Pipeline Management:

A Knowledge Management Challenge

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A look at the application of Dr. Michael Stankosky's Enterprise Engineering Management approach to address a knowledge management challenge for Epic Logistics. This paper will outline the design, and implementation of a knowledge management system for that organization.

I. The Knowledge Management (KM) Challenge.

a. Background.

Epic Logistics is a privately owned U.S. company which is comprised of 20+ facilities located in 10 countries with 800+ employees utilizing major gateways in the U.S. Epic Logistics is comprised of a cargo carrier and airline. As contingency operations downsize overseas and the defense and federal budgets retract, Epic Logistics has set its sights on transitioning from its historically federal customer base (government agencies and defense contractors alike) and expanding its commercial customer base.

b. Defining the KM Challenge.

To achieve the desired transition, the leadership of Epic Logistics have identified weaknesses in its current Business Development (BD) and Sales processes, which were previously concealed by the sheer volume and success of the existing federal business. The BD and Sales leaders need to guide the force in the right direction with the identification and disambiguation of desired sales activities which will drive the attainment of sales objectives and, ultimately, drive business results. At present, the sales objectives and activities are clearly identified, but Epic Logistics lacks appropriate knowledge transfer mechanisms (to include tools) from which to identify, share and monitor sales activities toward the desired business results: generating more revenue and diversifying the customer base.

Succinctly put, Epic Logistics' KM challenge is Attaining and Maintaining Visibility of the Business Development and Sales Pipeline to include:

- Clear view of what opportunities are being pursued and their progression in the pipeline
- Visibility on sales activities which directly correlate to achieving sales objectives and business results
- Ability to forecast potential revenue against pending opportunities and make related business decisions

II. The Approach.

This paper leverages the Enterprise Management Engineering (Three Milestone) concept developed by Dr. Michael Stankosky to ensure that Epic Logistics designs and implements a KM system to address the BD & Sales pipeline management challenge.

a. Identify Inputs – Milestone I.
Figure 1 outlines and aligns the activities required for Epic Logistics to identify the inputs to the desired KM system. The activities listed are actual activities scheduled and taken during milestone 1 for Epic Logistics.

At this point, we will emphasize the results of Epic Logistics' four pillar audit. In KM there are four pillars that are always at play and under consideration when addressing a KM challenge. They are: Leadership, Organization, Technology, and Learning – they are ALL critical as knowledge management cannot successfully exist without each of the four. Here is a summary of the audit:

- Leadership: Epic Logistics' BD & Sales leadership understands and has identified the challenge; the goals and objectives are clear, but the business culture may pose a challenge
- Organization: The BD & Sales metrics are in place, but once a tool is selected, the processes, procedures, MBO techniques and incorporation into the workflow will need to be tailored to fit the selected tool

- <u>Technology</u>: Epic Logistics' current tools are not meeting the needs of the BD & Sales team; it is specifically hindered by the current knowledge generation and knowledge assurance practices.
    - Knowledge Generation: The current **perception** (and reality) of the existing tool is that it is not user friendly; within the tool **discovery** of information is fragmented
    - Knowledge Assurance: **Availability** is limited, the current system requires users to login in from a PC and they must be within the intranet; **integrity** of the information is not easily verified and often times legacy data (i.e., contacts and organizations) are retained
- <u>Learning</u>: At present, the team's ability to share information is conducted via routine teleconferences and virtual meetings, but the information has to be transposed out of one location and into another format or medium – which is often a time consuming action and well **above the workflow**

b. **Conduct the Process – Milestone II.**

Epic Logistics is a regionally distributed organization with similar functions across the regions and varied roles and responsibilities associated with those challenges. Here we will outline the various regions; functional organizations or divisions; and the roles / responsibilities and inter-relationships of the regions and functions.

    <u>Regions</u>. Epic Logistics has a global presence which is divided into four regions: Americas, Europe (and Africa), Middle East and Pacific Rim (PACRIM). The headquarters (HQ) for these regional divisions are located in: Buffalo, NY - USA; Frankfurt Germany; Dubai, UAE (both Middle East and PACRIM), respectively. In addition to these regional headquarters Epic Logistics also maintains a Corporate HQ in Orlando, FL – USA and a Corporate Global Business Development office in Herndon, VA – USA.

    Epic Logistics also has representation within the regions at the following locations: Americas have a physical Los Angeles, CA and Atlanta, GA Gateway presence; Europe has an office in the Netherlands and representatives in the UK and France; Middle East has two locations in Dubai, an office in the passenger airport free zone and a warehouse and open storage facility adjacent to the cargo airport with close proximity to the seaport; PACRIM representation maintains offices in Malaysia and Japan with representatives also coordinating activities from Australia.

    <u>Functions</u>.

- **BD&S**: responsible for identifying long-term, high dollar value and revenue business opportunities (BD) as well as consistent lower yield, but high volume transactional and recurring opportunities (Sales)
- **Ops**: has a division of the type of roles: a) planning / coordinating / monitoring of shipments and b) execution of shipments
- **CS**: responsible for providing quotes and pricing for customer requirements as well as addressing customer inquiries and needs
- **IT**: responsible for providing enabling technologies for the conduct of the above functions (e.g., CRM tools for BD&S, cargo management systems, customer support systems and other traditional IT functions for an organization); Epic Logistics IT conducts heavy in-house customization and development of IT solutions

Inter-relationships. At Epic Logistics the entities are essentially a federation of companies. On paper, they each exist as their own entity according to the requirements to conduct business in the respective region. Each region has its own Managing Director or President. The MDs have their essential support staff (i.e., accounting & finance, human resources) who conduct business as applicable to the laws and regulations of the region, but the final say for HR and Finance are the corporate leads who reside in the Americas. Additionally, there is some cross-regional functional coordination of varying levels: the BD and Sales are the teams coordinate efforts with notional "dotted line approach" where the VP for BD and the regional MDs agree to act in coordination with each other. Meanwhile the operations teams have a synchronization meeting cross-regionally to keep all interested parties updated of on-going missions. While the airline has its own call where there is periodic involvement of the ME operations team, typically the flight management center. The HR teams regionally coordinate under the guidance of the corporate VP for HR. Meanwhile IT is centralized in the US, with rotational deployments of team members for roll-outs (typically 2-3 weeks at a time) and short-term placement of leadership (i.e., 1-2 years) for more complex requirements.

Figure 2 shows the activity plan for Epic Logistics to achieve Milestone II. Figure 3 outlines the tasks and deliverables in an action plan for meeting Milestone II.

c. Evaluate the Outputs – Milestone III.

Epic Logistics is not yet at the point to execute Milestone III. However, it will require the team to develop an integrative management plan for the KM system, a plan for integrating the KM system with legacy components and how to implement and manage the change.

To date, Epic Logistics has identified a new tool for use in addressing the KM challenge. The integrative management plan is in draft format, but includes the business rules, associated metrics and measures as aligned with the existing business results. The legacy IT system has been decommissioned and the processes have been updated to reflect use of the new technology.

Figure 4 depicts the implementation timeline for Epic Logistics to successfully launch and implement the KM system. At present, one of the regions has been trained and the Sr. Leadership team are having discussions on how to better integrate the tool to inform organizational decision-making.

MILESTONE I		
1	Define/illustrate your enterprise. Focus on key relationships and stakeholders.	Utilize the draft Vision, Mission, Goals. Identify current pipleline relationships & stakeholders; differentiate between BD and Sales
2	State the value proposition of your organization.	Need to understand your (VP BD) vision and value of the pipeline to the organization at the following levels: - Executive / Enterprise - Managing Director / Region / Field - BDMs / KAMs Should consider other values (i.e., calculating ICP, metrics, setting BD/KAM goals & targets and aligning to the vision / mission etc.)
3	List the critical intellectual assets needed to make strategic decisions.	Defining the Pipeline phases, transition times, where and how we pupulate and make decisions with, for, and about the timeline
4	Identify throughout your enterprise the sources of your intellectual assets for strategic decision-making.	This includes things like Deltek, Centurion, FedBiz Ops, etc.
5	List no more than 3 strategic objectives in measurable terms (include success factors).	Need VP BD to define success for the pipeline management system; i.e., metrics that demonstrate improved efficiency, effectiveness and innovation for our pipeline…
6	Identify the critical enterprise environmental changes that would impact your strategic objectives (to include what sensors you would put in place to monitor).	TBD
7	Do an audit of the 4 pillars in your organization (ensures that you have all the key ingredients in place for a knowledge Management System).	Four Pillars are: Leadership, Organization, Technology, Learning Will develop a survey to address these

1: Milestone 1 -- Actual Activities

MILESTONE II		
1	List the enterprise-wide functions to accomplish the strategic objectives.	Luckily, we won't need to touch too many more enterprise busness units to make this happen: IT and the Regions will be key
2	Diagram the operational processes to accomplish these functions.	SOP Development; BD Spt Mgr & Pgm Lch Mgr to Map out (source, CRM Guide)
3	List the intellectual assets required to accomplish both functions and processes.	SOP Development; BD Spt Mgr & Pgm Lch Mgr to Map out (source, CRM Guide)
4	List the sources of these intellectual assets.	SOP Development; BD Spt Mgr & Pgm Lch Mgr to Map out (source, CRM Guide)
5	Lay out, in general terms, the codification and personalization strategies to leverage these intellectual assets. Indicate where these two strategies overlap. Address their particular functions: assure, generate, codify, transfer, and use.	Codification & Collaboration: Develop an SOP Assure: TBD Generate: TBD Codify: TBD Transfer: TBD Use: TBD
6	Diagram the formal organization structure.	Complete - use existing org. chart
7	List or diagram the informal organizational structure and show where they support the formal one.	Here's where we highlight the invisible "dotted lines" from the regions to the BD process?
8	List the KM technologies needed to support the KM strategy	To date: Pipedrive; others?

2: Milestone 2 -- Activity Plan

	DELIVERABLES		TASKS	
A	Smart sheet for each user group			
			Review current CRM guide for user roles	
			Roundtable discussion with Ted & Ted to define each users: roles, responsibilities, areas of interest, etc. -- Get feedback	
B	Smart sheet for definitions and lexicon			
			Review CRM guide for current deficitions and lexicon	
			Validate definitions	
			Review areas within pipeline and define / align to terms	
C	Capture and define business rules			
			Review current CRM guide	
D	Goals and metrics sheet			
			Roundtable discussion with VP BD for BDM goals, MDs for Regional goals	
			Re-build original activity settings & and add National "activity types"	
E	Finalized pipelines			
			Create Federal & Commercial pipelines	
			Edit the Regional pipelines to reflect 30 JAN discussions with Mark B	
			Finalize goals for the BDMs in the Global BD pipeline	
			Work with MDs to finalize goals for KAMs in the Regional pipeline	
			Determine stages for the vertical pipelines…	
F	Finalized organizations			
			Scrub CRM, vendor registrations and reconcile against defense contractor assignments	
			Assign organizations to BDMs or KAMs as "owners"	
			Format and prepare for upload into pipedrive	
			Create organizational activity filters for each BDM and KAM within pipedrive	
G	Finalized Contacts			
			Pull report from CRM and align to new assignments	
			BDMs / KAMs review and verify information is current / correct	
			Upload into "people" on pipedrive	
H	Pipeline roll-out deck / Read-Ahead Slides			
			Pipedrive Overview (video link) 13 min. vs. 2 min.	
			Pipedrive and Day-to-Day BD & Sales Actions (i.e., relevance, linkage to ICP, BD Team, user roles, others?)	
			Business Rules Review	
			Company / Contractor Assignments	
			Trade Show and Conference Process	

3: Action Plan for Milestone II

DATE	ACTIVITY	CORRESPONDING DELIVERABLES
10, 12 Feb	Follow-up with Pipedrive Support about identified 'glitches'	
	Finalize Organizations and Contacts	E, F, G
		Request personnel review their deals, and owned organizations
	Scrub existing deals within pipeline for completeness	E
14-Feb	IPR with BD Center	
	Purchase Pipdedrive	Use Sue Andress' CC for billing; as per routine Herndon Purchases
19 - 21 Feb	Finalize Business Rules	Send to VP BD, MDs for review and feedback
	Finalize Terms and Definitions	Send to VP BD, MDs for review and feedback
24 - 25 Feb	Finalize Slide Deck for Launch Meeting	
	Pipedrive Overview (video link) 13 min. vs. 2 min.	Embeds
	Pipedrive and Day-to-Day BD & Sales Actions (i.e., relevance, linkage to ICP, BD Team, user roles, others?)	
	Business Rules Review	Select Top 5? 10? To highlight…
	Company / Contractor Assignments	Review within pipedrive
	Trade Show and Conference Process	
26-Feb	Distribute Read-Ahead Materials	
	Pipedrive Overview (video link) 13 min. vs. 2 min.	Embed & separate
	Launch Slide Deck	
	User Quick Guide	(Most important fields for deals, orgnaizations, people for BDMs and KAMs; Logging Activities against a contact ("organizations" or "people") vs. "deals"; Following deals for updates and alerts
27-Feb	Americas Team start arriving	
28-Feb	In-Depth Launch Sessions with Americas MD & KAMs	
3-Mar	BD Telecon -- Launch / Pipedrive Overview	0900
	In-Depth Pipedrive WEBEX with BDMs	1100 - BDM #1
		1230 - BDM #2
		1400 - BDM #3
		1530 - BDM #4
4-Mar	In-Depth Pipedrive WEBEX with Middle East Team	0700 - 0830 (1600 - 1730 Dubai Time)
5-Mar	In-Depth Pipedrive WEBEX with European Team	0900 - 1030 (1500 - 1630 Frankfurth Time)
6 - 7 Mar	Q & A Available	0900 - 1000 Timeframe open for WEBEX as required
14, 21, 28 Mar	Pipedrive Help Desk Windows for BD Team	0900 - 1000; WEBEX Available for any remaining issues to be addressed

4: Implementation Timeline

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