Optimizing Gentech's Proposal creating process

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Project Charter

Optimization of Proposal Creation Process for Gentech

Business Problem:
Increased competition and an 18% decline in revenue over the past two years. The CEO has tasked the team with improving operational efficiency and reducing process cycle times by 15%.

Executive Sponsor
Elliot Smith
Black Belt Champion
Grace Monroe

Objective:
Reducing Cycle Time/ Efficiency Improvement/ Enhanced Collaboration
Out of Scope:
Changes in the core supply chain/ Customer after-sale/ Corporate structure

Steering Committee
Grace Monroe, Jeff Hugh, Director of Operations, Product Design Team, Pricing Team

Process Owner:
Grace Monroe
Black Belt:
Jeff Hugh

Investment
Process Resources, Training and Development, Operational Changes

RISKS
Data Issues, Financial Risks, Market Factors

Team Members
Proposal Support Managers/ Bid Support Specialists (BSS) across regions/ Pricing Group/ Project Design Team/ Sellers (internal customers)/ Brand Managers

DMAIC	Start / End	Operational Metric	Baseline	Target
Define: Reduce cycle time **Measure:** Data analysis **Analyze:** Process bottlenecks **Improve:** Streamline process **Control:** On-going monitoring	Identifies a sales opportunity Completed proposal is returned to the Seller	• Cycle Time Benchmark • Efficiency Benchmarks • DPMO Measures	• Current Cycle Time, • Defect Rate, • Step-wise Lead Times • Cost of Proposal Creation	**Cycle Time Reduction Target:** Achieve a 15% reduction in the overall cycle time for the Proposal Creation Process. **SLA Compliance Improvement:** Reduce the defect rate by ensuring that fewer proposals exceed the 35-day threshold, aiming for Six Sigma standards.

Expected Benefits	Projected Savings
Hard Benefits: Reduced cycle time, increased revenue opportunities, saving cost by efficiency gains. **Soft Benefits:** Improved employee satisfaction. Higher client satisfaction **Strategic Benefits:** Enabling quicker response times, long-term revenue growth	15% Cycle Time Reduction

Swim Lanes Map

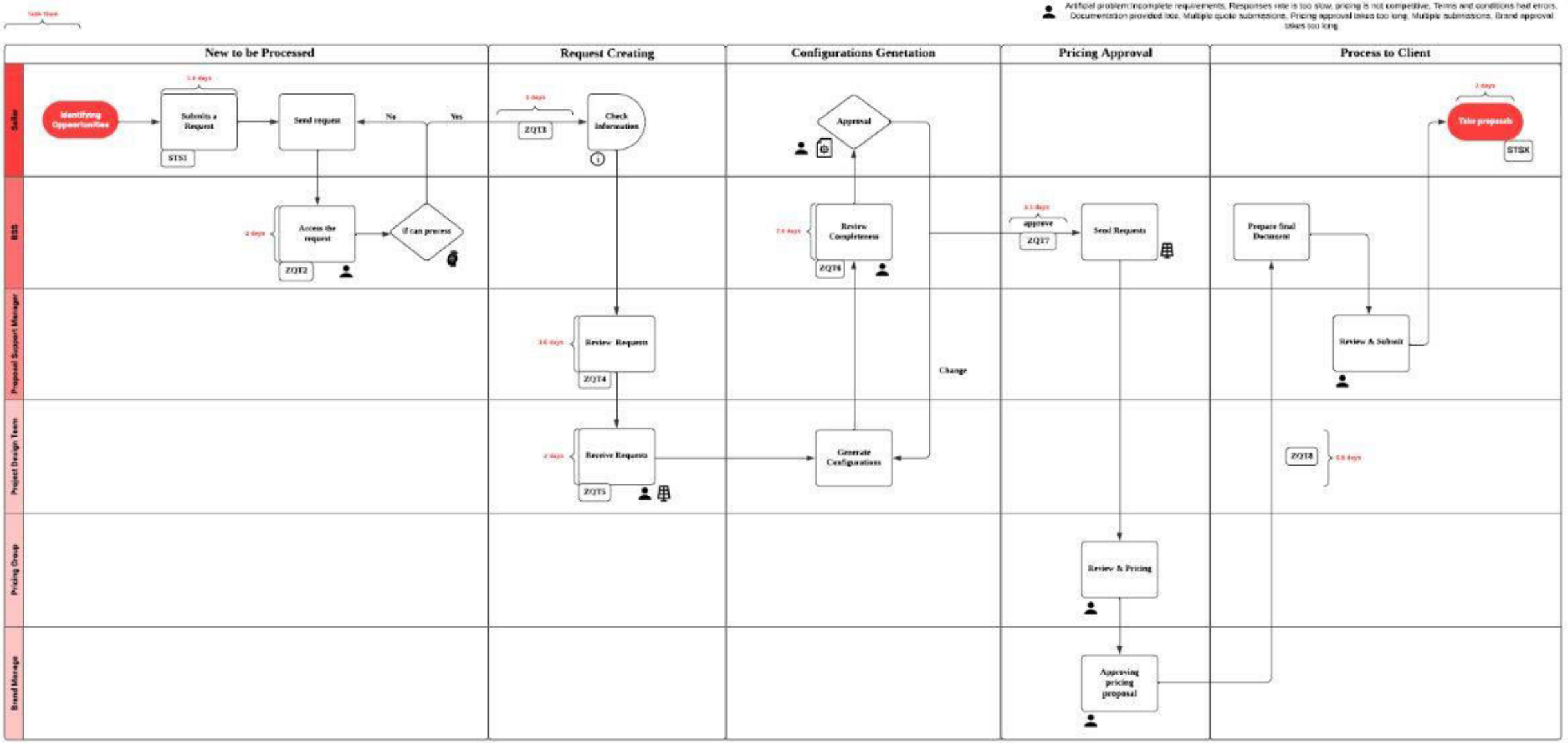
BSS skilled level: BSS inexperienced, Too many errors by BSS, Bid manager on vacation, Difficult to identify BSS agent, BSS lacks domain knowledge

Information problem: Missing Customer address, Missing seller information, Error in address provided, Incomplete information, customer not in database

Configuration Changed: Incorrect configuration, Errors in configuration, Proposal takes too long, Configuration changed, Missing configuration details

System problem: too much churn, ERP system doesn't work well,Submission process is tedious, System outage

Artificial problem:Incomplete requirements, Responses rate is too slow, pricing is not competitive, Terms and conditions had errors, Documentation provided late, Multiple quote submissions, Pricing approval takes too long, Multiple submissions, Brand approval takes too long



Business Issue

Gentech’s proposal creation process faces challenges in meeting efficiency and quality targets, with average cycle times near the 35 day SLA and sigma levels indicating quality issues

Key Goals

Reduce cycle time

Improve efficiency

Maintain customer satisfaction

Current State Baseline

End-to-end cycle time baseline is 31.6 days. The sigma level stands at 2.08, which indicates significant room for improvement to meet six sigma quality standards

SWG in EMEA and zSeries in North America have the highest cycle times, indicating inefficiencies

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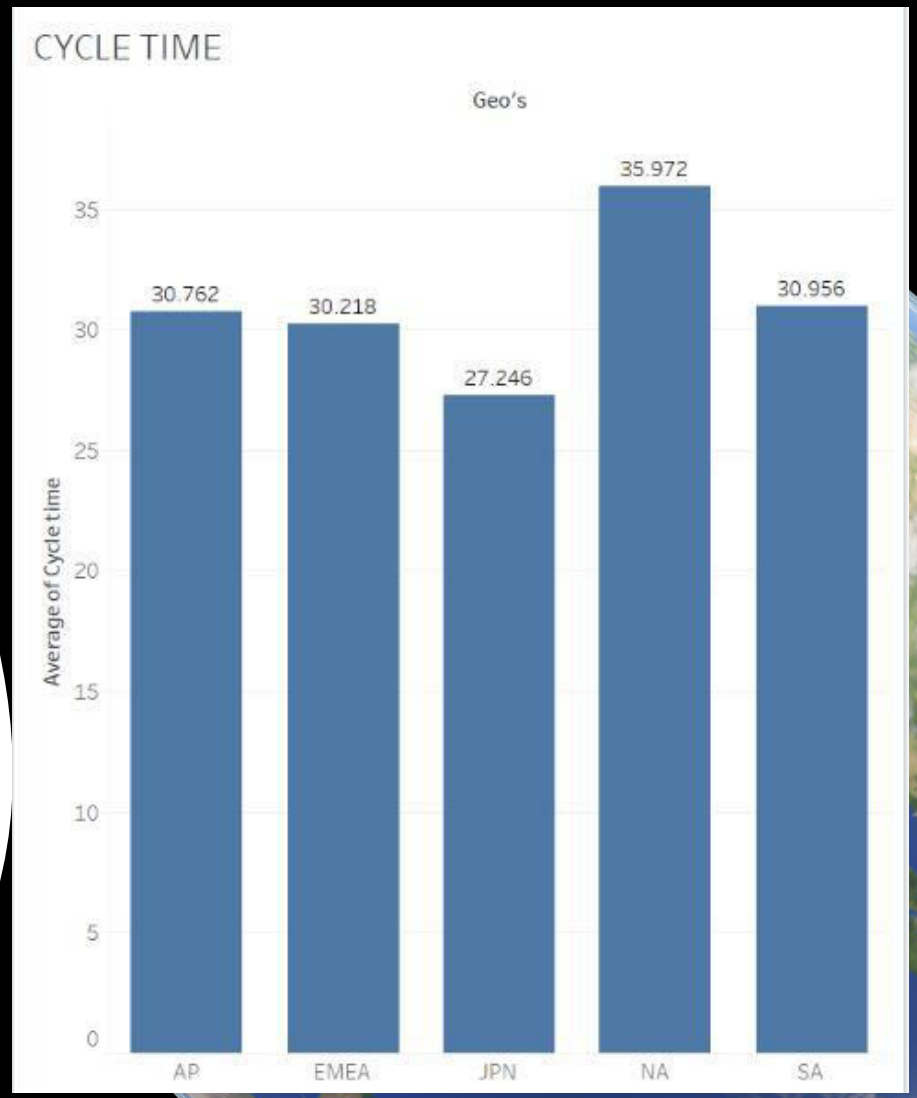
Asia Pacific regions tends to have lower, more consistent cycle times

Transactions above 35 days are classified as defects, leading to a high DPMO of 281,053



Current State Baseline

Heat Map

Performance differences by geography and brand

Important

SWG brand in EMEA stands out with exceptionally high value, reaching 3,278 units. Indicating severe inefficiencies in that region

Consulting and xSeries have lower cycle times in most regions, showing more efficient processes

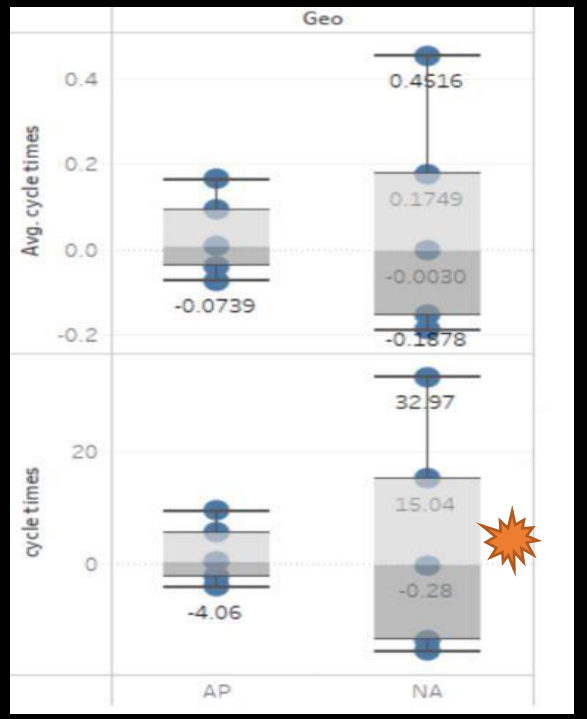
Brand	Geo AP	EMEA	JPN	NA	SA
Consulting	105	102	-57	127	408
ESW	534	76	102	30	-12
SWG	145	3,278	306	-34	798
xSeries	25	-92	-37	-164	-28
zSeries	764	-44	368	985	-110

Box Plot

Cycle time variability between AP and NA regions showing consistency differences

North America displays significant variability with cycle times ranging from a median of 15 units up to 32.97 units, suggesting major inconsistencies

Important



In contrast, the Asia Pacific region shows more stable performance, with cycle times tightly clustered around the median and fewer outliers

Root Cause Analysis

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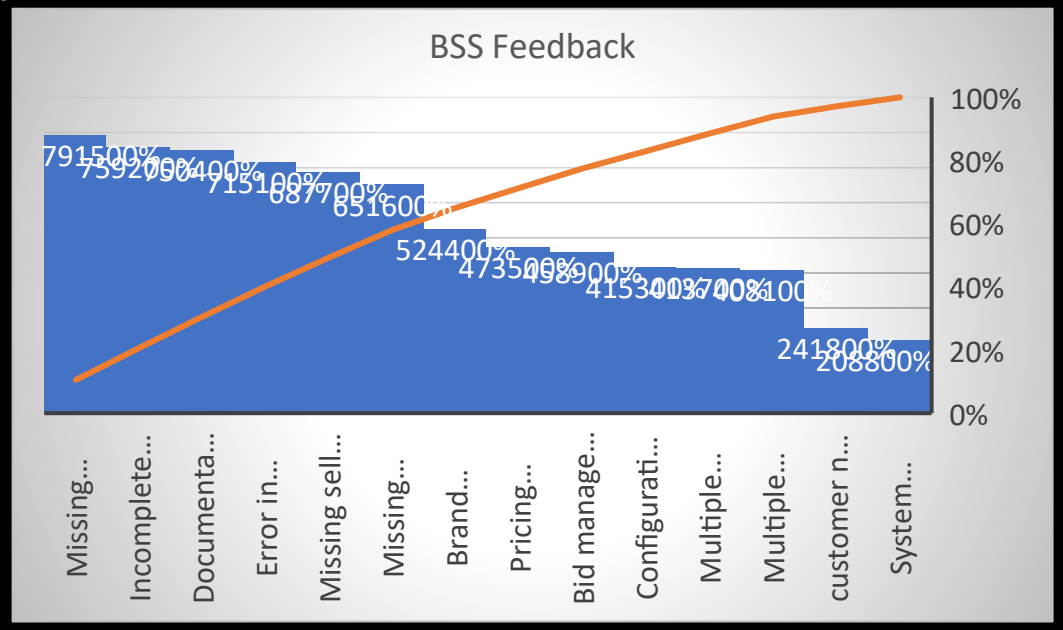
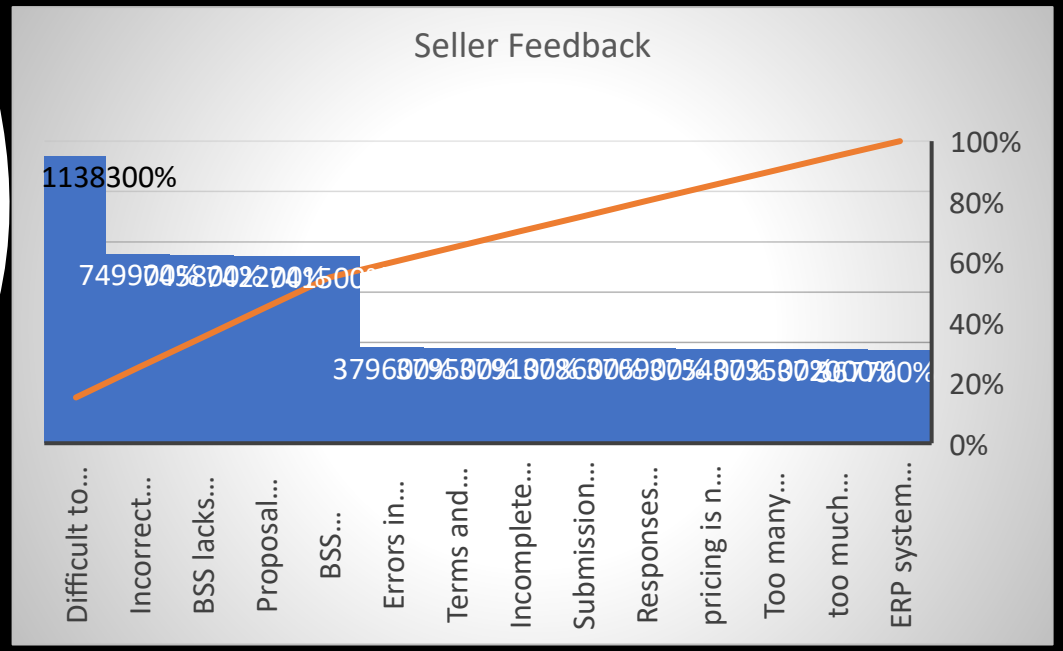
Key Causes

1. Incomplete submissions
   Sellers often provide incomplete information,
   Causing delays





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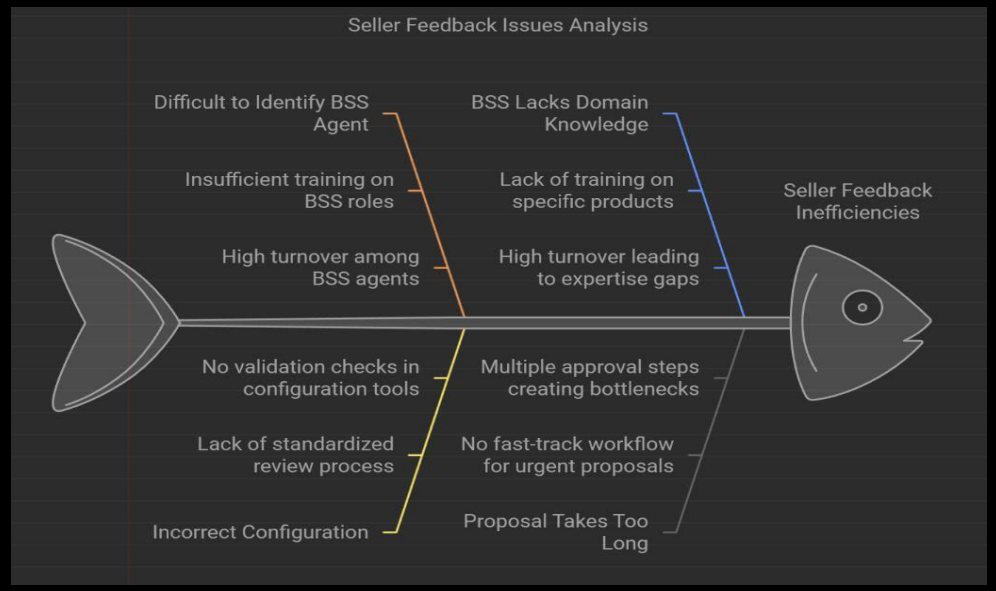
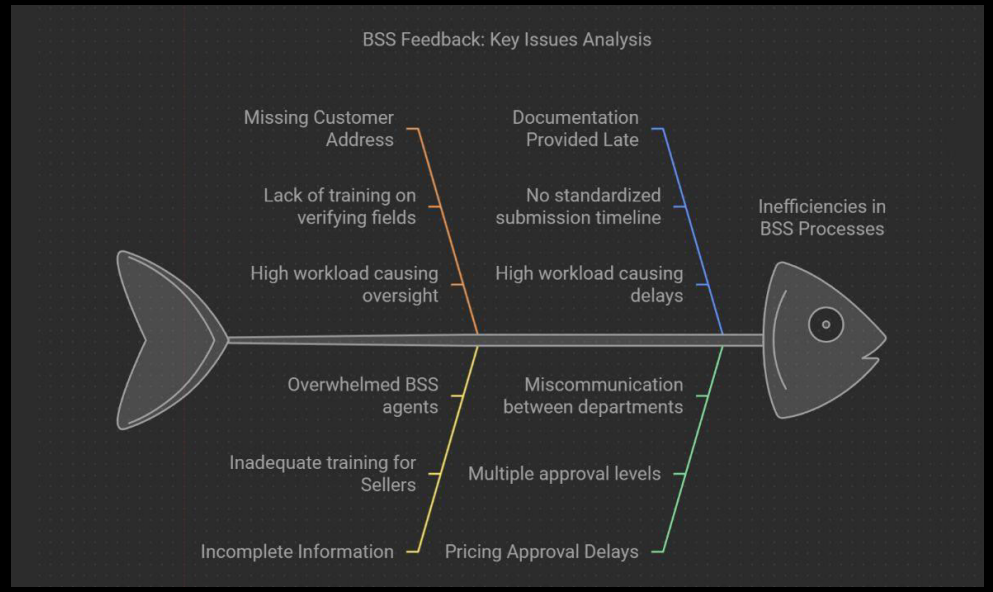
   Requests are not always routed to the right BSS agent, adding rework





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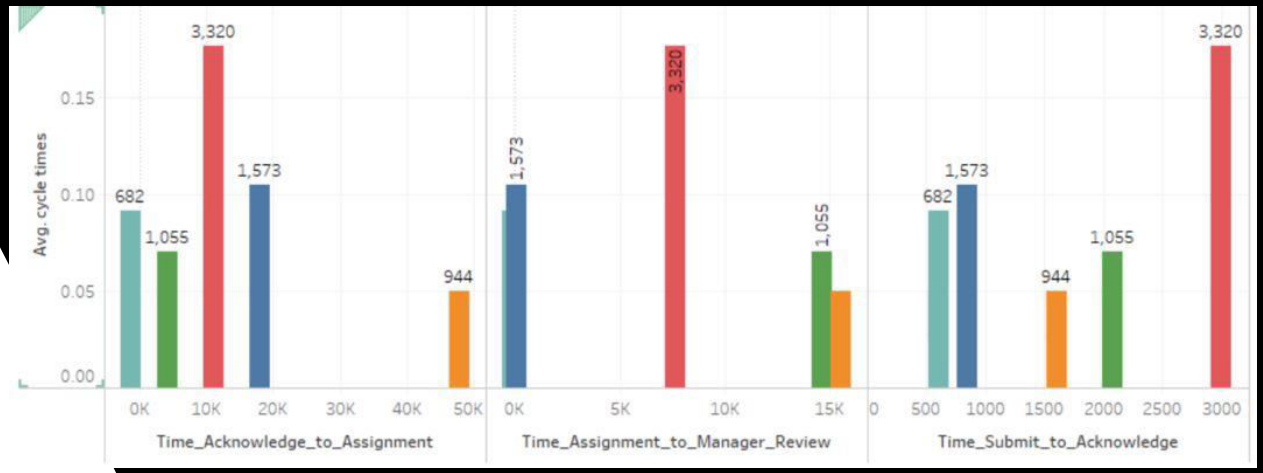
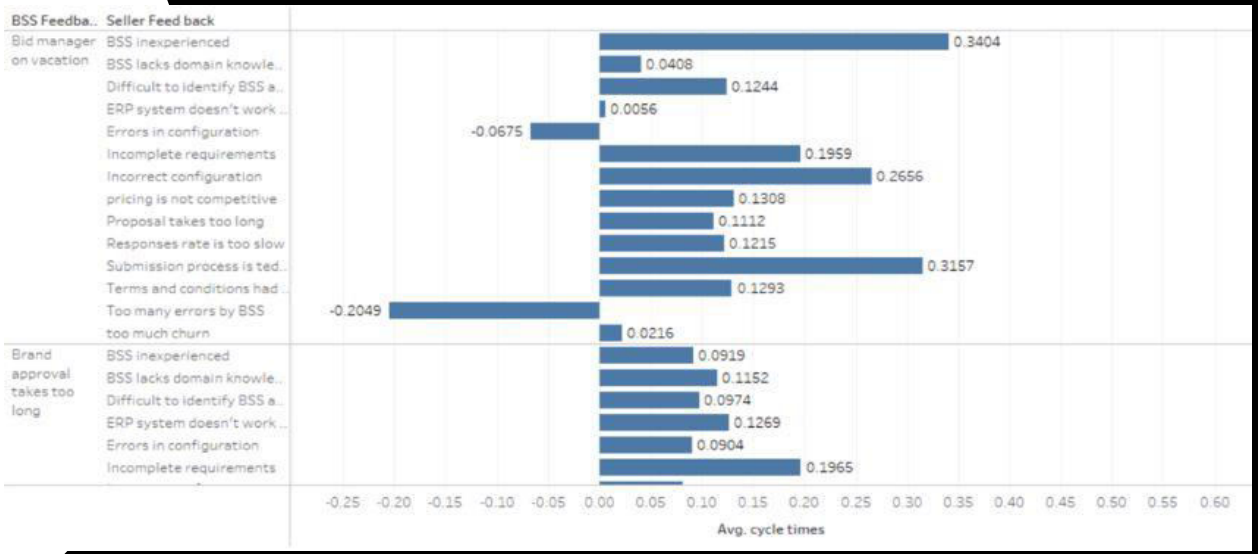
   Manager reviews and approvals, especially in North America, have high cycle time





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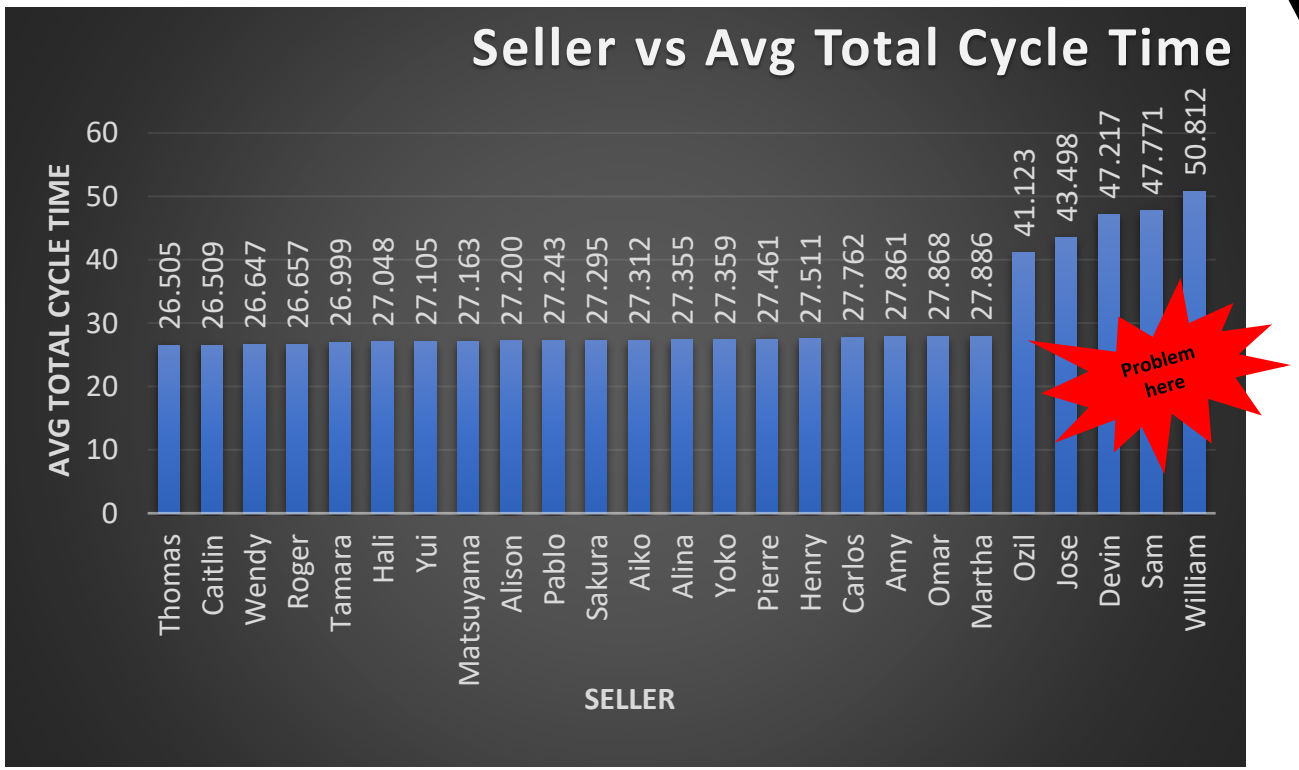
4. Complexity Effect
   A strong positive correlation (0.827) between bid size and cycle time indicates that larger, complex bids take longer to process

Root Cause Analysis



Key Observations

Sellers William, Sam and Devin have the highest cycle times, exceeding the 35-day SLA

Insight

High Cycle times may be due to inefficiencies, complex requests, or frequent rework

Improvement Focus

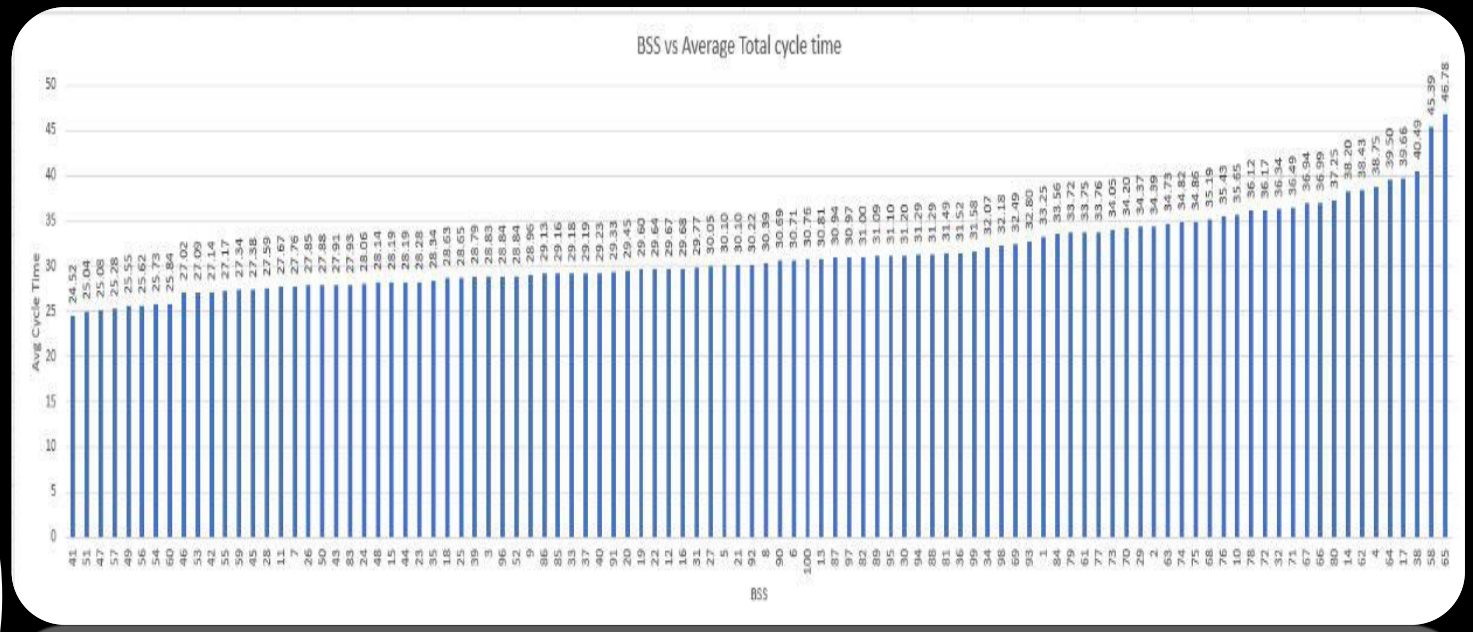
Target these sellers for process training or optimization to reduce delays

Root Cause Analysis

Key Observations
Significant cycle time variation among BSS agents, with BSS 65 and BSS 58 showing the longest cycle time over 45 days

Insight
Longer cycle times for certain agents may indicate workload imbalances or skill gaps

Improvement Focus
Prioritize training and workload adjustments for agents with high cycle times



Root Cause Analysis

Key Observations
Larger bid sizes tend to have higher cycle times, with a notable increase above $400,000

Insight
High bid complexity correlates with longer processing times, indicating potential bottlenecks for larger bids

Improvement Focus
Streamline processes for large bids or introduce a fast-track workflow to reduce delays

Recommendations

1. **Automate Data Collection and Verification**
   Implement mandatory fields and automated prompts to ensure complete submissions from sellers

2. **Intelligent Routing**
   Route high-complexity bids to top performing BSS agents to reduce delays caused by reassignments

3. **Fast Track Approval**
   Set up a fast track Process for low-complexity, low-risk proposals to prevent unnecessary backlogs

4. **Targeted Training**
   Provide focused training to underperforming sellers and BSS agents on data completeness and cycle time management

HIGHEST

Step	Potential Failure Mode	Severity (S)	Occurrence (O)	Detection (D)	RPN	Suggested Action
Seller Submits requests in ERP system	Missing critical customer info	8	7	5	280	Make key fields mandatory integrate automated checklist to catch missing data at submission
BSS checks if request can be processed	Incorrect routing to BSS agent	6	6	6	216	Automate routing based on request complexity or type to ensure requests reach the right agent initially.
BSS verifies completeness of information	Incomplete/missing configuration details	8	7	5	280	Create a standardized checklist for BSS agents to verify key information upon receipt.
BSS reaches out to Seller for missing info	Delays caused by missing information from Sellers	7	8	5	280	Implement automated reminders for incomplete submissions to minimize manual follow-ups.
Request sent to Product Design team	Miscommunication of configuration requirements	9	5	6	270	Provide a template with standard configuration requirements and train BSS and Product Design on common configurations.
Configuration forwarded to Seller for approval	Errors in configuration that require rework	8	6	6	288	Develop a review process to verify configuration accuracy before forwarding to Seller.
BSS sends request to Pricing group	Delays in pricing calculation	7	7	5	245	Implement a pricing calculator with error-checking and a prioritization system for high-value requests.
Brand Manager approves pricing proposal	Delays in pricing approval due to process bottlenecks	8	8	4	256	Establish a fast-track approval route for low-risk or smaller deals to reduce bottlenecks.
Final document prepared by BSS	Errors in final proposal due to oversight	9	6	5	270	Use a standardized review checklist and peer review to ensure accuracy in the final document.
Proposal Support Manager reviews terms and conditions	Legal terms or conditions errors missed	10	4	6	240	Integrate a legal template with standard terms for frequent use and automate review for high-frequency clauses.
Proposal submitted to Seller	Inaccuracies in final proposal affecting client satisfaction	9	5	4	180	Final quality check by Proposal Support Manager to ensure all requirements are met and accurate.

Control Plan

KPI	Control Action	Responsible Party	Frequency
Cycle time by bid	Monitor high Complexity bids To ensure they Meet SLA target	Project Manager	Quarterly
Individual Performance Metrics	Track individual cycle times and error rates for sellers and BSS agents	Department Heads	Quarterly
Approval Turnaround Time	Set alerts for delays in critical stages (Review)	Operation team	Real time
Rework Rate	Audit rework incident , particularly for low Performing agents	Quality control	Quarterly
Customer Feedback	Collect feedback on proposal efficiency and quality	Customer Service	Monthly

Project Manager: Jeff Hugh
Department Heads: Director of Operations
Operation Team: BSS & BSS Managers
Quality Control: Quality Control Team & Process Improvement Team
Customer Service: Sellers

- **Audits & Feedback:**

1. Quartey Audits of cycle times, performance reviews for underperforming agents, and regular feedback sessions
2. Ongoing Training: automated reminders for BSS agents on critical tasks and periodic training
3. Monitoring High-Complexity bids: Track high complexity bids closely to ensure they meet SLA targets

Conclusion & Next Steps

Project Charter – Jaden
Process Map – Jaden
Baseline Metrics – Rutuja
DPMO & Sigma Level- Rutuja
Tableau Utilization – Manish
Timestamp Data – Manish
Correlation Complexity – Milan
Counterparts calculations – Milan

By implementing target automation, optimizing routing for high complexity bids, and regularly monitoring performance, Gentech can reduce cycle times and improve proposal quality

Next Steps

1. Pilot automation tools and routing improvements
2. Begin quarterly performance reviews
3. Implement fast track approvals