A Data Scenario:

You are working on an opportunity management project for Tammy Smith, VP of Sales, for Perfect Books Corporation. Tammy has hired you to help her get a handle on her sales process. PBC has good sales and an excellent product line. Management expects Tammy to deliver at least 25% revenue growth per year over the next three years. There are plenty of customers in the market and many are interested. Tammy's team is working flat out but Tammy is still worried. Is her team focused on the best opportunities? How much new business do they currently think they have? Are all the members of her team operating at a high level? Tammy just doesn't know until the sales figures come in for the month and she sees what surprises are lurking in the numbers. She wants you to give her a transparent view of the process so that her know what will happen, not guess.

Tammy wants to implement an opportunity management process whereby all her sales people will approach every opportunity in a consistent way. An opportunity is defined as a specific piece of business at a specific customer that PBC has the chance to win. Opportunities are normally described as being for a customer, involving one or more products, having an estimated close date, an estimated annual dollar value, and a probability of success. An opportunity's expected value is calculated by multiplying the dollar value of the opportunity by the probability of success, and it is recorded in the quarter in which it is expected to close. Unfortunately, this information is kept and calculated in different ways by different sales people and no one has access to it all.

Tammy's plan is to introduce an opportunity process that includes three phases. When a new opportunity is created, it enters the *Propose* phase meaning that PMP must propose the products that will satisfy the customer's needs (some are off-the-shelf and others are made-to-order). Once the sales person and Tammy's Technical Support team figure out how to solve the customer's needs they make a proposal to the customer and the opportunity moves into the *Evaluate* phase. This phase is often frustrating as it is driven by the customer and some of them take much longer to respond than others. If the customer likes the proposal, the opportunity enters the *Negotiate* phase where Tammy and his sales person agree with the customer on the terms and conditions of the sale. The opportunity is closed when the first order is placed.

To make this process transparent, Tammy wants to introduce a Sales Activity reporting process that all members of her team will use to document each of their activities associated with any given opportunity. Assuming there is a meeting with the customer, the sales person would document the outcome by entering an activity that included the opportunity, the date, any To Do items for themselves or other members of Tammy's team, a list of key points from the meeting, any change to the estimated close date, estimated value or probability of the opportunity and then a narrative description about the meeting. Tammy is planning to limit the probabilities that sales people can use to Propose (5%, 10%, 20%), Evaluate (20%, 35%, 50%) , Negotiate (50%, 75%, 100%). Opportunities whose expected values stay the same or improve are good, those that decline by less than 10% are OK and those that decline by more than 10% are a problem. If a sales person thinks the odds of an opportunity coming to completion is less than the lowest of these percentages, they are instructed to recommend killing the opportunity to Tammy. Documenting all these activities should give Tammy the information she needs to understand what is happening in his team and what she can expect to happen in the future.

You are reviewing your own work and want to make sure that it is of top quality.

You created the form below to collect the information that Tammy wants about everyone of the activities his sales people perform. Now that you have it completed you have some questions about it. In your prototype, the characters in italicized bold print are data recorded in the corresponding field.

Opportunity Number:	*2014-0014587-234*	Created Date	*11/22/21*
Customer:	*Book Store Limited*		
Products:	*Textbook #1* *Textbook #2*		➖ ➕

Estimated Value:	*$18,000*	
Estimated Close Date:	*6/8/23*	
Estimated Profit:	*$6,500*	

Action Items:

Number	Action	Who
1	*Get some book samples*	*Rachel* ➖ ➕

Description:

This is a great opportunity for us to get into the university bookstore market

1. When during the opportunity management process would a sales person fill out a Sales Activity report?
   a. At any phase
   b. Propose
   c. Negotiate
   d. Evaluate

2. What essential field from Tammy's process is missing from this proposed form?

a. A customer contact
　　　　b. Number of items to be sold
　　　　c. The probability of closing the sale
　　　　d. Sales territory
3. What field didn't Tammy ask for but is still probably a good idea?
　　　　a. Action number
　　　　b. Estimated profit
　　　　c. Description
　　　　d. Date the opportunity was opened

4. What do the buttons (-,+) next to product and action most likely do?
　　　　a. Add or delete products / actions
　　　　b. Add or delete comments about a product / action
　　　　c. Highlight the priority of a product or action
　　　　d. None of these

5. If there are four data entities represented on this form, they are:
　　　　a. Task / Customer / Product / Probability
　　　　b. Opportunity / Value / Customer / Product
　　　　c. Opportunity / Task / Close date / Product
　　　　d. Opportunity / Action / Customer / Product

Having analyzed Tammy's processes and data needs you have begun to build prototype of the reports she will need. You decide that the first report you should work on for her is a summary of the expected value of all opportunities distributed according to when they are expected to close. Here is the prototype of that report. Again, italicized bold print represents data.

Expected Value of Current Opportunities ($000)				
	2021Q1	2021Q2	2021Q3	2021Q4
Sales Person 1	*$55*	*$112*	*$400*	*$500*
Sales Person 2	*$321*	*$99*	*$200*	*$150*
Sales Person 3	*$150*	*$200*	*$250*	*$300*

6. Which of Tammy's needs is this report addressing?
　　　　a. Sales profitability
　　　　b. Increasing the close rate
　　　　c. Lead generation
　　　　d. Opportunity transparency

7. What business rule is most critical to this report?
　　　　a. Defined values for probabilities
　　　　b. Definition of expected value
　　　　c. Definition of the opportunity process
　　　　d. Definition of an opportunity

8. If you were to further divide each sales person's data to improve Tammy's understanding of where his growth plans stand, what variable would you use?

a. Phases
   b. Products
   c. Action Items
   d. Probability

Current Opportunity Status Report By Sales Person ($000)					
Opportunity		Phase	Value	Probability	Status
1001	Example 1	Negotiate	$500	50%	Red
1002	Example 2	Propose	$350	20%	Green
1003	Example 3	Evaluate	$400	60%	Yellow

The second report you prototype for Tammy considers the status of each opportunity. You are thinking of several different ways you could define the status of an opportunity and are wondering how best to give Tammy the most information possible in a simple, understandable report.

9.   If status is based on the direction of changes to the expected value of the opportunity, what would yellow be telling Tammy?
   a. Not to count on the expected value of this opportunity in her forecast
   b. To raise her forecast because this opportunity is doing 10% better than most and a higher expected value is likely
   c. The opportunity has lost value, but less than 10%
   d. The opportunity has lost value, and should be killed

10.   What column could best be added to this table to make it more valuable?
   a. Action Item
   b. Product
   c. Current Customer
   d. Expected close date

11.   Why is the color coding of value to Tammy?
   a. The color coding makes the table easier to explain to her team
   b. The color coding gives her a way to know who is her best sales person
   c. The color coding doesn't have any value as it doesn't change the data
   d. The color coding gives Tammy a quick sense of whether things are getting better or worse