Washing Away More Than Waste

Here's how a provider of water treatment systems rid itself of cumbersome quoting and ordering processes

Wallace & Tiernan, part of USFilter, a Siemens business, designs and manufactures a broad range of water and wastewater treatment systems. A leading supplier of chemical-feed equipment, the company offers disinfection/chlorination equipment, analytical instrumentation and controls, chemical metering pumps, dry feeders, flow meters, and UV disinfection systems. The business unit based in Guenzburg, Germany, Wallace & Tiernan GmbH sells directly to customers through its own sales representatives and internationally through other Siemens business units and channel partners. It provides complete water treatment systems including a variety of components that are selected and configured to meet each customer's application requirements.

Wallace & Tiernan GmbH was able to reduce its quote time by 65 percent by implementing software to reduce hand-offs, improve quote-to-order times, and upgrade the quality of proposals and bills of material. "The BigMachines Lean Front-End has enabled us to react more quickly and accurately to customer inquiries," says Günter Führer, general manager. "This has increased our ability to win orders dramatically." BigMachines provides web-based software to streamline the sales of complex products. The company's Lean Front-End software automates inquiry-to-order processes.

Before adopting the Lean Front-End, the Wallace & Tiernan staff had to manually analyze a customer's specification and select the correct components for a complex water treatment system based on their own application experience. Then, the staff had to manually enter the bill of material into the existing business system to generate a quote. This manual product configuration and quoting process took approximately four hours per quote. Since the staff was typically interrupted by many technical clarifications, it often took a long time to get back to the customer with a quote, which was not ideal. The company wanted to reduce the time needed to generate quotes and, at the same time, automate the technical validation checks required to ensure proposal accuracy.

Besides increasing sales efficiency, the company also wanted to capture the tribal knowledge residing in the heads of its engineers and sales professionals. They had accumulated many years of customer application expertise that had not been documented in any system. By digitizing this tribal knowledge, Wallace & Tiernan could train new employees easier, showing how to configure optimal solutions for customers and generate quotes quickly.

Prior to implementing the solution, Wallace & Tiernan conducted a business value assessment, or BVA, with BigMachines to identify improvement opportunities in its

front-end processes and quantify the cost savings expected through efficiency gains. The BVA identified an opportunity to reduce sales costs by 16 percent, which would equal a 2 percent increase in operating profit margin. Reducing the labor time per quote was the expected primary driver for these costs savings.

At the beginning of the implementation, a team of employees from both Wallace & Tiernan and BigMachines completed a detailed solution design to capture relevant product data and configuration logic as well as to develop a more efficient product data structure. These activities provided the data and design that became the foundation for the actual software implementation, which followed immediately. The joint team then collaborated to build a series of configurators for the individual system components (e.g. chlorinators) and an over-arching systems configurator to combine these individual components into complete water treatment systems to meet application requirements. The output from the configurator is a complete bill of material that drives the proposal generation and ordering process.

In addition to the configurator, Wallace & Tiernan implemented BigMachines Commerce Process software to automate calculation of pricing, costs, and customer-specific discounts, with the master price, cost, and customer data automatically loaded from the company's existing business system via BigMachines integration module. The personalization and security features of the system were set up to ensure that a user could only see the appropriate pricing and data for a particular customer, and the ordering process was seamlessly tied to Wallace & Tiernan's business system so that a quote could be automatically converted to an order and submitted electronically with no manual data re-entry.

With its new system, Wallace & Tiernan also wanted to improve the content and layout of its proposals to respond to customer feedback. The new format includes customer-friendly features such as an application summary and quote summary as well as pictures of the products being quoted.

Because the new system is available online via the Internet, the company found it easy to roll out the Lean Front-End solution to its global sales offices and channel partners. With some quick training, users all over the world were able to use the intuitive "point-and-click" Lean Front-End interface to configure systems and generate quotes in the appropriate languages and currencies.

"Since implementing the Lean Front-End, we can generate quotes much more quickly and respond immediately to our customers with rich proposals," says Hermann Woerner, the Lean Front-End project manager at Wallace & Tiernan, adding that the new proposal layout is helping the company win more orders. "The Lean Front-End has not only reduced our costs but also helped us grow our revenues." The average time spent per quote has been reduced by 65 percent. At the same time, the volume of quotes has increased by 25 percent with fewer staff members.

Führer adds: "Aside from the financial benefits, the Lean Front-End has also helped us to capture and digitize the valuable knowledge and accumulated experience of our sales and engineering team members. Now all team members have full access

to the collective market experience of Wallace & Tiernan."

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