Application of Six Sigma to Achieve Sales Lifecycle Optimization

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ABSTRACT

The objective of this paper is to optimize sales lifecycle performance at United Biosource Corporation through the Six Sigma DMAIC methodology to produce fact based, and data driven approaches with reduced process inconsistency. This methodology was applied to identify inefficiencies within the current sales lifecycle process, including excessive data collection and workflow activities. Evaluations of these inefficiencies identified critical to quality and critical to process inputs. On average, 285.33 hours per month are lost as a result of Smartweb related data and workflow performance activities. The identified drivers of these activities are: (i) external workflows; (ii) data cleaning; and (iii) outside reporting. The goal is to decrease the total number of hours per month spent performing these activities by 75% by the end of 2014. These results will be included in a subsequent publication. To date, the application of the Six Sigma DMAIC methodology to optimize sales lifecycle helped identify inefficiencies, develop solutions and a control plan to ensure the improvements are sustainable.

Keywords: DMAIC, Lifecycle, Optimization, Six Sigma, Smartweb, United Biosource Corporation

1. INTRODUCTION

Founded in 2003, United Biosource Corporation (UBC) provides pharmaceutical support services to make medicine and medical products safer and more accessible. UBC provides integrated, comprehensive clinical, safety and commercialization services to pharmaceutical and biotechnology companies. In the past 10 years, UBC has experienced expansive growth. The growth from 2003 to 2006 caused UBC to quickly outgrow their sales lifecycle process. In 2006, UBC released Smartweb, the first automated tracking tool to collect, centralize and report the end to end Sales Lifecycle, beginning when a request for proposal (RFP) starts as a lead until a final contract execution. The Sales lifecycle process is depicted in Figure 1. Smartweb was initially rolled out to the two business segments: Commercial Services and Late Stage Programs. It is used by: (i) the Sales Team; (ii) all users within the Sales Lifecycle; and (iii) Management.

Initial feedback yielded numerous complaints regarding data quality, workflow inefficiencies, and overall performance which
created excessive work around the Sales Lifecycle where users were manually cleaning data, collecting their own data for reporting and creating their own outside workflows. In the midst of managing these Smartweb pain points, UBC was acquired by Medco. In 2011, Medco was acquired by Express Scripts. These acquisitions, in addition to tremendous growth from new business opportunities, increased reliance on Smartweb’s capabilities and overall performance to support this growth.

In January of 2013, UBC re-released Smartweb to existing users and a new business segment, Commercial Access, which was added during the Express Scripts acquisition. This enhanced version added capabilities to support: (i) data integrity; (ii) enhanced workflow; and (iii) reporting capabilities. Since re-release, Smartweb continued to have data defects. The workflow did not include all business areas, which lead to outside workflows. Also, users were continuing to track data outside of Smartweb.

Smartweb is targeted to move from its current SharePoint platform to a more sustainable platform in the spring of 2015. To prepare for this migration, management wants to improve performance with a process improvement method to significantly reduce the time users spend performing outside data and workflow activities. This project was named “Smartweb 4.0”.

The Business Intelligence (BI) team within UBC manages Smartweb 4.0. The reports generated from Smartweb gave limited views with a large portion of those views having poor data quality. The BI team found itself spending at least 100 hours a month creating quality controls to clean the data and building reports that Smartweb is unable to provide.

2. BUSINESS INTELLIGENCE

The need to have quality data when we want it and exactly how we want it has become a ‘must have’ as companies are investing more in business intelligence software and tools to gain a competitive edge. A total of “$14.4B was spent worldwide on Business Intelligence (BI) and analytics enterprise software in 2013, increasing 8% from $13.3B in 2012.” (Sommer & Sood, 2014). This number is estimated reach $17.1B by 2016. While BI spending increases, having the right information and required insight continues to be a challenge. Companies follow an evolution that starts with tracking data in spreadsheets, to tracking and reporting data in a centralized area such as SharePoint, to eventually aggregating the data in a data warehouse such as a SQL or Cube based environment. This data aggregation becomes insightful when applying BI analytic tools such as Tableau, which turns the data into readily accessible dashboard metrics and reports to enable powerful business decisions.

The evolution from basic Excel calculations to powerful aggregated databases sounds straightforward, but it diverged by the process for which data is collected and the validity of the data. Companies across the world are challenged by poor data quality. Research shows that “Poor data quality is a primary reason for 40% of all business initiatives failing to achieve their
Business Intelligence Conceptual Model
[www.igi-global.com/article/business-intelligence-conceptual-model/53868?camid=4v1a](http://www.igi-global.com/article/business-intelligence-conceptual-model/53868?camid=4v1a)