



The next center of human experience? Your middle office.

Accelerate growth by transforming connections from front office to back.



A new center of gravity for human experience.

Experience is the modern battleground for brand loyalty and growth. Businesses across industries, both B2C and B2B, are working hard to elevate the experiences of customers, employees and partners at every point of engagement.

But too often those transformations don't go deep enough into the enterprise—into the functions that keep products going out the door and revenues coming in. Those functions, traditionally considered the middle and back offices of the business, are now increasingly visible externally and to employees across the organization.

The view isn't always pretty.

Consumers can now see the progress of an order from purchase to shipment to delivery, in real time. That's great ... when everything moves smoothly. But at the same time this advancement was taking hold, the COVID-19 pandemic threw a wrench into the works. When an order can't be fulfilled due to missing components or empty warehouses, that can erode confidence in your brand just as much as a misleading advertisement.

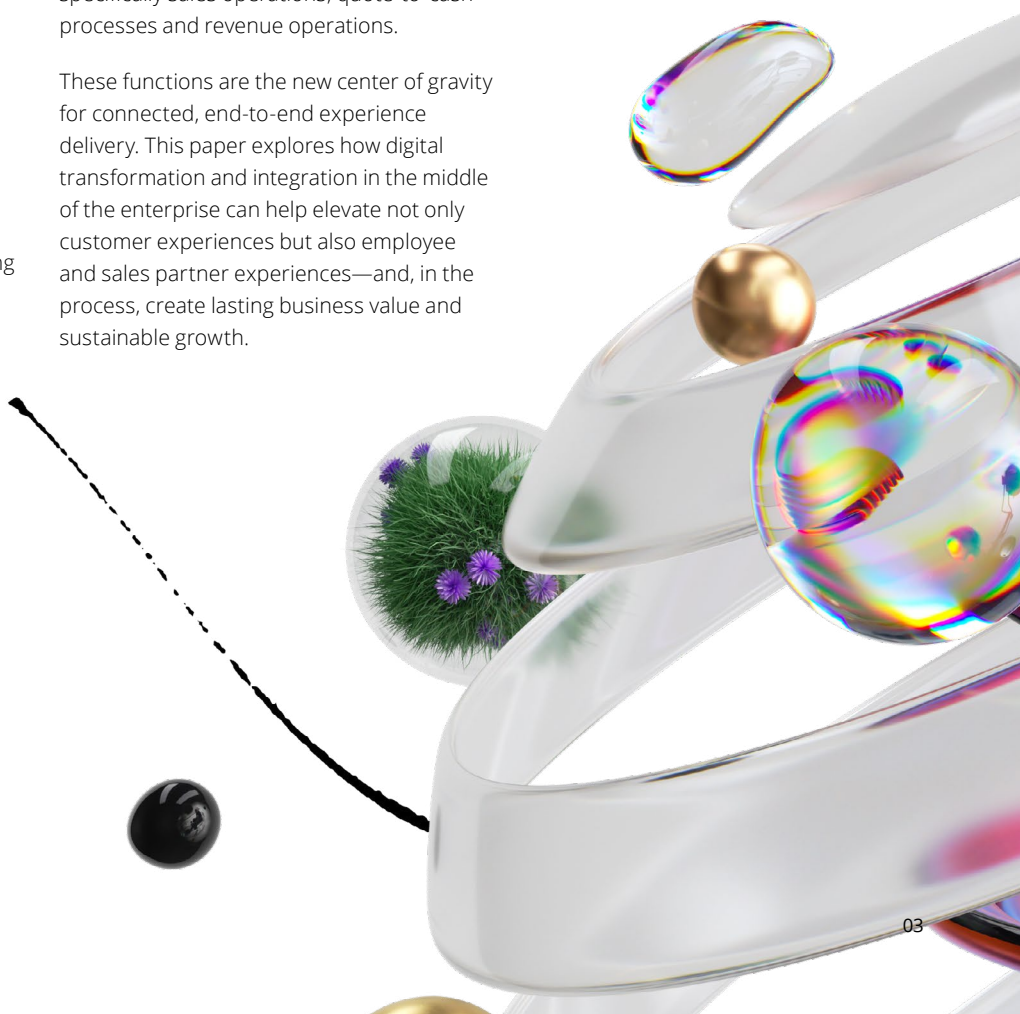
Similarly, when incentive models fail to encourage and reward sales teams for exceptional customer care, that can impact

employee and customer satisfaction every bit as much as selling a faulty product.

Experience delivery isn't just what happens at the proverbial "front door" of your business.

Indeed, the most important activities for connecting experiences of *what you deliver* with *how you deliver* happen in areas of the business that traditionally have been managed as behind-the-scenes, "middle-office" functions—specifically sales operations, quote-to-cash processes and revenue operations.

These functions are the new center of gravity for connected, end-to-end experience delivery. This paper explores how digital transformation and integration in the middle of the enterprise can help elevate not only customer experiences but also employee and sales partner experiences—and, in the process, create lasting business value and sustainable growth.



The weakest link is often right in the middle.

Seamless experiences for customers, employees and partners demand seamless business operations. It's not just about an attention-grabbing website or finely tuned supply chain—though those are undeniably important. In order to deliver truly standout experiences while delivering value to the business, companies need to strengthen operational connections, reduce friction and break down silos across every function of the enterprise.

Over the past generation, businesses have taken a bifurcated approach to solving these demands. First came the enterprise resource planning revolution of the late 1990s and early 2000s, when companies aimed to improve efficiency and performance through connection and automation of back-end financial systems, supply chain management, human resource management and other functions. In more recent years strategic focus shifted to the top line—to generating faster, sustained revenue growth through customer-facing, experience-focused improvements. All of these efforts helped drive competitive differentiation, enhance customer loyalty and accelerate business growth.

The trouble is, your enterprise is only as strong as its weakest link. And for most organizations, that weakest link is squarely in the middle, in connective functions that have traditionally been viewed as little more than internal “blocking and tackling.”

Sales operations: Few areas of the enterprise operate at the same pace and under the same demands as sales. Results are typically expected in a matter of days. Quotas, territories and commissions change frequently—and grow in complexity with every change. Sales organizations themselves are also increasingly complex, with new roles emerging to support a growing number of channels and customer needs. As leaders work to keep up with these demands, manual processes and systems established years

or even decades ago are often left in place, resulting in increasing friction.

Quote-to-cash: Customers today expect faster configuration, accurate pricing and contracting with improved user experience—all of that, even when buying something as option-rich as a car, insurance policy or home security service. Even in the business-to-business realm, where orders can involve thousands of custom-configured deliveries shipped to multiple distinct locations, demands for increased speed, accuracy, flexibility and ease have transformed the ways that businesses must manage this critical stage of customer or partner relationships. Yet businesses struggle to meet these expectations for a connected quote-to-cash process due to siloed teams, flawed setup of foundational capabilities, unharmonized and nonstandardized business processes, and system complexities. Shifting to subscription-based or usage-based models only adds to the challenge for many organizations.

Revenue operations: Revenue operations comprise the models, systems, teams and operations that facilitate revenue intake—that is, converting prospects to customers and customers into loyalists. Revenue operations involve nearly everything a business does—from marketing to sales, subscription management, service, procurement, inventory management, and financial planning and management. This can be the most powerful connective tissue of the enterprise and of human experiences. Unfortunately, that connective tissue is frequently frayed and weakened by an array of issues. Business units are frequently siloed and dispersed—even internally. Teams aren't aligned around unified strategies. Front-end and/or back-end technologies are overextended into functions they are less well-suited to support. Sales channels, pricing strategies and business models proliferate, unchecked. Customer and business data is scattered. All of this handcuffs

the ability to create modern, modular, scalable flexibility and responsiveness through the employee, partner and customer journey.



77% of companies with mature revenue operations functions report improved productivity among marketing, sales, finance and customer engagement teams.¹

Connecting the core of human experience.

Today, sales operations, quote-to-cash and revenue operations control and influence many of the most important revenue levers for the business. This is where critical activities such as product structure, pricing, quoting, contract renewals and amendments happen—in other words, the moments when customers ultimately decide whether and how much to spend with the business.

This is also the part of the business most responsible for generating and maintaining customer trust by connecting the promises made in marketing to the realities of the offering through fulfilment, configuration, provisioning and service. And this is where employee experience is made ... or broken. Organizations with highly manual sales, renewal and service functions frustrate employees and in turn customers—ultimately taking time away from high-quality engagement opportunities.

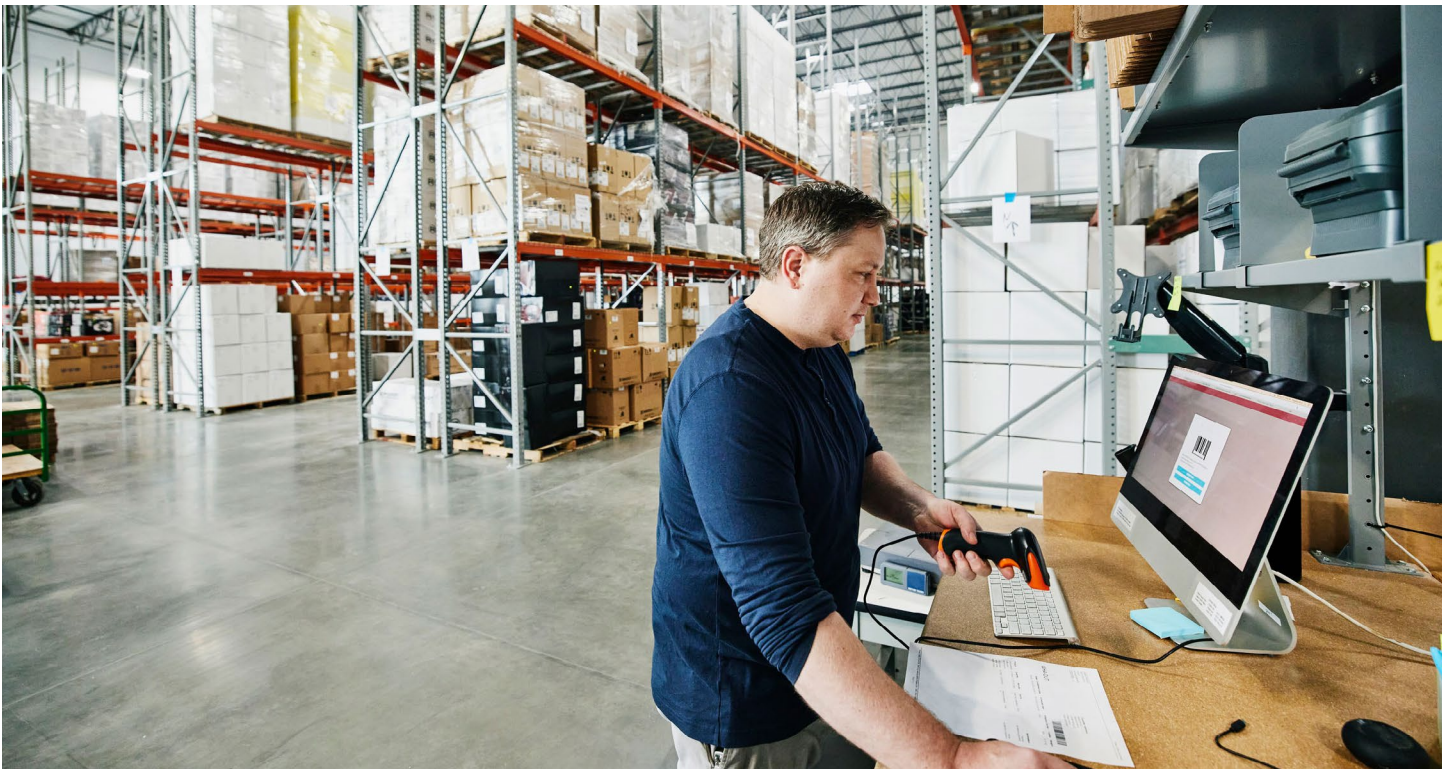
All of this means that while companies have spent the past generation focused on front-end and back-end functions and capabilities, it is *the connections between them* that can pull customers into tighter, more sustainable relationships with the business; that can energize productive and empathetic employee engagement with customers and brand purpose; and that ultimately can unleash the twin value drivers of top-line revenue growth and bottom-line efficiency.

This is even more important as different areas of the business take on new roles and visibility in experience delivery.

Capabilities such as digital self-service for order configuration, direct-to-consumer purchasing, real-time delivery tracking and subscription-based billing have given **customers** increasing engagement with functions once considered part of the middle

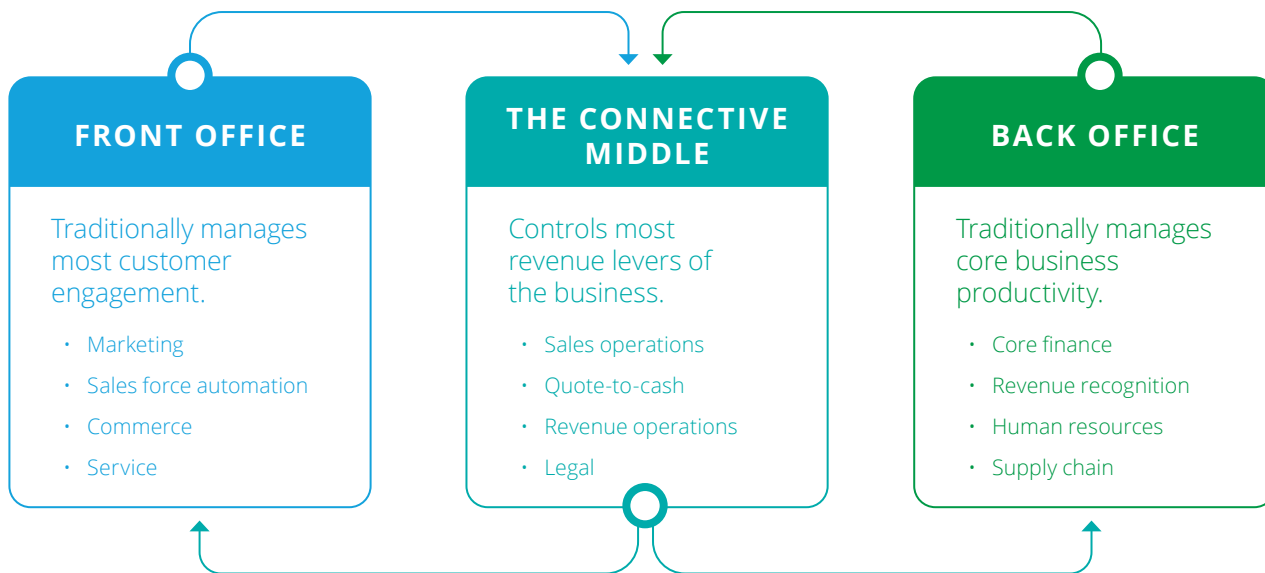
or back offices. Real-time sales performance tracking platforms, distributed marketing automation systems and next-best-offer capabilities built into contact center systems provide **employees** with new ways of engaging customers and generating business value. And some of those same tools and capabilities have brought **partners** into closer, more transparent collaboration with all aspects of the business.

Given these transformations, it's time to evolve the old, structure-based metaphor for enterprise "offices"—and, more important, the siloed operations that have resulted. Your front office may attract all the best customers and your back office may have all the right talent; but fragmented experiences at critical points along the journey will ultimately send those people right back out the door.



Finding your center.

With experience taking hold as the most important factor in competitive differentiation and in customer, employee and partner loyalty, connections across business functions have become increasingly critical. It is important to reimagine the enterprise as a constellation of interdependent, streamlined functions, with connective areas of the business creating a center of gravity that draws customers, employees and sales partners into tighter engagement.





It's not about doing one thing. It's about *becoming* one thing.

Targeted initiatives aimed at the connective functions of the business can have a powerful impact on the bottom line for both B2B and B2C businesses. For example, through our work with some of the largest businesses in the world we've seen that digital transformation of sales operations almost invariably results in a more productive, motivated, collaborative and engaged sales force. And by implementing modern sales performance management technologies together with new strategies that create a tight connection between business goals, sales incentives and quotas, companies can achieve significant acceleration of revenue growth, faster planning cycles and decreases in cost of sales.

Similarly, businesses that undertake digital transformation of quote-to-cash processes and systems typically see substantial reduction in manual quoting, increased average deal size and faster pricing model generation.

Those are powerful results on their own. But connecting better human experiences with

improved business value and performance isn't about *doing* one thing. It's about *becoming* one thing: an agile, integrated, digital organization where employees across the business are able to see and engage in customer value and revenue generation; where customers are able to experience the promises of marketing at every step in their relationship with the company; and where partners have a vested, mutually beneficial interest in shared success.

Building those connections across your business means focusing on four key concepts.

1. Commitment to digital at a strategic level.

Manual, siloed processes and point-solution tools must be streamlined, connected and infused with agility in order to move at the speed that today's markets, customers and supply chains demand.

Key to this is applying the right tools for the job. Many organizations try to shoehorn customer

experience capabilities into enterprise resource planning systems—or try to get customer relationship management systems to handle business data and financial needs. Vendors on both ends of that spectrum are working to enable this approach through added functionalities. While this approach can simplify your tech stack, it typically comes at a cost.

The best human experience and business value outcomes are more likely to come by focusing on cloud-based, best-in-class, as-a-service tools and platforms that fit the specific needs of your business, that are scalable and customizable, *and that connect outwardly from the neglected middle of your business*—specifically sales and revenue operations and quote-to-cash.

2. Creation of consistent experiences across channels.

Many organizations are focusing on connecting marketing experiences across channels. While this is important, customer centricity demands that you draw together experiences across channels *and across the full journey*, from first customer engagement to final order delivery and beyond.

Here especially, siloed operations can stand in the way. Oftentimes customer-facing initiatives such as the design of a website or commerce system fail to account for and connect seamlessly with the processes that exist “behind the scenes”—such as pricing models, compensation management, and invoice and contract management.

Connected order flows are just as important as connected customer journeys; yet many organizations fail to design for both. By enabling consistent, low-touch or no-touch processes across every touch point, companies can elevate experiences while also reducing friction in the moments that matter to customers as well as to employees and partners.

In the real world: Two global organizations forge one center of gravity.

Connecting capabilities across the middle of the business can be particularly challenging in the course of a merger or acquisition. Pricing strategies must be aligned. Contracting and order management must be harmonized. The list goes on.

Those were some of the key challenges faced in 2019 when two information technology managed service providers joined forces, resulting in a combined organization of 2,000 employees with 30,000 customers globally. The company asked Deloitte to help streamline its combined portfolio of more than 88,000 product SKUs and unify disparate sales, billing and revenue processes.

Key to success was moving away from a SKU-based model to an attribute-based model, and implementing a multilayered pricing waterfall with multiple currency capabilities. These efforts enabled the company to reduce its offering portfolio by more than 90% and automate product pricing via preapproved discounting rules. We also helped synchronize historical master and transactional data across systems, providing a more detailed understanding of each customer while allowing the company to provide consolidated invoices for all purchases. All of this was accomplished in 11 months—allowing the company to maintain and enhance its strong customer relationships and competitive position.



3. Use of business and customer data to personalize, enable and empower the sales force.

As the traditional owners of customer relationships, salespeople already understand the importance of knowing their customers. Yet sales operations are often ill equipped with the digital tools, data and analytics needed to deepen, personalize and extend those relationships at scale—and in the ways that today's customers expect.

Sales teams should have instant, on-demand access to data on the customer's purchase and service history as well as contracts and entitlement. They should also be able to connect to real-time data about inventory, shipping costs and delivery estimates. And they should be able to tap into next-best-offer

and lifetime value insights generated through analytics.

In short, they need access to any and all information that can support faster, more relevant offers at the best price for the customer and the best profitability for the enterprise.

4. Creation of a culture anchored on innovation and execution.

Becoming a digital organization is important on its own merits, but where it can truly transform experiences and business value is by enabling faster pivots, more inclusive and energetic collaboration, and more streamlined and consistent processes and governance. When repetitive tasks are automated and systems are connected, employees find that they have the time to focus on higher-value activities.

Moreover, they're likely to feel less frustrated and more motivated to create differentiated value for customers and the business.

In that sense, companies that invest in digital transformation are ultimately investing in the employee experience—and great employee experiences go hand in hand with great customer experiences.

Many organizations have seen these effects in pockets, as different areas of the business become more digital. But pockets of innovation do not equal a culture of innovation. Here again, the weakest link is often in the middle. By modernizing and digitizing sales performance management, quote-to-cash and other systems and processes, businesses can effectively infuse new energy and new possibility into the center of the business. And innovation spreads fastest when it radiates from the center.



Connecting it all, end to end.

A global, multibillion-dollar company struggles to pay its sales reps and channel partners accurately due to manual, time-consuming tracking and calculation processes using spreadsheets. Sellers are frustrated by delays, inconsistencies and a general lack of transparency. Managers struggle to manage the growing complexity of compensation models. And nobody is confident that quotas and incentives are aligned to business strategies.

This isn't 1985 we're talking about.

It's happening today—at some of the world's biggest companies. And it's just one example among the many challenges that businesses face in the teams, technologies and processes that connect customer-facing and core business functions.

But with these challenges comes significant opportunity for those businesses that proactively and strategically focus on modernizing the connective middle of the business.

When sales teams have customer data and marketing assets at their fingertips to sell more effectively, and when they can also self-monitor account assignments, quotas, incentives and compensation, they become more motivated, efficient, loyal and creative. All of which is great for customers and for your business.

Similarly, when quote-to-cash and revenue operations are streamlined, automated and connected, it enables greater visibility and better forecasting for the business, while giving customers and partners a more coherent and satisfying experience.

That's what it means to find your new center of gravity. It's about drawing customers, employees and partners into closer, more enduring connection with your company through the connections that you make within your company.

Questions to ask yourself:

- How are revenue leakage and missed opportunities impacting my bottom line?
- Are our systems and processes optimized as we shift to as-a-service and subscription-based business models?
- Have we designed our experiences around our *customers* ... or our *organization*?
- What manual steps are required to report on the key measures of our business?
- Are we able to derive insights from our data to improve the experiences we provide?
- How would our best salesperson describe our systems? Do they add value to selling?
- How would our best customer describe the experience we provide?
- How many systems do we have and utilize, from the moment a lead is captured to the point when a product or service is delivered?
- Do I have complete visibility across the life cycle of our most-important business processes?
- Are we taking full advantage of our technology investments? Are they being used for what they were intended?



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SOURCES

1. Forrester Consulting, *The Rise Of Revenue Operations*, July 2021, A Forrester Consulting thought leadership paper commissioned by Salesforce, p. 15.

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