



PeopleSoft Order Management Sales Order Margin Manipulation



- Introduction
- Margin Manipulation/Sprinklebacks Overview
- Margin Manipulation/Sprinklebacks Process
- Margin Manipulation/Sprinklebacks Worksheet
- Questions and Answers



- Thales Communications Inc.
- Our PeopleSoft Environment
- Our Business Issues & Challenges



- Highly dynamic company
- Specializes in tactical communications equipment.
- All products are designed, developed and manufactured at one facility
- Located in in Clarksburg, Maryland
- Part of the Thales family of international electronics companies.
- The Thales Group employs over 65,000 people in 50 countries



- Using PSFT FSCM 8.9
 - OM, IN, PO, Mfg, SP, BI, AR, AR, GL, PC...
- HRMS 8.9
- LMS (ELM) 9.0
- Microsoft Shop
 - SQLServer 2000 & 2005
 - SharePoint
- PTC Windchill PLM
- SalesLogix CRM



- CEO “directive” regarding Margins...
- Adoption of PSFT as means to track and Manage Margins
- Training Users
- Reporting on Progress



Provide the ability to quickly and easily manipulate the Sales Order or Quotation to meet specific prices and achieve specific margins in order to secure customer business and meet margin goals



- Known Value Items (KVI) – designated products or groups of products where the selling price cannot be reduced or increased
- Non-discountable Products (NDP) – designated products or groups of products where the selling price cannot be decreased
- Alternate Unit Cost – a “bumped” or padded cost (financial cost + X) that allows alternate margin calculations to preserve the financial cost
- Section – Logical and/or user defined grouping of order lines/schedules that may be used for price manipulation, subtotals or other



Margin Manipulation/Sprinklebacks – Process



Adjusting “Net Unit Price” (NUP)

- At the line level
- At the “section” level
- At the total order level
- Via the Worksheet

Enterprise Pricer

- Does its work initially
- Displays results (NUP, margins, etc...)
- User manually “works” the margins, totals, etc....



Adjusting a single line

- Select “Margins” tab
- See initial results
- Make desired changes

Creating a new section

- Select the “Margins” tab
- Enter section ID
- Section ID optional
 - Will default to sequential number section identifier when the margin adjustment page is displayed
- Subsequent lines will retain these settings until cleared



▼ Price Summary

▼ Margin Adjustments

▼ Cost Summary

Adjustment Parameters

Reason Code:	<input type="text"/>	Cost Basis:	Alternate Cost	<input type="checkbox"/>	Equalize Margin Percentages
Price List ID:	<input type="text"/>			<input checked="" type="checkbox"/>	Set Price Protected Flag

Enter Worksheet Adjustment Values or Formula

Adjustment Type:	Adjust By:	Adjust Amount:	Order Adjustment Formula:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

[Margin Adjustments Worksheet](#)

Total Cost:	341.6460	
Margin Amount:	<input type="text" value="2645.4940"/>	
Margin Percent:	<input type="text" value="88.56"/>	<input type="button" value="Adjust Order Margins"/>

▼ Order Summary

Gross Order Total:	2928.00	Total Payment Received:	0.00
Line Adjustments:	59.14	Payment Applied:	0.00
Order Adjustment:	0.00		
<hr/>		Order Deposit Balance:	0.00
Total Net Price:	2987.14	Deposit Required Basis:	3166.37
Freight Amount:	0.00	Deposit Percent:	0.00 %
Freight Tax:	0.00		
Tax Amount:	179.23	Deposit Required Amount:	0.00
<hr/>			
Net Order Total:	3166.37 USD	Total Due:	0.00 USD

Margin displays at the Order Line

Line	Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship Options 1	Ship Options 2	Claimback / St	
*Line	*Status	Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula	Adjustment Type
1	Open	10000	20.6400		<input type="checkbox"/>	<input type="checkbox"/>	64.6908	26.12	247.6800		Adjust Net Unit Price
2	Open		0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000		Adjust Cost for Price Adjust Extended Amount Adjust List Price Adjust Margin Amount Adjust Margin Percent Adjust Net Unit Price

Adjustment Type	Adjust By	Adjust Amount	New Price List ID	Reason	Calculate
Adjust Margin Percent	To Equal	30.00		PRICE	Calculate
					Calculate
					Calculate
					Calculate
					Calculate

Margin Manipulation/Sprinklebacks –Process



Line	Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship Options 1	Ship Options 2	Claimback / St	
*Line	*Status	Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula	Adjustment Type
1	Open	10000	20.6400		<input type="checkbox"/>	<input type="checkbox"/>	64.6908	26.12	247.6800		
2	Open		0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000		

Ship To	Ship To Taxes	Ship Options 1	Ship Options 2	Claimback / Supply Source	Configuration	Buying Agreement / PO	Margin Amount	Margin Percent	Extended Amount	Formula	Adjustment Type	Adjust By	Adjust Amount	New Price List ID	Reason	Calculate
							64.6908	26.12	247.6800		Adjust Margin Percent	To Equal	30.00		PRICE	Calculate
							0.0000	0.00	0.0000							Calculate
							0.0000	0.00	0.0000							Calculate
							0.0000	0.00	0.0000							Calculate
							0.0000	0.00	0.0000							Calculate

Land & Joint Systems

Margin Manipulation/Sprinklebacks –Process



Line	Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship Options 1	Ship Options 2	Claimback / St	
*Line	*Status	Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula	Adjustment Type
1	Open	10000	20.6400		<input type="checkbox"/>	<input type="checkbox"/>	64.6908	26.12	247.6800		
2	Open		0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000		

Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount
10000	21.7844		<input checked="" type="checkbox"/>	<input type="checkbox"/>	78.4208	30.00	261.4100
	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000
	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000
	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000
	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000



Why use sections?

- Create logical grouping of order lines
- Not required for Margin Manipulation/Sprinklebacks
- Section totals can be manipulated
- Can use “sections” as a selection for the
 - Worksheet
 - Total order adjustments
 - Viewing margin information

Char's System

Purple Monitor	1 ea
Purple Keyboard	1 ea
Purple Mouse	1 ea

Total:	\$12,000.00











Sales Order Sections:

	Line	Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship	
	*Line	*Status	Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount
<input type="radio"/>	1	Open	10000	21.7844	SEC-1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	78.4208	30.00	261.4100
<input type="radio"/>	2	Open	10002	25.0000	SEC-1	<input type="checkbox"/>	<input type="checkbox"/>	19.2809	77.12	25.0000
<input type="radio"/>	3	Open	10012	65.0000	SEC-2	<input type="checkbox"/>	<input type="checkbox"/>	37.0000	56.92	65.0000
<input checked="" type="radio"/>	4	Open	10014	45.0000	SEC-1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	15.0000	33.33	45.0000
<input type="radio"/>	5	Open	10003	65.0000	SEC-2	<input type="checkbox"/>	<input type="checkbox"/>	54.8227	84.34	65.0000



View Sales Order Totals by Sections:

Customize Find View All  First  1												
	Section	Number of Lines	Total Cost	Price Protect	Margin Amount	Margin Percent	Extended Amount	Formula	Adjustment Type	Adjust By	Adjust Amount	New Price List ID
1	SEC-1	3 Lines	218.7083	<input type="checkbox"/>	112.7017	34.01	331.4100					
2	SEC-2	2 Lines	38.1773	<input type="checkbox"/>	91.8227	70.63	130.0000					

Clear Sections
Adjust Section Margins



Select an alternate Price List:

Customize | Find | View All

Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula	Adjustment Type	Adjust By	Adjust Amount	New Price List ID
66.0480		<input type="checkbox"/>	<input type="checkbox"/>	672.5800	84.86	792.5800					
0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000					
0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000					
0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000					
0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000					

Calculate Price Product Add

Search Results

View All First 1-7 of 7 Last











Price List ID	Currency Code	Description
DISTRIB	USD	Price List added by OMS8010
HIGH-END	USD	High End Items
PL_VOL	USD	Price List for Volume
PM-0001	USD	Biking Promotion
PROMO	USD	Promotions Management List
RETAIL	CAD	Price List added by OMS8010
RETAIL	USD	Retail Price List













Adjustments using Formulas:

Symbol	Description
A, MARGIN AMOUNT, or AMOUNT	Gross profit (margin amount)
M, MARGIN PERCENT, or PERCENT	Gross profit margin (margin percent)
L or LIST	List price as defined by the default price list
C or COST	Cost as defined by the Cost Base
N or NET UNIT PRICE	Net Unit Price as previously calculated or displayed in the worksheet
T or TOTAL	Total Price
Formula	Interpretation
L-5, L-5%, L-%5	List price minus 5 percent
C+\$.05, C+.05\$	Cost plus .05
A*1.10	Increase margin amount by 10 percent
M+5, M*1.05, M+5%	Increase margin percent by 5 percent
T=\$45	Set total price to equal 45.00
N=\$4.95, N=4.95\$	Replace price, set net unit price equal to 4.95
M=45, PERCENT=45	Set worksheet margin percent to 45 percent

Adjustments using Formulas:

Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship Options 1	Ship	
Product ID		Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula
10000	 	66.0480		<input type="checkbox"/>	<input type="checkbox"/>	672.5800	84.86	792.5800	C+10%
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	

Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship Options 1	Sh	
Product ID		Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula
10000	 	11.0000		<input checked="" type="checkbox"/>	<input type="checkbox"/>	12.0000	9.09	132.0000	
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	
	 	0.0000		<input type="checkbox"/>	<input type="checkbox"/>	0.0000	0.00	0.0000	



Adjustments using Formulas: Cost + 10%

Price List ID:	PL_VOL	<input checked="" type="checkbox"/> Price Protected	Exclusive Pricing ID:	<input type="text"/>
Standard Discount:	0.00 %			
List Price:	64.0000	Extended List Price:	768.00	
Price Rule Price:	66.0480			
Net Unit Price:	11.0000	Extended Net Amount:	132.00	

Currency			
Currency:	USD	Credit Currency:	USD
Change Currency Display		Currency Detail	Credit Currency Detail

Margin Information					
Unit Cost:	<input type="text" value="10.0000"/>	Margin Amount:	1.0000	Margin Percent:	9.09 %
Alt Unit Cost:	<input type="text" value="10.0000"/>	Margin Amount:	1.0000	Margin Percent:	9.09 %

Manual Adjustment	Miscellaneous
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Margin Adjustments/Sprinklebacks at the Order Total Level:

Price Summary

Margin Adjustments

Cost Summary

Adjustment Parameters

Reason Code:	<input type="text" value="PRICE"/>	Cost Basis:	<input type="text" value="Alternate Cost"/>	<input checked="" type="checkbox"/> Equalize Margin Percentages
Price List ID:	<input type="text"/>			<input checked="" type="checkbox"/> Set Price Protected Flag

Enter Worksheet Adjustment Values or Formula

Adjustment Type:	Adjust By:	Adjust Amount:	Order Adjustment Formula:
<input type="text" value="Adjust Margin Percent"/>	<input type="text" value="To Equal"/>	<input type="text" value="50.0000"/>	<input type="text"/>

[Margin Adjustments Worksheet](#)

Total Cost:	341.6460
Margin Amount:	<input type="text" value="2645.4940"/>
Margin Percent:	<input type="text" value="88.56"/> %



Margin Adjustments/Sprinklebacks at the Order Total Level:

Adjustment Parameters

Reason Code:	<input type="text" value="PRICE"/>	Cost Basis:	<input type="text" value="Alternate Cost"/>	<input type="checkbox"/> Equalize Margin Percentages
Price List ID:	<input type="text"/>			<input checked="" type="checkbox"/> Set Price Protected Flag

Enter Worksheet Adjustment Values or Formula

Adjustment Type:	Adjust By:	Adjust Amount:	Order Adjustment Formula:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

[Margin Adjustments Worksheet](#)

Total Cost:	256.8856
Margin Amount:	<input type="text" value="256.8944"/>
Margin Percent:	<input type="text" value="50.00"/> %

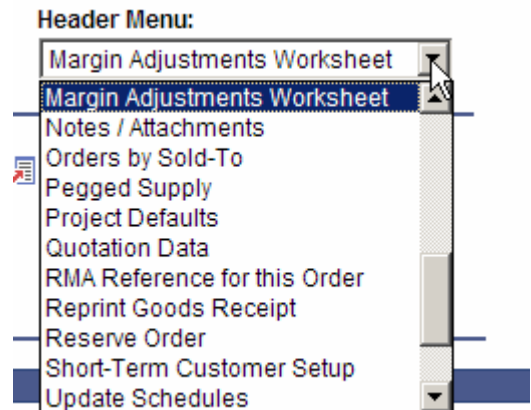
Adjust Order Margins



Margin Manipulation/Sprinklebacks - Worksheet



- Access from Sales Order/Quote header menu
- Download contents of document to Worksheet
- Many options for selection criteria
- Let the Worksheet “crunch the numbers”
- Upload back to Sales Order/Quote lines
- Allows “what if” scenarios
- “Do over!” and “Never Mind!”



Margin Manipulation/Sprinklebacks – Worksheet



ORACLE

Home | Worklist | MultiChannel Console | Add to Favorites | Sign out

New Window | Customize Page

Order Entry Form

Header Summary

Order: NEXT Unit: US001 Order Date: 10/22/2007 Order Status: Open *Order Group: STD

Sold To: 1000 Location: 1 **Bill To:** 1000

Alliance Group [Sold To Details](#) Alliance Group

Header Menu:

- ...Select
- Hold History / Entire Order
- Holds/Change Reasons
- Lot Allocation
- Margin Adjustments Worksheet**
- Notes / Attachments
- Orders by Sold-To
- Pegged Supply
- Project Defaults
- Quotation Data
- RMA Reference for this Order
- Reprint Goods Receipt

Order Line Entry

[Line Filter](#)

Line	Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship Options 1	Ship Options 2	Claimback /	
*Line	*Status	Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula	Adjustment Type
1	Open	10000	66.0480		<input type="checkbox"/>	<input type="checkbox"/>	672.5800	84.86	792.5800		
2	Open	10002	25.0000		<input checked="" type="checkbox"/>	<input type="checkbox"/>	231.3708	77.12	300.0000		
3	Open	10003	65.0000		<input type="checkbox"/>	<input type="checkbox"/>	657.8724	84.34	780.0000		
4	Open	10004	25.8000		<input type="checkbox"/>	<input type="checkbox"/>	289.4544	93.49	309.6000		
5	Open	10005	67.0800		<input type="checkbox"/>	<input type="checkbox"/>	794.2164	98.67	804.9600		

Line Actions: [Find Alternate Supply Sources](#) [Calculate Price](#) [Product Add](#)

[Shipment Schedules](#) [Pricing Data](#) **Number of Lines to Copy:** 1

Line Menu: ...Select

Land & Joint Systems

Robust selection criteria for the Worksheet

▼ **Margin Adjustments Worksheet**

To adjust margins, make one change per row and then select the Calculate button. Currency: USD

▶ [Expand All](#) | ▼ [Collapse All](#) Display: [Price Protect All](#) | [Price Protect None](#)

Section	Line	Schedule	Product ID	Qty	UOM	Unit Cost	Net Unit Price	Margin Amount	Margin Percent	Extended Amount	Formula	Price Protect	Price List ID
SEC-1	1	1	10000	12.0000	EA	15.2491	21.7844	78.4208	30.00	261.4100		<input checked="" type="checkbox"/>	<input type="text"/>
SEC-1	2	1	10002	1.0000	EA	5.7191	33.4454	27.7309	82.90	33.4500		<input checked="" type="checkbox"/>	<input type="text"/>
SEC-1	4	1	10014	1.0000	EA	30.0000	45.0000	15.0000	33.33	45.0000		<input checked="" type="checkbox"/>	<input type="text"/>

Section SEC-1:

Adjustment Type:	Adjust By:	Adjust Amt:											
Adjust Net Unit Price			121.1517	35.65	339.8600						<input checked="" type="checkbox"/>	<input type="text"/>	

Worksheet Totals:

Adjustment Type:	Adjust By:	Adjust Amt:	121.1517	35.65	339.8600								
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▼ **Worksheet Summary**

Original Total:	339.8600	Original Margin Amount:	121.1517	Original Margin Percent:	35.65 %
Adjusted Total:	339.8600	Adjusted Margin Amount:	121.1517	Adjusted Margin Percent:	35.65 %



Adjustment Parameters

Reason Code: Cost Basis: Equalize Margin Percentages

New Price List ID:

Margin Adjustments Worksheet

To adjust margins, make one change per row and then select the Calculate button.

Currency: USD

|

 Display:
 |

Section	Line	Schedule	Product ID	Qty	UOM	Unit Cost	Net Unit Price	Margin Amount	Margin Percent	Extended Amount	Formula	Price Protect	Price List ID
SEC-1	1	1	10000	1.0000	EA	15.2491	18.5002	3.2509	17.57	18.5000		<input type="checkbox"/>	<input type="text"/>
SEC-1	3	1	10003	1.0000	EA	10.1773	58.3745	48.1927	82.56	58.3700		<input type="checkbox"/>	<input type="text"/>
SEC-1	4	1	10004	1.0000	EA	1.6788	23.1253	21.4512	92.74	23.1300		<input type="checkbox"/>	<input type="text"/>

Section SEC-1:

Adjustment Type: Adjust By: Adjust Amt:

72.8948 72.89 100.0000

Worksheet Totals:

Adjustment Type: Adjust By: Adjust Amt:

72.8948 72.89 100.0000

Margin Manipulation/Sprinklebacks – Worksheet



Section	Line	Quantity	Product ID	Unit	Unit Cost	Price	Amount	Percent	Amount	Formula	Protect	Price List ID
SEC-1	1	1	10000	EA	15.2491	18.5002	3.2509	17.57	18.5000		<input type="checkbox"/>	
SEC-1	3	1	10003	EA	10.1773	58.3745	48.1927	82.56	58.3700		<input type="checkbox"/>	
SEC-1	4	1	10004	EA	1.6788	23.1253	21.4512	92.74	23.1300		<input type="checkbox"/>	
Section SEC-1:						Adjustment Type:	Adjust By:	Adjust Amt:	72.8948	72.89	100.0000	
Worksheet Totals:						Adjustment Type:	Adjust By:	Adjust Amt:	72.8948	72.89	100.0000	

Worksheet Summary					
Original Total:	111.3500	Original Margin Amount:	84.2448	Original Margin Percent:	75.66 %
Adjusted Total:	100.0000	Adjusted Margin Amount:	72.8948	Adjusted Margin Percent:	72.89 %

Price Protect when Apply Changes

[Order Entry](#)

Margin Manipulation/Sprinklebacks – Worksheet



▶ **Header Detail**

Order Line Entry

▶ Line Filter

[Customize](#) | [Find](#) | [View All](#) |  First Last

Line	Product	Fulfillment Data	Margins	Requested Dates	Scheduled Dates	Ship To	Ship To Taxes	Ship Options 1			Quantity Available	Quantity Reserved	Quantity Shipped
*Line	*Status	Product ID	Quantity	UOM	Pick Up	Unit Price	Extended Amount	Ship From					
1	Open	10000	1.0000	EA	<input type="checkbox"/>	18.5002	18.50 USD	US010			14974.0000	0.0000	0.0000
2	Open	10002	1.0000	EA	<input type="checkbox"/>	25.0000	25.00 USD	US010			5139.0000	0.0000	0.0000
3	Open	10003	1.0000	EA	<input type="checkbox"/>	58.3745	58.37 USD	US010			5092.0000	0.0000	0.0000
4	Open	10004	1.0000	EA	<input type="checkbox"/>	23.1253	23.13 USD	US010			5788.0000	0.0000	0.0000
5	Open	10005	1.0000	EA	<input type="checkbox"/>	66.9500	66.95 USD	US010			1142.0000	0.0000	0.0000


▼ Line Actions

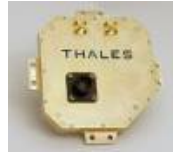
 [Find Alternate Supply Sources](#)

[Calculate Price](#)

[Product Add](#)

[Shipment Schedules](#)
[Pricing Data](#)

Number of Lines to Copy: 



“Margin Manipulation allows us to continue a sustained growth with rapid visibility on Order Margins, ensuring a profitable sales cycle which funds the infrastructure and keeps us highly competitive...”

Phillip Rice
Director, Information Technology