CASE STUDY

Kyocera reduces process time of pricing approval by 85% to win more business and empower employees

The Japanese multi-national printer and copier manufacturer, Kyocera was looking to optimize their pricing approval process for large accounts. They required a system that would increase visibility for senior executives so that they had a clear view of information required to make the final decision and ultimately speed-up the process.

The automated process has not only reduced the process time by 85% to accelerate turnaround time and win Kyocera new business, but it has also helped to free up the time of employees. The process, which was previously conducted via email and Excel spreadsheets was modeled in Bizagi and integrated with SAP to directly activate the opportunity to purchase.

Objectives

- Optimize Excel and email-based Special Pricing Approval (SPA) to speed up 10 days average process time
- Increase visibility for senior executives to give approving VP a clear view of information required to make final decision
- Integration with SAP and legacy systems to relieve employees of manual data entry tasks
- Provide opportunity for material and intellectual growth of employees
- Document processes to meet SLAs

Achievements

- Reduced the average SPA process time by 85% from 10 days down to 1.5 days on average
- Accelerated turnaround to win more new business with pipeline of over €300million in revenue each year
- Integrated with SAP to directly activate the opportunity to purchase
- Freed up employees’ time, 20 minutes per approval, to allow them to grow and add value
- Accelerated responses to enable better customer service

“The integration of Bizagi with our ERP system, SAP, was an emotional breakthrough for our organization... It was not about convincing those people their job has disappeared, but showing them how easy that task now is, and providing them with opportunities to better spend their time.”

Kyohei Shimada, Manager, Digital BPM
Overview

Japanese multi-national electronics and ceramics manufacturer, Kyocera was looking to optimize their pricing approval process for large accounts. With the help of Bizagi, not only did they reduce the average process time by 85%, but they also made the process more visible and traceable, making the business more competitive which has helped them to win more large contracts.

Challenge

Kyocera was looking to optimize its special price approval (SPA) process with automation. The Excel and email-based pricing approval process was taking far too long – an average of 10 days. This was not in accordance with agreed SLAs.

The approving VP did not have a single, clear view of the information that was required to make his final decision. The slow turnaround times resulted in the potential to miss out on deals that Kyocera could have won if they had the ability to make a more immediate decision.

Solution

Initially when a DPA approach was proposed, it took a long time to gain buy-in as the executive reaction was that the solution was “too good to be true.” After comparing Bizagi with IBM’s automation solution, the team decided to roll out Bizagi due to the efficiencies they had already seen when using Modeler in other departments.

The team digitized the pricing approvals process in around five months with only one implementation expert. The SPA now no longer uses Excel to transport the request through the process and the approval levels and routing are controlled and integrated with other systems. This was a precursor to writing the code in meta language in Bizagi Studio so scenarios could be simulated, and rules tested.

Following the successful launch of the new process application, the team has iterated the process to include intelligent analysis using past data to make a recommendation to the approving individual as to whether they should approve or reject.

Results

The digitized process has reduced the average process time by 85% from 10 days down to just 1.5 days on average. By accelerating responses, Kyocera is now able to work more efficiently with partners, offer better customer service and win more deals. The business is more agile, which means they can make faster decisions regarding pricing, making them more competitive and winning more larger contracts, generating €100-200million in revenue each year.

“Considering the significant benefits, this is an effective way to embark on DPA”

Frank Beyer,
BPM Manager EMEA

In addition to obvious benefits around speed, quality and time, tacit knowledge that is used in the process has also made transparent and can be validated, which makes the process less reliant on the specific knowledge of individuals.

The next step is to integrate this system with SAP so that approved pricing is loaded directly into SAP to activate the opportunity to purchase. The aspiration now is to move to instant approval and activation where most deals are approved instantly and uploaded to SAP.