LEAN SIX SIGMA CASE STUDY - GENTECH

PROPOSAL CREATION PROCESS IMPROVEMENT

TEAM - 314

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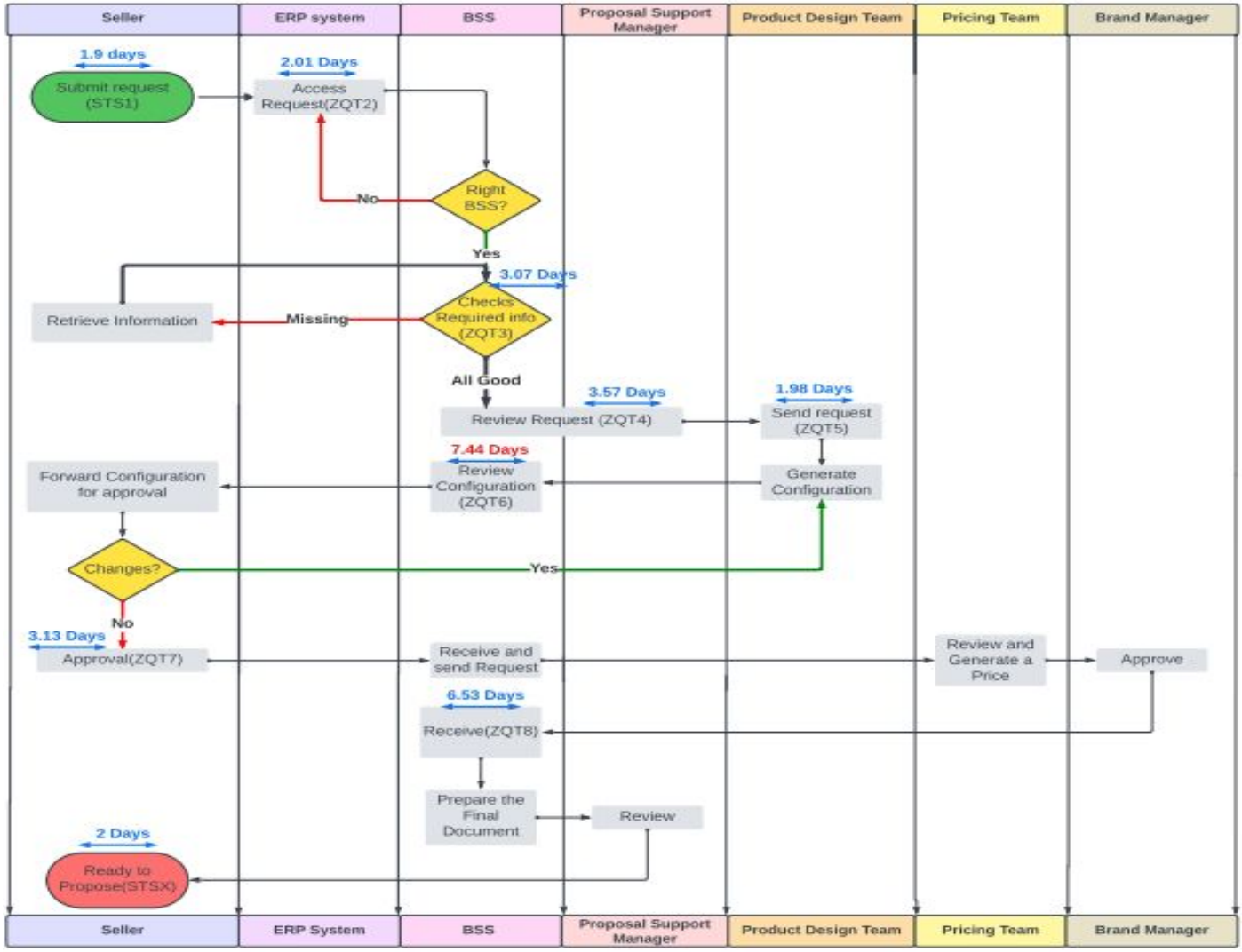
INTRODUCTION TO GENTECH

- Large multinational company with an annual revenue of $60 Billion.
- Presence in 100 countries with over 150 thousand employees.
- Sells software, hardware, and integrated business solutions.
- Faced an 18% reduction in revenue over the last two years.

The Challenge

- Growing competition putting strain on revenue.
- CEO's belief: Strategy and product offerings are top-class, but the supply chain needs improvement.
- Objective: Make the supply chain more cost-effective and agile.
- Goal: Reduce cycle time of operations by 15%.


Seller
ERP system
BSS
Proposal Support Manager
Product Design Team
Pricing Team
Brand Manager
1.9 days
Submit request (STS1)
2.01 Days
Access Request(ZQT2)
No
Right BSS?
Yes
3.07 Days
Checks Required info (ZQT3)
Missing
Retrieve Information
All Good
3.57 Days
Review Request (ZQT4)
1.98 Days
Send request (ZQT5)
7.44 Days
Review Configuration (ZQT6)
Forward Configuration for approval
Generate Configuration
Changes?
Yes
No
3.13 Days
Approval(ZQT7)
Receive and send Request
Review and Generate a Price
Approve
6.53 Days
Receive(ZQT8)
Prepare the Final Document
Review
2 Days
Ready to Propose(STSX)
Seller
ERP System
BSS
Proposal Support Manager
Product Design Team
Pricing Team
Brand Manager

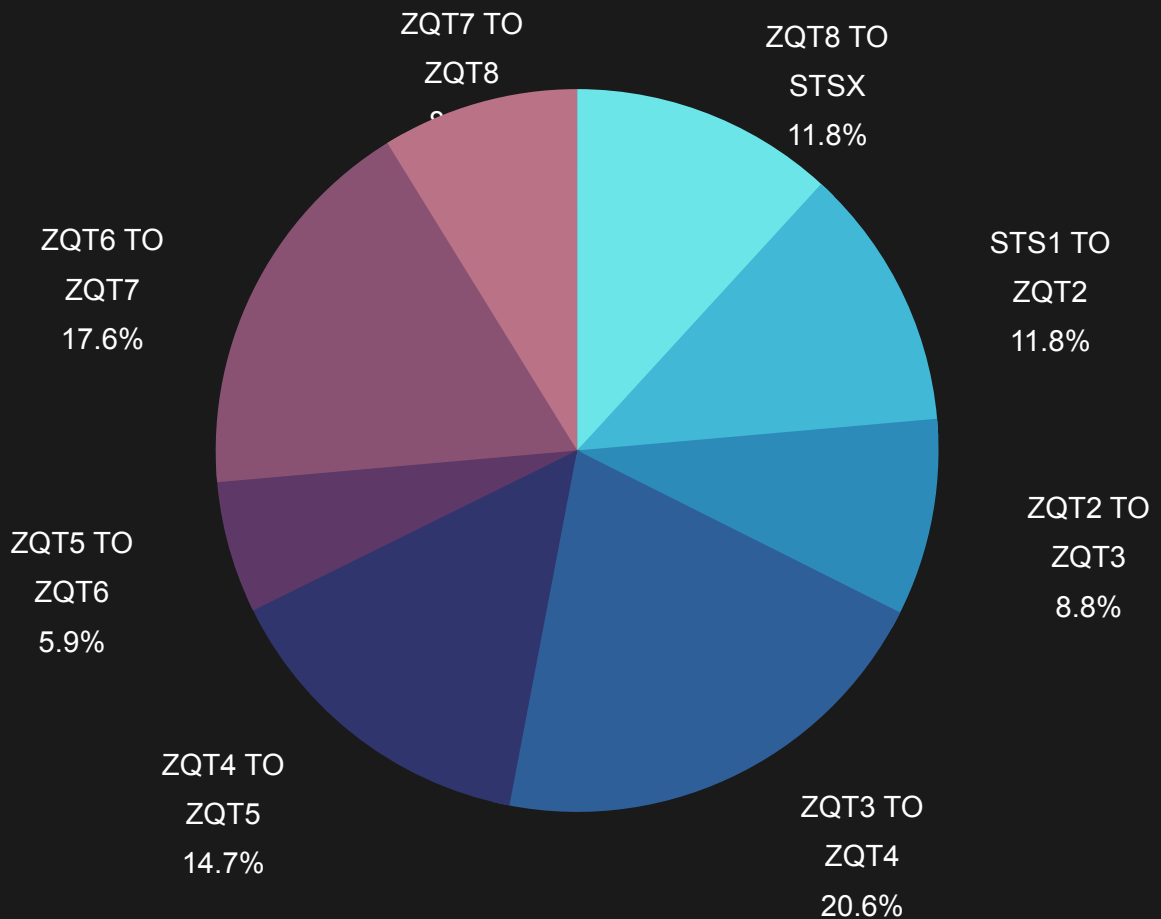
The Proposal Creation Process

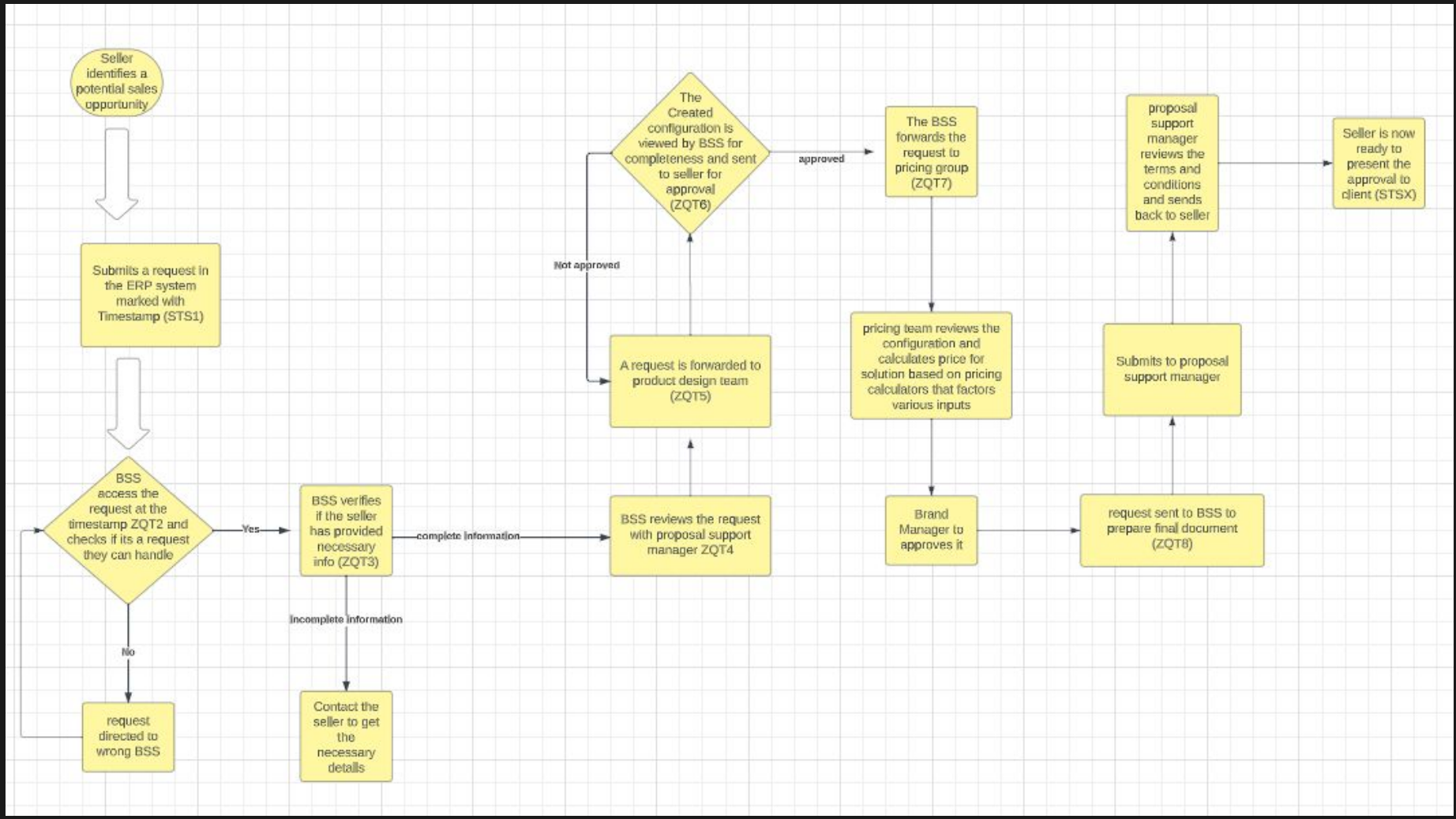
- Sellers identify potential sales opportunities.
- Sellers submit requests in the ERP system.
- Bid Support Specialists (BSS) check and process these requests.
- Delays occur due to incomplete information, rerouting to different BSS agents, and multiple review stages.

Issues in the Process

- Sellers spending more time on proposals than on generating business opportunities.
- Introduction of a shared service sales support team led to complications.
- Additional hand-offs prolonged the cycle time for creating a proposal.

Analysis of the Current Process (HYPOTHETICAL DURATIONS)




Seller identifies a potential sales opportunity
Submits a request in the ERP system marked with Timestamp (STS1)
BSS access the request at the timestamp ZQT2 and checks if its a request they can handle
Yes
No
request directed to wrong BSS
BSS verifies if the seller has provided necessary info (ZQT3)
Incomplete information
Contact the seller to get the necessary details
complete information
BSS reviews the request with proposal support manager ZQT4
A request is forwarded to product design team (ZQT5)
The Created configuration is viewed by BSS for completeness and sent to seller for approval (ZQT6)
Not approved
approved
The BSS forwards the request to pricing group (ZQT7)
pricing team reviews the configuration and calculates price for solution based on pricing calculators that factors various inputs
Brand Manager to approves it
request sent to BSS to prepare final document (ZQT8)
Submits to proposal support manager
proposal support manager reviews the terms and conditions and sends back to seller
Seller is now ready to present the approval to client (STSX)

Key Stakeholders

- Sellers
- Bid Support Specialist (BSS)
- Proposal Support Manager
- Product Design Team
- Pricing Team
- Brand Manager

Proposed Improvements

- Streamline communication between Sellers and BSS.
- Introduce a centralized system for tracking requests.
- Regular training sessions for the BSS team to handle diverse requests.
- Implement feedback loops to continually refine the process

Expected Outcomes

- Reduction in proposal creation cycle time by at least 15%.
- Improved efficiency leading to higher competitiveness in the market.
- Enhanced collaboration between teams.

Key Timestamps (Part 1)

- STS1: Start of the process when Sellers identify a potential sales opportunity and submit a request.
- ZQT2: The point where the Bid Support Specialist (BSS) accesses the request and checks its viability.
- ZQT3: The request is routed to the appropriate BSS after ensuring the seller has provided all necessary information.

Key Timestamps (Part 2)

- ZQT4: BSS reviews the request with the Proposal Support Manager.
- ZQT5: The request is then forwarded to the Product Design team, responsible for generating a configuration.
- ZQT6: The created configuration is reviewed by the BSS for completeness.

Key Timestamps (Part 3)

- ZQT7: Once the configuration gets approved, the BSS forwards the request to the Pricing group.
- ZQT8: The BSS prepares the final document after pricing approval.
- STSX: The final step where the Seller is ready to present the proposal to the client.

Time Stamp Distributions

STS1: Start of the process when Sellers identify a potential sales opportunity and submit a request.	ZQT2: The point where the Bid Support Specialist (BSS) accesses the request and checks its viability.	ZQT3: The request is routed to the appropriate BSS after ensuring the seller has provided all necessary information
ZQT4: BSS reviews the request with the Proposal Support Manager	ZQT5: The request is then forwarded to the Product Design team, responsible for generating a configuration.	ZQT6: The created configuration is reviewed by the BSS for completeness.
ZQT7: Once the configuration gets approved, the BSS forwards the request to the Pricing group.	ZQT8: The BSS prepares the final document after pricing approval.	STSX: The final step where the Seller is ready to present the proposal to the client

Delays and Inefficiencies

- Analyzing the timestamps reveals areas of potential bottlenecks in the proposal creation process.
- Delays between STS1 and ZQT2 indicate possible inefficiencies in the initial request submission and its access by the Bid Support Specialist (BSS).
- Significant time gaps between ZQT3 and ZQT4 might suggest challenges in routing the request to the appropriate BSS and subsequent review stages.
- These delays not only prolong the cycle time but also might lead to reduced proposal quality due to rushed processes in later stages.

Importance of Efficient Timestamp Tracking

- Each timestamp serves as a milestone in the proposal creation process. Delays in reaching these milestones can compound, leading to significant overall delays.
- Efficiently tracking progress between timestamps provides transparency, allowing teams to identify and address inefficiencies proactively.
- A streamlined progression from one timestamp to the next ensures a consistent and efficient process, reducing cycle times and elevating proposal quality.

Recommendations for Timestamp Efficiency

- Implement an advanced tracking system that provides real-time updates on the progress between timestamps, alerting teams to potential delays.
- Training sessions for the Sellers and BSS teams to ensure all necessary information is provided upfront, reducing back-and-forth and associated delays.
- Technological integrations, such as AI-driven routing systems, can ensure requests are directed to the most appropriate BSS from the start, reducing rerouting delays.

Conclusion & Call to Action

- The proposal creation process, marked by various timestamps, is crucial for Gentech's competitiveness. Refining this process is of paramount importance.
- All stakeholders, from Sellers to the BSS team, play a pivotal role in this process and must actively participate in the proposed improvement initiatives.
- It's time to implement the suggested changes, invest in technological solutions, and commit to regular monitoring and refinement, ensuring Gentech's proposal process remains agile and efficient.