

Case Study:  
CUSTOMER RELATIONSHIP MANAGEMENT

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# CREATING TANGIBLE BENEFITS FOR STRATEX NETWORKS WITH INTEGRATED GLOBAL CRM

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## STRATEX NETWORKS

### STRATEGIC ALLIANCE



“[BearingPoint] knew our business and how we could leverage Siebel eBusiness applications as an effective solution. They were there from the start to mobilize and drive the implementation. And the collaboration and knowledge transfer throughout the process helped our staff understand the system and make system modifications after the [BearingPoint] team’s departure.”

— PETER GORDON  
Director, Worldwide Customer  
Relationship Management,  
Stratex Networks



Business and Systems Aligned. Business Empowered.™

A leading manufacturer of equipment for wireless systems, Stratex Networks, Inc., produces microwave systems with supporting network management and monitoring systems. Numerous acquisitions, development of cutting-edge technology, and the broadband “bubble” fueled its exponential growth. Stratex’s global organization offered a wide range of equipment and services, but its geographically dispersed operations were not efficient and used separate, nonintegrated IT systems and independent business processes. This lack of consistency made it difficult to present a unified front to customers from both a sales and service perspective.

Stratex is the largest independent manufacturer of microwave systems, having pioneered wireless digital transmission technology almost 20 years ago. Over 250,000 of its radio systems have been used in cellular applications, broadband wireless access, and high-density

backbone communications networks. Stratex operates in 95 countries worldwide, and emerging countries building a communications infrastructure are a core market for the company’s products. To present Stratex as a single entity capable of understanding and meeting the needs of its customers, our industry-focused team helped Stratex establish an integrated global platform for all of its financial, order management, and backhaul functions.

With manufacturing, sales, and support locations throughout the world, Stratex’s legacy systems impacted nearly every aspect of the organization, from sales revenue and inventory availability to management reporting and accounting. The company faced numerous challenges including:

- Increasing inventory levels
- Growing shipment costs

- An increase in order administration personnel
- Accuracy of revenue and product forecasts

Such challenges drove the sales force to focus on maintaining client relationship issues, as they were forced to deal with technical order details, explaining order fulfillment missteps, and preserving Stratex's reputation in the marketplace.

Our team leveraged our proven solutions and telecom industry expertise to help Stratex quickly create and implement a state-of-the-art IT infrastructure and implement best-in-class customer relationship management (CRM) software to support its global operations.

## THE ERP FOUNDATION

A CRM system in many ways mirrors the efficiency of an organization to the customer, since the customer touches every conceivable function in a vendor. For example, customers touch financial functions by virtue of accounts receivable and deal with manufacturing and purchasing by virtue of product orders.

“[BearingPoint]’s fundamental approach to achieving business objectives through business process engineering with a technology component helped us to refocus on what is most important. They provided us with a road map to basically restructure our business in a planned, programmatic manner that could be adjusted to our business conditions. Each milestone on this road map has generated operational efficiencies resulting in substantial contributions to the bottom line. The CRM implementation was just another major milestone on this road map that realized exceptional value to Stratex.”

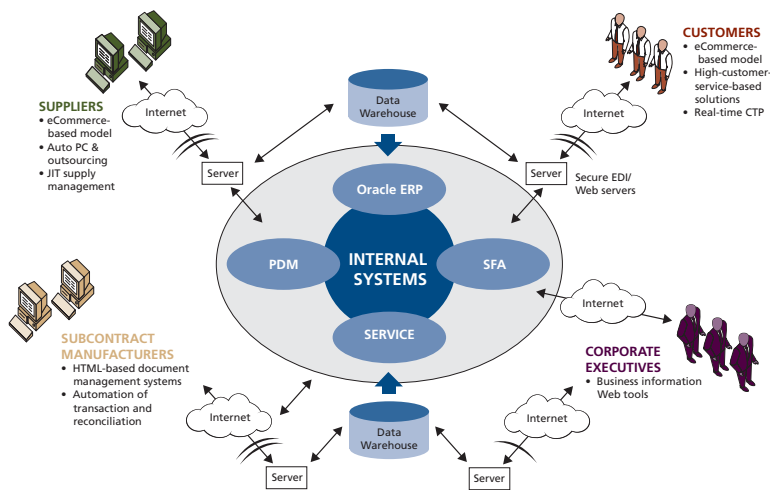
— B. LEE JONES  
 CIO, Stratex Networks  
 Recipient of 2002  
 CIO Magazine 100 Award

## PROVIDING A COMPREHENSIVE BEST-IN-CLASS CRM SOLUTION

Fully aware of a high failure rate among some sales force automation (SFA) system implementations, Stratex asked BearingPoint to conduct a focus

group to determine the expectations of the SFA system by executives and the sales force. It was clear that in order to meet qualitative reporting objectives, the underlying data entered by the sales force must be accurate. Therefore, to accurately define the CRM strategy and design the CRM system, BearingPoint focused on enhancing the CRM functionality and improving the ability of the sales force to sell.

Our team travelled with and interviewed key members of the Stratex sales force to better understand the sales process, order-error issues, and the detailed requirements of selling microwave systems. We discovered that to alleviate current system inefficiencies, the new system had to address the complicated multitier selling system that had evolved to accommodate complex product-accessory orders. For example, a missing \$5 accessory part could halt customer payment on a \$100,000 microwave system sale. Or an apparently simple change of a microwave radio system's transmission frequency on an order would require that the product be rebuilt prior to shipment. These important product details, coupled with a dispersed international sales force, necessitated a standard product catalog and product configurator tool.



As in many companies, a salesperson at Stratex requesting additional discounts for a prospective client must initiate a time-consuming process of approvals up a hierarchy. Different levels of discounting for both tactical and strategic purposes must be reviewed by management. This process was particularly cumbersome at Stratex, often taking up to 10 days given the travel schedules of Stratex's executives.

BearingPoint teamed with Stratex's internal IT staff to design and build a CRM system whose main objectives were to:

- Create an opportunity management system
- Develop a comprehensive product-quoting engine to automate the engineering of site-specific microwave radio systems and provide a detailed list of accessories
- Automate the discount approval process by reducing the approval process from 10 days to 1 – 3 days from anywhere in the world
- Deliver an accurate forecast and reporting engine for the executive staff

## THE BIG PICTURE

Siebel® Sales resides principally on the salesperson's laptop, allowing him or her to use this solution on frequent flights around the globe. Nightly synchronizations keep management informed on any quote changes and act as an accurate demand-planning tool for manufacturing. Direct Siebel-back-office system integrations eliminate the need to retype orders, thereby promoting improved order accuracy.

Stratex's enterprise resource planning (ERP) system now works in tandem with the Siebel CRM system to instantly reflect changes in order status. In addition to providing real-time order status updates to the sales team and client representatives, this integration provides manufacturing with visibility into the sales team's quotes and allows manufacturing to see customer demand and adjust inventory levels as needed.

The flow-through ordering process has reduced data entry by 95 percent and reduced order errors by as much as 90 percent. In addition, the quote approval process is now automated with real-time alerts delivered to approvers, notifying them of the quote awaiting approval. Today, the automated approval process takes only one to

three days. The speed and accuracy of the new system enable the sales team to focus on generating revenue, not resolving administrative issues.

We worked with Stratex's IT, manufacturing, finance, marketing, and administrative process owners to ensure that the CRM system configuration and rollout plan would be coordinated with the ongoing efforts of each group. The team put the system through rigorous testing and thoroughly trained Stratex's sales staff during pilot sessions prior to live cutover. We then helped troubleshoot and offered application support to end users and process owners enterprise-wide upon live launch.

In the second phase of the project, our team worked with Siebel Systems, one of our strategic alliance partners, to implement the product configurator and opportunity management functionality worldwide.

## FOCUSED ON REALIZING RESULTS

Within four months of live launch, more than 90 percent of the sales force worldwide had adopted the system. Designed to increase sales revenue first and generate management reports second, the system had a positive impact across the global organization by:

- Reducing order errors with new robust quote engine
- Enhancing ability to respond to market conditions with automated discount request feature
- Clarifying manufacturing visibility into field activities that may impact inventory levels
- Increasing visibility into the pipeline, improving the quality of sales and revenue forecasts
- Supporting ability to respond instantly to opportunities and produce quotes

At our recommendation, Stratex is implementing Siebel's Target Account Selling program, which will allow Stratex to better coordinate sales efforts at large multiregional and multinational telecom carriers and potential OEM (original equipment manufacturer) telecom manufacturers.

The system's consolidated functionality and streamlined back-office processes have helped Stratex reduce costs and increase efficiencies. In addition, the integrated data-sharing environment enables Stratex leadership to access enhanced reporting tools and make more informed decisions. The system provides more timely and accurate product and inventory data and robust

"Implementing Siebel eBusiness Applications to do the product configurations, and the interface between Siebel and our ERP system, was a huge undertaking; however, the end results were even better than we expected. All of our systems are interfacing successfully. The data is more qualified and accurate. And the system is low-maintenance, with only one nontechnical person maintaining the product configurator."

— BRUNO GOUGEON  
 Manager, Application Support,  
 Stratex Networks

account management tools, which arm Stratex's global sales force with information that can help them more confidently negotiate with new and existing customers.

The world telecommunications market has substantially changed since the inception of Stratex's CRM and ERP system in 2000. Designed originally to support its exponential growth, the systems have proved to be a help in managing the telecommunications market downturn as well. Productivity

increases realized by the system have allowed Stratex to reduce head count while maintaining and increasing customer responsiveness.

## **BUSINESS AND SYSTEMS ALIGNED. BUSINESS EMPOWERED.**

BearingPoint provides business consulting and systems integration to Global 2000 and government organizations. Our approximately 16,000 professionals in 39 countries leverage extensive industry and technology domain experience and flexible tools and methodologies to successfully deliver on time and on budget. We get the job done for our clients because we do whatever it takes to deliver on our promises with speed and purpose.

As our name implies, at BearingPoint we help our clients set the direction to reach their goals. As business systems integrators, we align our clients' business processes and information systems to enable them to access the right information at the right time, empowering them to achieve their desired business results and create enterprise value. To learn more about BearingPoint, please contact us at 1-866-BRNGPNT (1-703-747-6748 from outside the U.S. and Canada) or visit our Web site at [www.bearingpoint.com](http://www.bearingpoint.com).



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