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NORTH CENTRAL ORACLE APPS USER GROUP
TRAINING DAY
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Optimizing Oracle Service Contract with Oracle Configure Price Quote (CPQ) Cloud

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Agenda

- Introduction
- Company Profile
- Business Challenges and Opportunities
- Services Optimization
- Business Benefits Achieved
- Future Sprints and Phases
- Q&A

Introduction

- William Chen

- Consulting Manager, O2works LLC,
- Over 15 years consulting experience
- Oracle expertise include: O2C, P2P, Manufacturing modules, Service Contract, CPQ
- Education: B.S. Computer Science and MBA from UCLA



- Dave Burton

- Managed and Support Services, Motorola Solutions Inc
- 15 years with Motorola Solutions
- Business Product Owner on Motorola's "Quote to Cash" optimization project
- Education: B.S. Industrial Engineering & Computer Science from University of Iowa



MOTOROLA
SOLUTIONS

Motorola Solutions Inc (MSI)

- Motorola Solutions is a leading global provider of mission-critical communication infrastructure, devices, accessories, software and services.
- Our products and services help government, public safety and commercial customers improve their operations through increased effectiveness, efficiency, and safety of their mobile workforces.
- We serve our customers with a global footprint of sales in more than 100 countries based on our industry leading innovation and a deep portfolio of products and services.
- Transforming to Services and Software focused company; 40% of revenue is services



MOTOROLA
SOLUTIONS

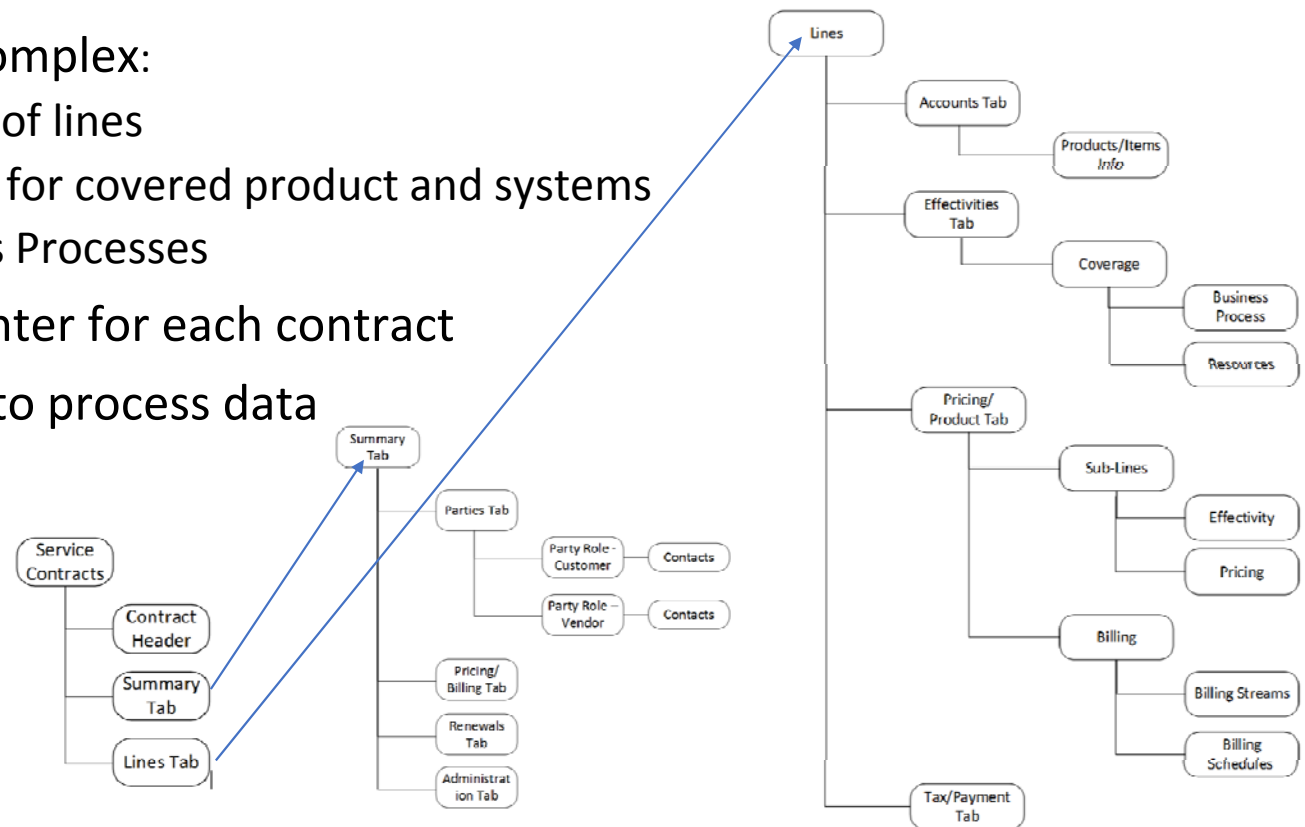
Business Challenges and Opportunities

- Challenges:
 - Multiple tools being used across technologies and regions
 - Managing contract backlog spikes
 - Too many “Swivel chair” manual processes
 - High learning curve for EBS
- Opportunities:
 - Automate repetitive functions
 - Enable guided selling tools for services
 - Eliminate manual processes
 - Improve data accuracy



Complex Service Contracts

- MSI service contracts are complex:
 - Contracts with hundreds of lines
 - Lines with many sublines for covered product and systems
 - Lines with many Business Processes
- Large amount of data to enter for each contract
- Various custom programs to process data



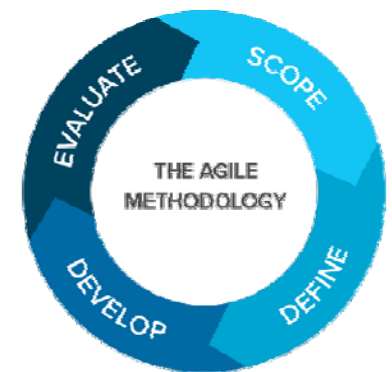
The Answer: CPQ

- Oracle Configure Price and Quote (CPQ) is a powerful cloud application:
 - **Configure** product & services
 - **Price** goods & services across a huge spectrum of variables
 - **Quote** complex orders or contracts
- Oracle acquired this product from Big Machines in 2013 and enhanced it
- Flexible, scalable, and enterprise-ready platform
- MSI enterprise footprint for Products
- Leadership decided CPQ to be a strategic platform for Services



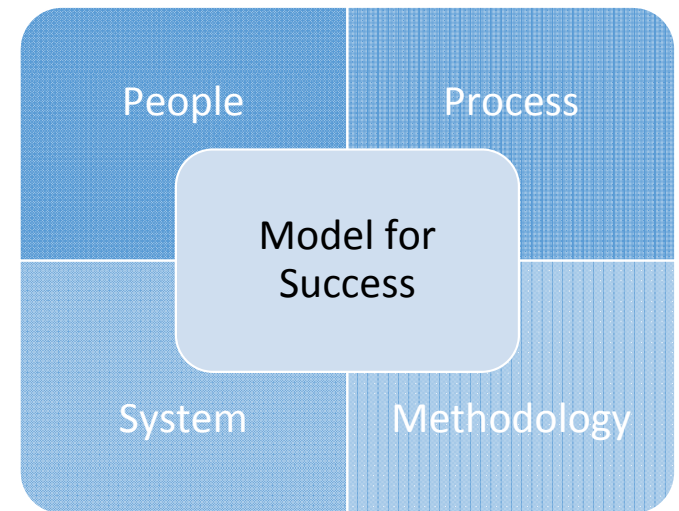
Services Optimization Project

- Deliver functions and features to:
 - Streamline processes and automate repetitive functions
 - Reduce redundancies and inefficiencies
 - Increase productivity and improve user experience
- Manage and execute Project using Agile Methodology
 - Empower the business to lead development effort via Product Owner
 - Build solutions incrementally through iterations and feedback
 - Frequent feedback loop of scope, define, develop, evaluate, optimize
- Continuous improvement



Model for Success

- People
 - Strong IT Leadership and Business Sponsorship
 - Capable Team: Process Owner, Functional & Tech Resources, Scrum Master, etc
- Process
 - Well defined business requirements and processes
- System
 - Scalable systems and platforms: CPQ, EBS
- Methodology:
 - Be agile
 - “Go Fast and Show Fast”: Quick feedback loop



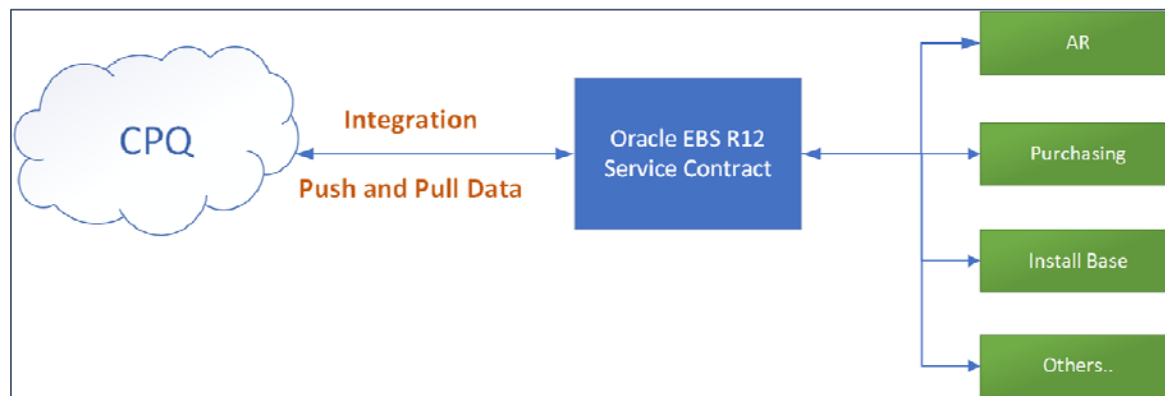
Project Execution Approach

- First: Build strong foundation
 - Push and pull integration with EBS Service Contract
- Second: Build scalable platform
 - Data model, architecture, and etc
- Third: Deploy capabilities to address immediate business needs
 - CPQ screens, functions, and logics
- Then: Leverage CPQ platform to expand
 - New contracts with attribute based configurations
 - Complex pricing models and much more...



The Foundation: Integration

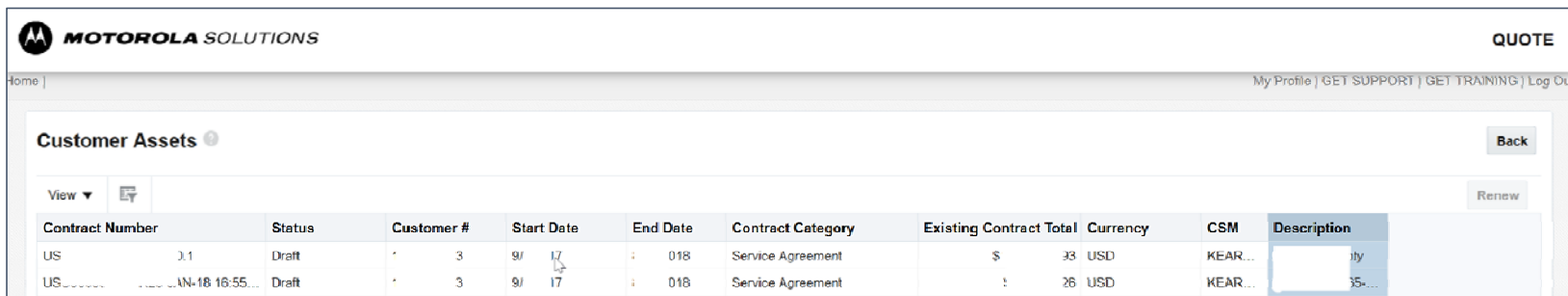
- Integration built between CPQ and EBS
- Push and Pull: contract data, entitlement details, customers, etc
- Powered by Mulesoft middleware
- Used JavaScript Object Notation (JSON) format in CPQ: organized, easy-to-access



The Platform: CPQ with ABO

- Used CPQ Asset Based Ordering (ABO)
- Service contracts treated as Assets in CPQ
- Contract data elements encapsulated with standard CPQ fields
- Standard data mapping, reduced development time and effort

Below is a simple screen displaying list of service contracts for renewal



The screenshot displays the Motorola Solutions CPQ interface. At the top, the Motorola Solutions logo is on the left, and a 'QUOTE' button is on the right. Below the header, there's a navigation bar with links: 'Home', 'My Profile', 'GET SUPPORT', 'GET TRAINING', and 'Log Out'. The main section is titled 'Customer Assets' and contains a table of service contracts. The table has columns for Contract Number, Status, Customer #, Start Date, End Date, Contract Category, Existing Contract Total, Currency, CSM, and Description. Two contracts are listed, both in 'Draft' status, for Customer # 3, with start dates of 9/17 and end dates of 018. The first contract is a 'Service Agreement' with an existing total of \$33 USD. The second contract is also a 'Service Agreement' with an existing total of \$26 USD. A 'Back' button is located at the top right of the table, and a 'Renew' button is at the bottom right.

Contract Number	Status	Customer #	Start Date	End Date	Contract Category	Existing Contract Total	Currency	CSM	Description
US 0.1	Draft	3	9/17	018	Service Agreement	\$ 33	USD	KEAR...	ity
US AN-18 16:55...	Draft	3	9/17	018	Service Agreement	\$ 26	USD	KEAR...	\$5...

Pricing Changes

Before CPQ:

- Covered systems and products not on price list
- Pricing changes done on sublines
- Time consuming and laborious

CPQ Features:

- Built capabilities to enable price changes on
 - Contract header
 - Consolidated contract lines (grouping of contract lines by item)
 - Contract lines
- Supports uplift by % or \$
- Auto distribute pricing changes to contract lines and sublines

Pricing Changes

CPQ screen for contract header pricing changes

MODEL CONFIGURATION

▼ Contract Header

Operating Unit	US		
Contract Number	US	38	Modifier #
Start Date	01-		End Date
Duration	1 Y		
Category	Service Agreement		

▼ Contract Price Update

Update Type Percent

Value Apply

Equivalent Dollar Amount
\$ 7.99

Use this section to apply an uplift across all contract lines, either as a percent increase or a dollar amount distributed

CPQ screen for consolidate line pricing changes

Line Price Update

Select AllDeselect All

	Select	Line Type	Service Name	Description	Existing Contract Total	Update Type	Value	Renewal Contract Total	
1	<input type="checkbox"/>	SERVICE	22A	SM	\$.91	Percent	10.0	\$.99	
2	<input type="checkbox"/>	SERVICE	SV	13A	NG	.11	Dollar Amount	1000.0	.11
3	<input type="checkbox"/>	SERVICE	SV	29A	T II	\$.99	Percent	10.0	\$.99
4	<input type="checkbox"/>	SERVICE	SV	11A	ES	1	Percent	10.0	1
5	<input type="checkbox"/>	SERVICE	SV	13A	VC	1	Percent	10.0	25
6	<input type="checkbox"/>	SERVICE	SV	17A	A II	1	Percent	10.0	80
7	<input type="checkbox"/>	SERVICE	SV	2C	CE	1	Percent	10.0	90
8	<input type="checkbox"/>	SERVICE	SV	11C	ES	1	Percent	10.0	90
9	<input type="checkbox"/>	SERVICE	SV	27A	GE	1	Percent	10.0	\$.90

* Total does not include tax.

Below are detailed views for the contract lines. You may select any or all of the groupings above to view the details for associate lines.

Contract Lines: Shows line by line pricing and address information.

Business Process and Service Provider: Shows each business process and any associated resources. Also allows for alterations or additions to service provider and associated costs.

Existing Contract Total\$.99

Uplift Total\$.99

Renewal Contract Total\$ 1.01

Uplift Percent10.01%

Coverages and Business Processes

Before CPQ:

- Multiple screens and many clicks to update one Business Process and DFF
- Data entry and maintenance very laborious

CPQ Features:

- Built functionality to “flatten out” data onto one scrollable page
- Updates done on one screen, improve efficiency
- Logic to perform automatic calculation on certain data, reduce repetitive data entry
 - i.e Service Provider Amount on DFF

Coverages and Business Processes

EBS: 4 screens and 7 clicks to make a change

CPQ: automated changes and display info on one screen

<input type="checkbox"/> Select	Line	Line Type	Service Item	Line Description	Duration	Period	BP Name	Resource Name	Service Provider Type	Contract Line Amount	Existing Subcontractor Amount	Subcontractor Amount	Frequency	
1	<input type="checkbox"/>	1.1	SERVICE	LSV915002	AV	_SM	1	YEAR	head wing	ISL TR	Internal	\$ 78	\$ 1.00	Monthly
2	<input type="checkbox"/>	1.1	SERVICE	LSV915003	AV	_SM	1	YEAR	tail	ISL TR	Internal	\$ 78	\$ 1.00	Monthly
3	<input type="checkbox"/>	1.1	SERVICE	LSV915004	AV	_SM	1	YEAR	work wing	ISL CT	Internal	\$ 78	\$ 1.00	Monthly
4	<input type="checkbox"/>	1.1	SERVICE	LSV915005	AV	_SM	1	YEAR	tail	ISL V (B) TR	External	\$ 78	\$ 1.00	Monthly
5	<input type="checkbox"/>	1.1	SERVICE	LSV915006	AV	_SM	1	YEAR	tail	ISL V (B) TR	External	\$ 78	\$ 1.00	Monthly
6	<input type="checkbox"/>	1.1	SERVICE	LSV915007	AV	_SM	1	YEAR	tail	ISL EC	Internal	\$ 78	\$ 1.00	Monthly
7	<input type="checkbox"/>	1.1	SERVICE	LSV915008	AV	_SM	1	YEAR	tail	ISL FR	Internal	\$ 78	\$ 1.00	Monthly
8	<input type="checkbox"/>	1.1	SERVICE	LSV915009	AV	_SM	1	YEAR	tail	ISL EC	Internal	\$ 78	\$ 1.00	Monthly
9	<input type="checkbox"/>	1.1	SERVICE	LSV915010	AV	_SM	1	YEAR	tail	ISL EC	Internal	\$ 78	\$ 1.00	Monthly
10	<input type="checkbox"/>	1.1	SERVICE	LSV915011	AV	_SM	1	YEAR	tail	ISL EC	Internal	\$ 78	\$ 1.00	Monthly
11	<input type="checkbox"/>	1.1	SERVICE	LSV915012	AV	_SM	1	YEAR	tail	ISL EC	Internal	\$ 78	\$ 1.00	Monthly
12	<input type="checkbox"/>	1.2	SERVICE	LSV915013	AV	_SM	1	YEAR	tail	ISL TR	Internal	\$ 78	\$ 1.00	Monthly
13	<input type="checkbox"/>	1.2	SERVICE	LSV915014	AV	_SM	1	YEAR	tail	ISL CT	Internal	\$ 78	\$ 1.00	Monthly
14	<input type="checkbox"/>	1.2	SERVICE	LSV915015	AV	_SM	1	YEAR	tail	ISL V (B) TR	External	\$ 78	\$ 1.00	Monthly
15	<input type="checkbox"/>	1.2	SERVICE	LSV915016	AV	_SM	1	YEAR	tail	ISL V (B) TR	External	\$ 78	\$ 1.00	Monthly
16	<input type="checkbox"/>	1.2	SERVICE	LSV915017	AV	_SM	1	YEAR	tail	ISL EC	Internal	\$ 78	\$ 1.00	Monthly
17	<input type="checkbox"/>	1.2	SERVICE	LSV915018	AV	_SM	1	YEAR	tail	ISL FR	Internal	\$ 78	\$ 1.00	Monthly

Coverages and Business Processes

Additional CPQ Features:

- Searching and filter functions
- Allow mass update of Service Providers instead one record at a time
- Allow mass change to Service Provider Amount
- Custom built features within out of box platform

Before CPQ:

- Such features not available

The image shows two side-by-side screenshots of legacy Oracle CPQ web forms. The left form is a search interface with fields for Contract Line #, Service Item #, Business Process Name, Resource Name, and Resource Type, along with a Search button. The right form contains two mass update sections: 'Service Provider Name Mass Update' with a dropdown for Resource Name and an 'Update Resource' button, and 'External Service Provider Amount Mass Update' with a field for Enter % Value and an 'Apply' button. Red boxes highlight the titles of these two sections.

Contract Sublines

CPQ Features:

- Access Subline information on “single scroll” view
- Present covered systems information along with entitlement details
- Better use experience
- Enable the right person to stay informed and in control of their data

Before CPQ:

- Key information scattered across multiple screens and tabs
- Not efficient for users with high volume of data to manage

Contract Sublines

CPQ: screen showing covered products and system along with entitlement information

Line	Subline Number	Line Type	Service Name	Line Description	Level/Type	Name	Serial Number	Qty	Price UOM	Unit Price	Renewal Contract Total	NPM Month	NPM Year	System Type	Technician
1	1-1	1.1	SERVICE	LSV01S000	AS CC	System - MQ_MASTER	10B11	1	MONTH	\$.89	\$.39	APR	2018	MQ_MASTER	AS CC
2	1-1	1.2	SERVICE	LSV01S000	AS CC	System - DISPATCH	NICEJ	1	MONTH	\$.90	\$.30	APR	2018	DISPATCH	AS CC
3	1-2	2.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10106	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
4	1-2	2.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10106	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
5	1-3	3.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10101	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
6	1-3	3.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10101	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
7	1-4	4.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10113	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
8	1-4	4.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10113	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
9	1-5	5.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10107	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
10	1-5	5.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10107	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
11	1-6	6.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10104	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
12	1-6	6.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10104	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
13	1-7	7.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10108	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
14	1-7	7.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10108	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
15	1-8	8.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10102	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
16	1-8	8.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10102	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
17	1-9	9.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10106	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
18	1-9	9.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10106	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
19	1-10	10.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10103	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC
20	1-10	10.2	SERVICE	LSV01S000	AS CC	System - REMOTE	10103	1	MONTH	\$.90	\$.30	APR	2018	REMOTE	AS CC
21	1-11	11.1	SERVICE	LSV01S000	AS CC	System - REMOTE	10111	1	MONTH	\$.89	\$.39	APR	2018	REMOTE	AS CC

Benefits Achieved (So Far...)

- Improved user experience
- Increased productivity
- Reducing dependencies on manual processes
- Automating the transition of data
- Established scalable platform to deploy new functions and features



Lessons learned

- Define clear roles and responsibilities of members in the Scrum team
- Define user stories with clear requirements and acceptance criteria
- Better understanding of CPQ capabilities and limitations early on
- Conduct Agile methodology training before project starts



Future Sprints and Phases

- Automate service contract lines creation based on configurable attributes
- Complex pricing based on various data points
- Service contract maintenance and change request
- Support business landscape changes



Thank You!

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About O2Works

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