filtering and transformation of sales data into forms that are meaningful to sales, finance, product management and operations. With Steelwedge NAPA and Sales Pipeline Bridge, companies are able to align sales pipeline-based and demand history-based forecasts, quickly responding to changing market conditions and improving revenue predictability. Our technology architecture presents the speed and agility that businesses today need to stay on top of an absolute data tangle that they accumulate in pursuit of enhanced business critical decision-making.

This "one place" is Steelwedge's highly configurable, collaborative—and secure—cloud-based platform, upon which we've built the most comprehensive set of application components in the market for S&OP. It is from this single platform that Steelwedge is leading the journey for fully-realized S&OP, called Integrated Business Planning (IBP). Today companies from the Fortune 500 to the Global 2000 trust Steelwedge to power their strategic S&OP and IBP initiatives, from the cloud.

Steelwedge Software, Inc.

Steelwedge integrated sales, operations and finance planning solutions provide the "shock absorbers" to recognize, recalibrate and respond in a volatile environment. Business agility starts with Steelwedge for a clear line of sight from plan to performance to profit. For additional information, please email us: **info@steelwedge.com**.