

# CPO: A CFO'S NEW BEST FRIEND

A brief guide on the technology helping break down silos and save businesses time and money.





# WHAT'S INSIDE

<b>Introduction</b>	03
<b>What's this CPQ anyway?</b> Three letters you won't forget	04
<b>Put yourself in your finance team's shoes</b> Rethinking collaboration	05
<b>How a unified process drives business success</b> Insights from Salesforce	06
<b>Managing business risk</b> Not just a sales tool	07
<b>Using CPQ to solve business problems</b> Lessons from forward-thinking technology company Revelian	08

## INTRODUCTION

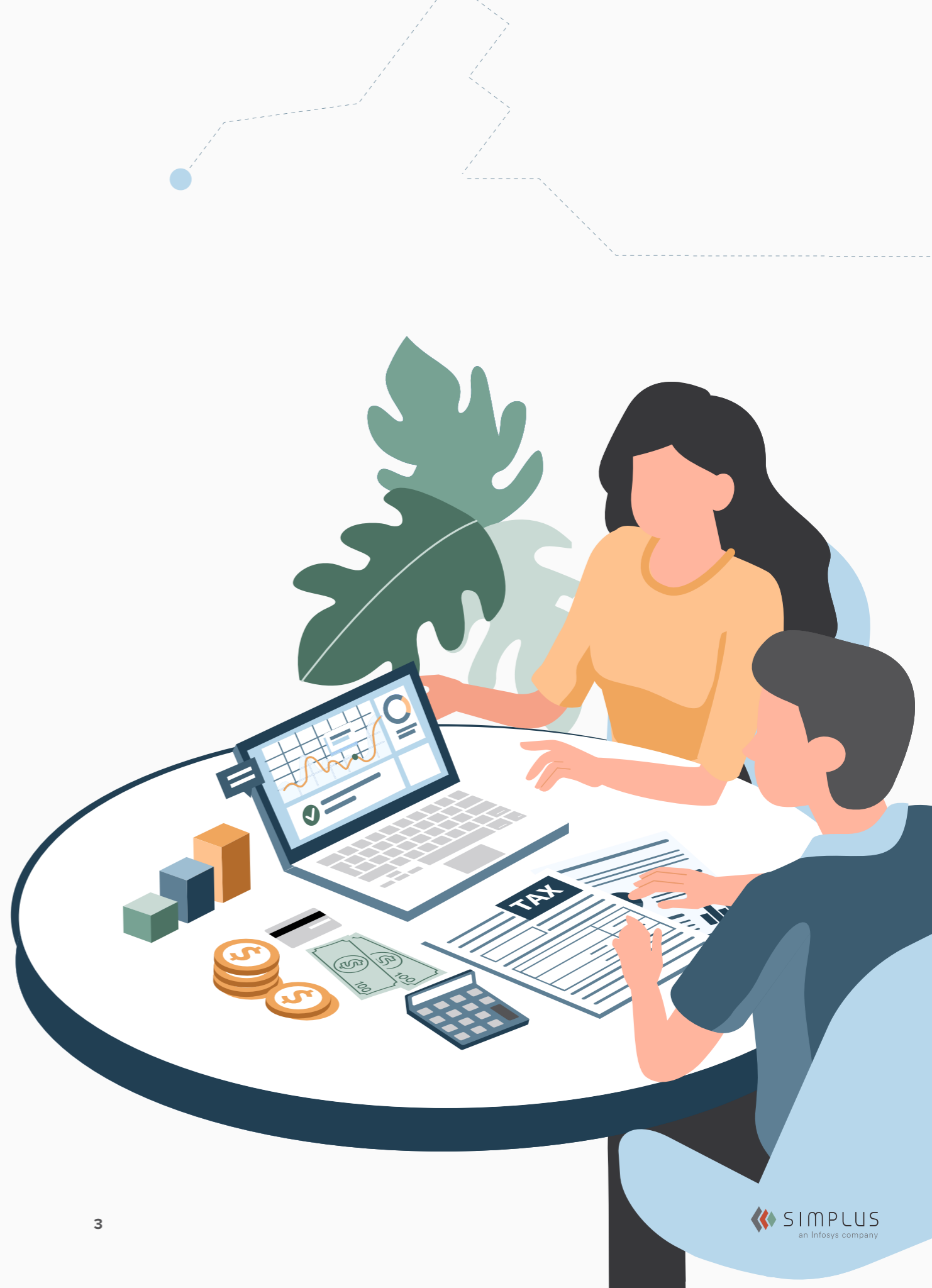
Many SaaS companies struggle to manage their subscription models, in large part because their sales and finance teams are siloed, causing delays in quoting and disruptions to customer service.

Old-school finance tools, like manual spreadsheeting, can obstruct internal communications and hinder access to cross-selling opportunities. They also increase the risk of quoting, pricing and invoicing errors, especially for customers who perform transactions like amendments, upgrades, and swaps.

The answer to the problem is CPQ. CPQ stands for Configure, Price, Quote – functions that have traditionally been performed separately. Streamlined CPQ technology can save you time and money by helping your teams produce more accurate and efficient quotes, while increasing productivity.

Salespeople can focus on selling. Finance teams have all the information they need at their fingertips to quote efficiently. Easy access to all data allows for better ongoing contract management.

This mini ebook takes a closer look at the benefits of CPQ for your technology business.



## WHAT'S THIS CPQ ANYWAY?

### Three letters you won't forget

It's hard to fathom but salespeople spend only a third of their time actually selling.

The rest of their time is spent on admin and processes.

Meanwhile, finance teams often waste valuable time following up with sales teams for missing information: "Where's the purchase order? Where's the invoice? Where's the sales receipt?"

By combining configuration, pricing and quoting into one overarching process, CPQ can help alleviate these problems. But how? Let's break down the components, one by one.

### C = Configuration

Sales reps need to be able to quote quickly, accurately and in a way that adds value to the prospective client.

Configuration pulls together all the threads of existing product and service data, including competitor pricing and whole-of-life costs.

### P = Pricing

Once you know all the variables, it's time to price.

The key is to automate and standardise the pricing model as much as possible.

CPQ automatically applies important sales data, like volume or term-based discounts and client-specific pricing.

CPQ also saves time by promoting standardised approval processes across the company.

### Q = Quoting

When there's a lot of data and your systems and departments aren't talking effectively, sorting through it all can be time-consuming, frustrating and sometimes hit-and-miss.

With CPQ, when it's time to quote you can see this information immediately, allowing you to reduce pricing errors and offer the most attractive price.

### Bonus point: Ongoing contract management

Having all your records in a central, automated database means your support or maintenance teams have easy access to reliable customer information – meaning they deliver better customer service.





“Salesforce CPQ serves as a bridge between your front and your back office, sales and finance, allowing your entire company to be focussed on one thing, which is your customers.”

**PASCAL YAMMINE,**  
SENIOR VICE PRESIDENT  
AND GENERAL MANAGER,  
CPQ AND BILLING  
SALESFORCE

## PUT YOURSELF IN YOUR FINANCE TEAM'S SHOES

### Rethinking collaboration

When your finance and sales teams are working in silos, everything suffers.

Your sales reps are chasing leads but getting quotes to prospective clients can sometimes take weeks.

Your finance teams are spending hours chasing sales reps for purchase orders and customer information, triple-checking figures and trying to quantify costs.

Lack of cross-departmental communication and no visibility of related products can also mean missed cross-selling opportunities.

And when quotes are created manually the chance for human error and losing out on time-sensitive sales leads or recurring revenue is high.

It's frustrating for everyone involved.

Bottom line? Deals (and money) can be lost.

A CPQ system can crush silos by compiling all product and customer data in one place and unify the end-to-end sales process.

Sound good? We'll hand it over to Salesforce to cover this next section.

## HOW A UNIFIED PROCESS DRIVES BUSINESS SUCCESS

### Insights from Salesforce

Ruban Stephens  
Enterprise Account Executive,  
Salesforce CPQ & Billing

One thing that's become clear in the past months is that our digital future has been brought into the now. Instead of a slow transition and uptake to digital ways of working, a global pandemic forced it to happen overnight.

Suddenly processes that were "good enough" with a mix of spreadsheets, institutional knowledge and emails started showing cracks. The massive disruption caused by COVID-19 has torn apart the "duct tape" and exposed operational inefficiencies in a company's quote-to-cash process.

What is quote-to-cash? It's the entire sales process from quoting to sales orders and revenue management and it's now more important than ever.

**And that's because the quote-to-cash process is at the heart of a company's revenue. It impacts a company's cash flow, supply chain, and customer agreements.**

When we talk to our customers, we hear that a unified quote-to-cash process operating out of the one platform, like Salesforce CPQ, has a profound impact on business success.

Here are a few benefits of a healthy unified quote-to-cash process:

- **You can build a seamless revenue workflow.** Eliminate time spent manually reconciling data between the quote, order, and invoice.
- **Increased collaboration between sales and finance.** Simplify the sales process with pricing approval workflows, product configuration rules, and dynamic terms and conditions for product or customer-specific requirements.
- **Increased visibility into product line performance.** With a master data structure, you can accelerate the monetisation of product innovation and eliminate SKU proliferation.



## MANAGING BUSINESS RISK

### It's more than a sales tool

Given the current economic climate, managing risk is more important than ever.

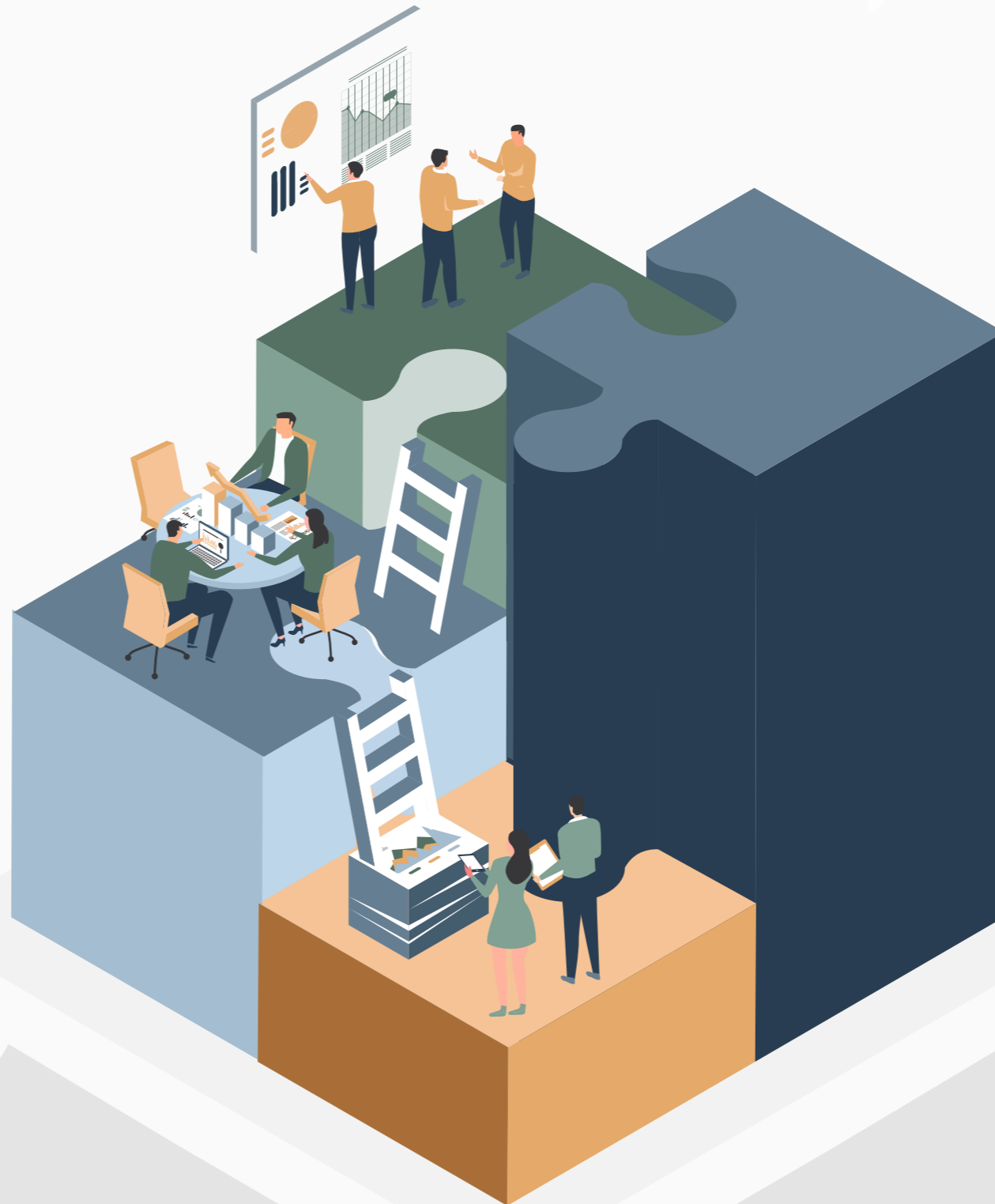
Unfortunately, many sales and finance teams operate under separate CRM and ERP systems that are designed for transactional businesses. Subscription business models sell over time, which changes how sales and finance leverage their systems and information.

“In a recurring revenue model, the traditional financial reports don't capture the impact of deferred revenue or customer attrition,” says Ruban Stephens from Salesforce.

“CPQ helps SaaS businesses get real-time visibility into KPIs thanks to its ability to oversee price, revenue and resource costs.”

With CPQ in your world, you lessen the risk of underquoting, meaning you can forecast more effectively and steer your business strategy with confidence. +

Check out the **CPQ Billing calculator** to calculate the benefits for your business.



# #1

Inaccurate forecasting is the CFO's number-one pain point.

*Source: The CFO Series: Challenges in Adapting to Recurring-Revenue Business Models, Salesforce*



## USING CPQ TO SOLVE BUSINESS PROBLEMS

### Lessons from a forward-thinking technology company

The rise of SaaS solution providers is seeing more and more companies moving to a subscription model.

But managing subscription revenue, lead nurturing and support – among many other functions – is hard work.

And if your sales team can't tell the difference between a lead from an Adwords campaign or one from a client referral, then you're missing opportunities to push prospects down the sales funnel and close deals.

Salesforce CPQ is helping tech companies move from one-time product sales to solution selling, subscriptions, and usage-based pricing.

It also connects each of the sales and marketing channels together for a cohesive sales journey, ensuring each potential new and recurring customer is nurtured to maximise sales potential.

64%

of senior finance executives surveyed by CFO Research and Salesforce say they face operational challenges with renewing customer contracts.

84%

of customers say the experience a company provides is more important than its products or services.

## REVELIAN'S JOURNEY TO SALESFORCE CPQ

### Industry: High Tech

Revelian is an Australian-based company specialising in data-driven human behaviour insights. They support and partner with their clients, so they can confidently make effective hiring and development decisions through psychometric solutions.

### The challenge

Revelian was having issues with their Salesforce instance due to its bespoke coding, making the transition to Lightning near impossible. Confined by their in-house billing system, Revelian felt restricted in their capacity to grow and scale. As they started to outgrow their quote/pricing model, Revelian knew they had to act fast if they wanted to avoid being at a competitive disadvantage.

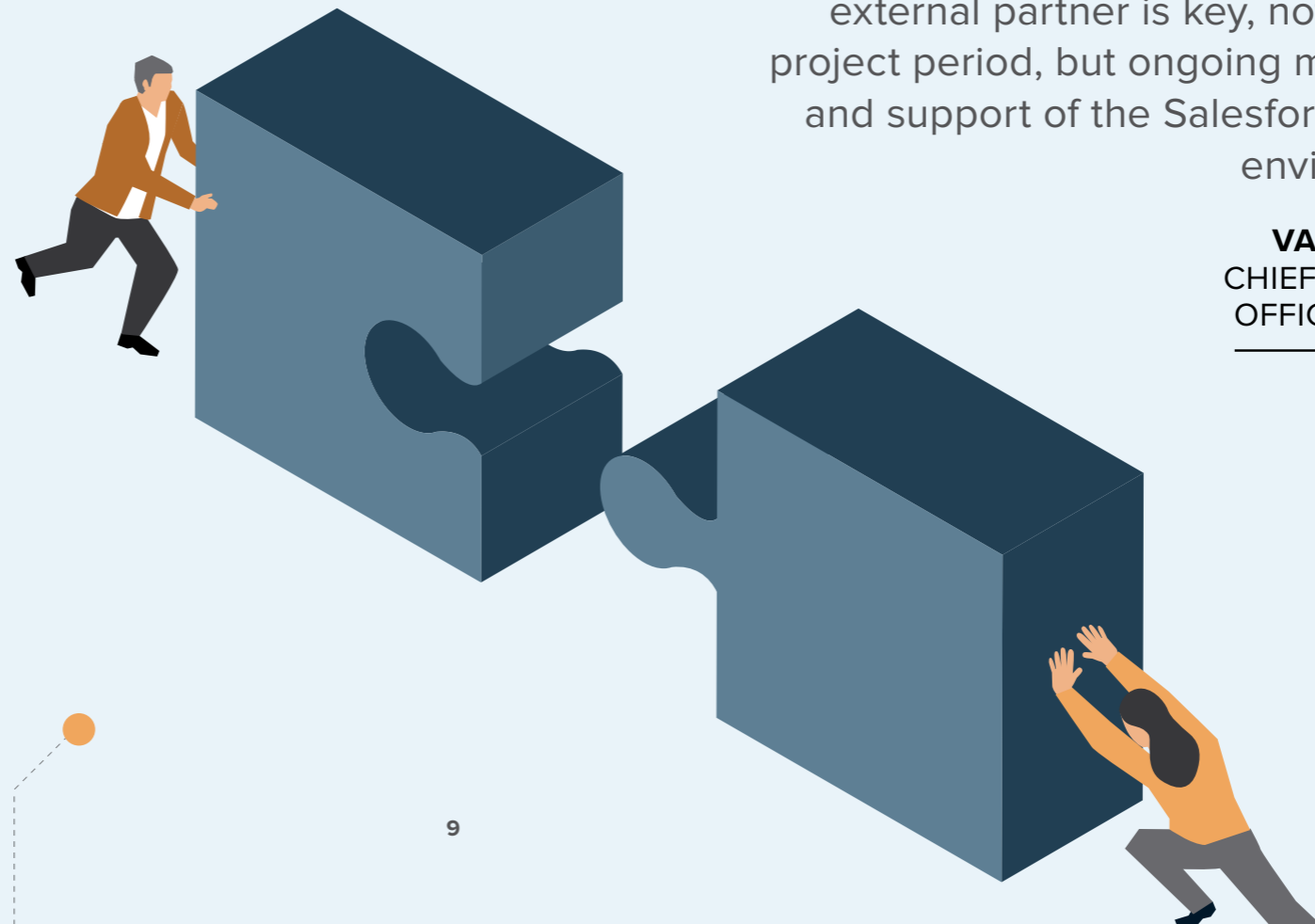
### The solution

Simplus implemented a whole new Salesforce instance to help Revelian transition from a volume based session/project style model to a SaaS based recurring revenue model. With CPQ, Revelian has been able to manage their current go-to-market approach and ensure business continuity for their existing client commitments. Thanks to the flexibility of the CPQ system, Revelian can grow and scale their products and services for a global market.

### THE RESULTS

- Flexible selling
- Granular reporting that influences decisions around quotations, pricing, discounting policies and product mix.

**12** weeks to full CPQ implementation



“Never underestimate the investment that it takes to change internal business systems that set the right framework for future success and scale. A trusted external partner is key, not just for the project period, but ongoing management and support of the Salesforce and CPQ environment.”

**VASS MALANOS,**  
CHIEF COMMERCIAL  
OFFICER, REVELIAN



## IN A NUTSHELL

CPQ can help your sales and finance functions become a collaborating, well-oiled machine. It simplifies the complex, makes data accessible and transparent, and helps you close more deals and improve customer experience. And that means less frustration and more profit.

### Want more tips and wisdom?

- [How Salesforce Gives SaaS Companies a Competitive Edge](#)
- [6 Ways Salesforce CPQ Improves the Customer Experience](#)
- [Design a CRM Your Sales Team Will Love and Adds Business Value](#)

**FIND OUT MORE**

**FOR MORE CPQ INSIGHTS,  
CONTACT THE TEAM AT SIMPLUS TODAY.**