

# Compelling Cases of Competitive Advantage Through Sales Force Automation



*The QuoteWerks Collection  
of Case Studies*

*2007*

**Quote  
Werks**  
The way quoting should be...

## Price's Alarm Systems Increases Operational Efficiencies and Reduces Sales Expenses With QuoteWerks

The Price name has been associated with security in the greater Vancouver Island region of Canada since 1895, with the establishment of the locksmiths *Price & Cousins*. Price's Alarm Systems is the latest addition to the family owned security business portfolio and is managed by the grandson of the late founder of this family enterprise.



PRICE'S ON LANGLEY STREET, VICTORIA IN THE LATE 1930'S  
(NOTE THE 4 DIGIT PHONE NUMBER ON THE SERVICE VEHICLE!)

Today, Price's Alarm Systems serves alarm system sales, installation, and monitoring needs of businesses and residences throughout Vancouver Island. As a result, the company manages seven locations with a sizeable field sales team dedicated to either business or residential clients. One hundred and twelve years of experience in the security industry has allowed Prices' Alarm Systems to become one of the largest independent alarm companies in British Columbia.

### Challenges

The success of Price's Alarm Systems has called attention to the need for increased efficiencies in their sales and back office processes. The greatest challenge was the accurate preparation of costing sheets for each sold project. When sales representative sold an alarm system the representative would write up the project specifications on the costing

sheet using manufacturer specific books to pull part numbers, component costs, and list costs. The representative also manually calculated labor on the costing sheet.

From this costing sheet, the sales contract was created and compared against the costing sheet prior to submitting the contract to the customer and scheduling the installation. This review process required significant time efforts of two support personnel who would set aside other critical tasks to complete this manual review and correction process.

The prior manual process was riddled with challenges, none the least of which were:

**1) Accuracy:**

PRICE'S ALARM SYSTEMS - COSTING SHEET										
SBT #		JOB #:								
LOCATION:		DIGITAL <input checked="" type="checkbox"/>		CUSTOMER (billing address):						
7006 Mc DONALD		RADIO <input type="checkbox"/>								
1175 GATE Lane		DVACS <input type="checkbox"/>								
VA		OIC <input type="checkbox"/>								
POSTAL CODE:		LATE TO CLOSE <input type="checkbox"/>		POSTAL CODE:						
PHONE: 803-3968 cell		CONTROLLED <input type="checkbox"/>		PHONE:						
CONTACT: 744-4096		REPORTS W M		CONTACT:						
START DATE REQUESTED:		ALARM RESPONSE: <input type="checkbox"/>		KEYS RECEIVED: <input type="checkbox"/>						
SELF-GEN: <input type="checkbox"/>		REF. COUPON: <input type="checkbox"/>		KEYPAD ENABLED? FIRE <input type="checkbox"/>		PANIC <input type="checkbox"/>				
TELESALE: <input type="checkbox"/>		PHONE/WALK-IN: <input checked="" type="checkbox"/>		CONTROL TYPE: P 232-16		PREWIRE HRS: 0				
COMPONENT PRICING: YES <input checked="" type="checkbox"/>		NO <input type="checkbox"/>		TAKEOVER: <input type="checkbox"/>		From		COMPLETION HRS: 13		
Wire - Component Pricing		Number of Meters Quoted		Number of Devices		Devices				
- Retail Pricing - 22/2 pr or 3 pr				18		**				
		Number of Meters Quoted		Used		Meters		**		
						108		**		
		Number of Meters Quoted		Used						
PART #	EQUIPMENT	LOCATION	DONE	SUBSTITUTES	COMPONENT	RETAIL	HOURS			
500	232-16	PANEL	UNDER STAIRS		525	270	4-			
-	LED	KEYPAD	TO VEH							
50	SS 15	SIREN	next to panel		75	29	1.50			
105	LED	KEY(A)	UPR.		145	96				
40	LED	DCI	ROOM		60	8				
			TO GARAGE							
			TO DECK (upst)							
280			FAIR R slider		420	56				
		WC	TR							
			FAIR R							
			" 2							
80	MIN 14	smoke	at top of stairs		125	69				
70	LY 25	PIR	living room (Met area)		100	49				
70	"	"	FAIR R -		100	49				
40	"	WA	IN HALL-2		60	8				
105	LED	KEYPAD	by		145	96				
70	EX 35	PIR	PC.		100	49				
80	PIR 40	smoke	in		125	69				
40	"	DC.	En.		60	8				
40	"	MIC	W.I.		60	8				
1530										
SPECIAL INSTRUCTIONS:					SUB TOTALS:	2040	1064	22		
					INITIAL FEE:					
					MONITORING DISCOUNT:	450				
					OTHER:					
					TOTAL:	1590				
					ANNUAL MONITORING:					
					ALARM PERMIT:					
					EXTRAS:					
R. F			706 21							
REPRESENTATIVE NAME			DATE (mm/dd/yy)							

The manually created costing sheet presented numerous accuracy challenges to include:

- Illegible writing could lead to wrong parts being pulled, wrong prices billed, inaccurate costing and revenue forecast reports, and delays in order fulfillment.
- Incorrect prices were entered as a result of outdated price sheets in a manufacturer's book or from transposed numbers at time of completion.
- Calculation errors were frequently encountered due to human error.
- Wrong part numbers were as prevalent as inaccurate pricing. Part number inaccuracies had significant internal impacts in the inventory control and purchasing processes. The company was exposed to the possibility of ordering and maintaining inventory of under-demand components and not having enough stock of the necessary components to fulfill the order. Naturally these risks carried financial and customer fulfillment/service ramifications that were not acceptable to Price's Alarm Systems' management team.

## 2) Administrative Time:

Reviewing the sales contract against the costing sheet was a labor intensive operation that required two support staffers attention. As the company grew and sales increased, so to did the volume of projects requiring this quality assurance review. Over time, less productivity on other business critical operations was observed of these support staffers since their time was being monopolized with the costing sheet reviews and corrections. The company could add additional headcount to offset the loss of productivity, but that would incur additional employment expenses without generating additional revenues to offset and ultimately justify this option. It was decided that the process had to be automated and the company adopted a sales force automation initiative that led to the evaluation and ultimate adoption of QuoteWerks.

In addition to the sales process challenges, Price's Alarm Systems was operating in a mixed environment of SQL and non-SQL databases. As such, the utilization of SQL and non-SQL databases led to numerous and recurring latency issues with the SQL server's processing of data and queries. Management quickly identified the need to secure a sales quoting application that offered a SQL backend and support.

## Best Practices

Sales force automation initiatives and the deployment of related technologies/applications present unique challenges for both the adopting company and its sales force. Not only must stakeholders and implementation principals ensure the accurate and timely cutover to ensure no loss of business, they must also sell the newly automated process and its tools to the sales force. Sales representatives are often skeptical with some even intimidated by new software applications that require the mastery of new skills and processes, all of which can take time away from the representative's ability to sell and earn money. Poorly planned and supported implementations can often fail because the sales team is unwilling to adopt the new technologies in a unified and consistent fashion.

In response to this concern, Price's Alarm Systems added ease of use and intuitive design into their selection criteria used to evaluate the short listed solutions. Price's Alarm Systems' Kyle Goulet (the company's QuoteWerks Administrator) also devised a training program that would divide the sales reps into similarly skilled groupings to facilitate rapid mastery of the chosen solution based on existing technical skills and computer function familiarity. Given the nature of the security installation industry, many seasoned sales representatives are reluctant to adopt automated technologies in place of the manual creation of sales quotes and estimates.

As with many companies, Price's Alarm Systems have unique and differing sales processes for their consumer (residential) and business (commercial) prospects. The residential sales representative does not typically prepare detailed line item quotes in the field. Rather, the representative will quote a residential installation and recurring monitoring costs using a standardized quote sheet that provides general information on the company, its monitoring standards, and the quality of the chosen security system. As such, the quote is an informal document that summarizes a total installation cost and the recurring monthly charge for monitoring. Under this model, the sales representative needs the automation solution to assist and improve the accuracy of the costing sheet used to process the order upon return to the office.

Commercial sales require a multi-step sales process unlike the single stage residential sale. Rather, commercial sales representatives will initially visit the prospect to secure specific details on the desired system, obtain necessary measurements and layouts, and review monitoring options. The commercial sales representative will then return to the office to prepare a formal sales quote and revisit the client to present a formal quote and related documentation. Under this model, the sales representatives require a solution that will enable them to create crisp, professional, and absolutely accurate quotes for their formal presentation. The commercial sales representative must also provide all relevant spec sheets and literature with their quote. The ideal solution would need to automatically store and allow for the inclusion of this supplemental documentation with the quote. Like the residential representative, commercial sales will also require the chosen system to facilitate the efficient and accurate preparation and processing of the requisite sales order documentation to include the costing sheet.

In short, Price's Alarm Systems was in need of a sales quoting solution that would:

- Be easy to learn with ample support and training materials available.
- Be flexible and customizable to account for specific process and output needs.
- Accommodate the varying sales quoting and process needs of both residential and commercial sales.
- Reliably and efficiently allow for accurate quote and cost sheet development thus reducing the required manual oversight of support staff.
- Support storage of data on a SQL server.
- Allow for customized labor calculations.
- Function within a Windows Terminal Services environment.

**Results**

Price's Alarm Systems selected the Corporate Edition of QuoteWerks 4.0 for their quoting needs. While the initial approach and attraction to QuoteWerks focused on its ability to replicate the costing sheet layout and allow for accurate and efficient completion of this critical sales deliverable, other advantages and significant results were quickly realized.

The most significant and beneficial results of deploying QuoteWerks can be found in the new costing sheet and its preparation and handling.

Price's Alarm Systems						Costing Sheet			
Location		Billing Address		Quote #	06LQ9866				
John & Sue Robertson		John & Sue Robertson		Cust #					
1122 Douglas Street Victoria, BC V8Y 2K7		115 - 1320 Street Calgary, AB T2P 5J9		Job #					
Phone: 250-658-5522 Fax: 250-658-3888		Phone: 403-262-1234 Fax: 403-262-8888		Req. Start Date	1/22/2007				
				Lead Source	B PHONE in				
				Job Type	B New Mon/Install				
Qty	Serv	Part #	Description	Location	Fin. (m)	Pre (m)	Component	Retail	Hours
1		NX8-CUS	Alarm panel, English keypad, battery, transformer, alarm jack, & yard sign	Garage	0	0	\$440.00	\$380.00	2.00
1		Keypad	Keypad Location	Garage Entrance Way	0	0	\$0.00	\$0.00	0.00
1		NX416E	Wireless Receiver, 16 zone	Panel	0	0	\$100.00	\$100.00	0.50
1		SP30	Siren, 30 Watt Horn-Cone Style	Garage	15	0	\$95.00	\$39.00	0.35
1		60-659	4 Button Keyfob		0	0	\$65.00	\$65.00	0.00
1		60-659	4 Button Keyfob		0	0	\$65.00	\$65.00	0.00
1		CONTACT	Contact, wired	Inner Garage Door	15	0	\$65.00	\$8.00	0.35
1		CONTACT	Contact, wired	Front Door	15	0	\$65.00	\$8.00	0.35
1		CONTACT	Contact, wired	Diningroom French Door	15	0	\$65.00	\$8.00	0.35
1		CONTACT	Contact, wired	Livingroom Door	15	0	\$65.00	\$8.00	0.35
1		CONTACT	Contact, wired	Main Floor Guest Suite Door	15	0	\$65.00	\$8.00	0.35
1		CONTACT	Contact, wired	Lower Level Guest Suite Door	15	0	\$65.00	\$8.00	0.35
1		CONTACT	Contact, wired	Master Bedroom Door	15	0	\$65.00	\$8.00	0.35
1		DIGI 75	Pet-Friendly PIR	Main Floor Guest Suite	15	0	\$115.00	\$79.00	0.35
1		DIGI 75	Pet-Friendly PIR	Lower Guest Suite	15	0	\$115.00	\$79.00	0.35
1		DIGI 75	Pet-Friendly PIR	Upper Foyer	15	0	\$115.00	\$79.00	0.35
1		OHD59A	Overhead Door Contact	Main Garage Door	30	0	\$120.00	\$36.00	1.00
1		DIGI 65	PIR (motion detector) - harsh area	Garage	15	0	\$115.00	\$69.00	0.35
1		WB200	Flood Sensor	Utility Room	15	0	\$155.00	\$110.00	0.35
1		WB200	Flood Sensor	Laundryroom	15	0	\$155.00	\$110.00	0.35
1		240COE	Carbon Monoxide Detector	Master Bedroom	15	0	\$195.00	\$180.00	0.35
1		2012HA	Smoke Detector, wired	Lower Hallway	15	0	\$125.00	\$69.00	0.35
1		2012HA	Smoke Detector, wired	Upper Hallway	15	0	\$125.00	\$69.00	0.35
1	29.95	Digital	Digital Monitoring - Intrusion		0	0	\$0.00	\$0.00	0.00
1	7.00	Resp Plan (Res)	Residential Response Plan		0	0	\$0.00	\$0.00	0.00
1	10.00	MSP	Maintenance Service		0	0	\$0.00	\$0.00	0.00
			Finish Wire Run	\$0.40/m @ 2.6 min/m	285			\$114.00	12.35
			Pre-Wire Run	\$0.40/m @ 1.25 min/m		0		\$0.00	0.00
\$46.95			<b>Totals</b>				\$2,555.00	\$1,699.00	21.80

The numerous issues cited with the manual costing sheet are resolved through QuoteWerks. In addition, product and price data is dynamically stored and managed via a SQL database. Sales representatives can quickly add a product to the quote and costing sheet with the assurance that the data is accurate and correct to the specifications of the installation job. Labor is now automatically calculated based on the product entered and allows for manual adjustments for specialized installation needs.

Administrative support time has been drastically reduced given the proven and verified stability and accuracy of QuoteWerks. The two support personnel have been able to return to other business critical endeavors now that QuoteWerks streamlines the quality assurance and contract review process through increased data integrity.

As for the adoption of QuoteWerks by the sales team, as expected there was some initial intimidation and skepticism. However, most sales representatives were able to master QuoteWerks within an hour of training. Given the various efficiencies introduced by QuoteWerks, the sales representatives are able to prepare their sales paperwork in a fraction of the time it used to take, allowing them to get back into the field to meet with additional customers.

Prior to QuoteWerks and Terminal Services, the company was required to maintain work stations with PCs for each member of the sales team. This ensured that each member of the sales team had access to a computer to process their sales orders should the entire team be at the office concurrently. Combining QuoteWerks with Windows Terminal Services, a solution is achieved that affords the sales team the ability to work from home or the field, thus reducing the required footprint and hardware required previously to support their work. All that is needed are laptops and access to the network via Terminal Services.

The deployment of QuoteWerks served as the unintended catalyst for Price's Alarm Systems creative solution to their need for laptops. Kyle Goulet, reports that he worked with the company's leadership team to develop a Computer Purchase Plan that would allow the company to offset the new hardware acquisition cost while offering their employees a new and highly desired benefit.

Through the Computer Purchase Plan, employees can now purchase a laptop through their employer and pay it back through payroll deductions. This feature allows the sales representative to schedule appointments during convenient times for their customers and then return home to complete the required "paperwork." According to Kyle Goulet, the new Computer Purchase Plan is widely appreciated by the sales team whom now has the ability to own laptops and have the flexibility to work remotely. For Price's Alarm Systems, the benefits from this program include reduced overhead costs and a new employee perk that helps attract and retain employees.

In summation, the leading benefits of adopting QuoteWerks for Price's Alarm Systems sales quoting and costing needs include:

- Operational efficiencies - reduced labor time to audit costing sheets, ease of product and pricing data maintenance, automated and streamlined quote and order processing / tracking, and enhanced reporting throughout the sales cycle.
- Reduced sales expenses - reduce time to prepare quotes and costing sheets means more time to sell. Additional cost savings associated with sales support and audit tasks, hardware cost transfer to employee through the Computer Purchase Plan.
- Integrated solution linking their CRM, Accounting, and Quoting solutions together for a unified and efficient sales system.

## Technical Specifications

- QuoteWerks 4.0 Corporate Edition - utilizing its built-in integration with GoldMine®
- Sedona Office integration with QuoteWerks for integrated Accounting
- Concurrent licensing allows for reduced license count
- Windows Terminal Services environment
- Data hosted in a SQL database

## Client Details



### The First Family in Home Security

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