THALES

PeopleSoft
Order Management
Sales Order Margin Manipulation

Land & Joint Systems

Agenda

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

Introduction

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

Thales Communications Inc.

- 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

Our PeopleSoft Environment

- 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

Our Business Issues & Challenges

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

Margin Manipulation/Sprinklebacks – Feature Overview

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

Margin Manipulation/Sprinklebacks – Feature Overview

- 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….

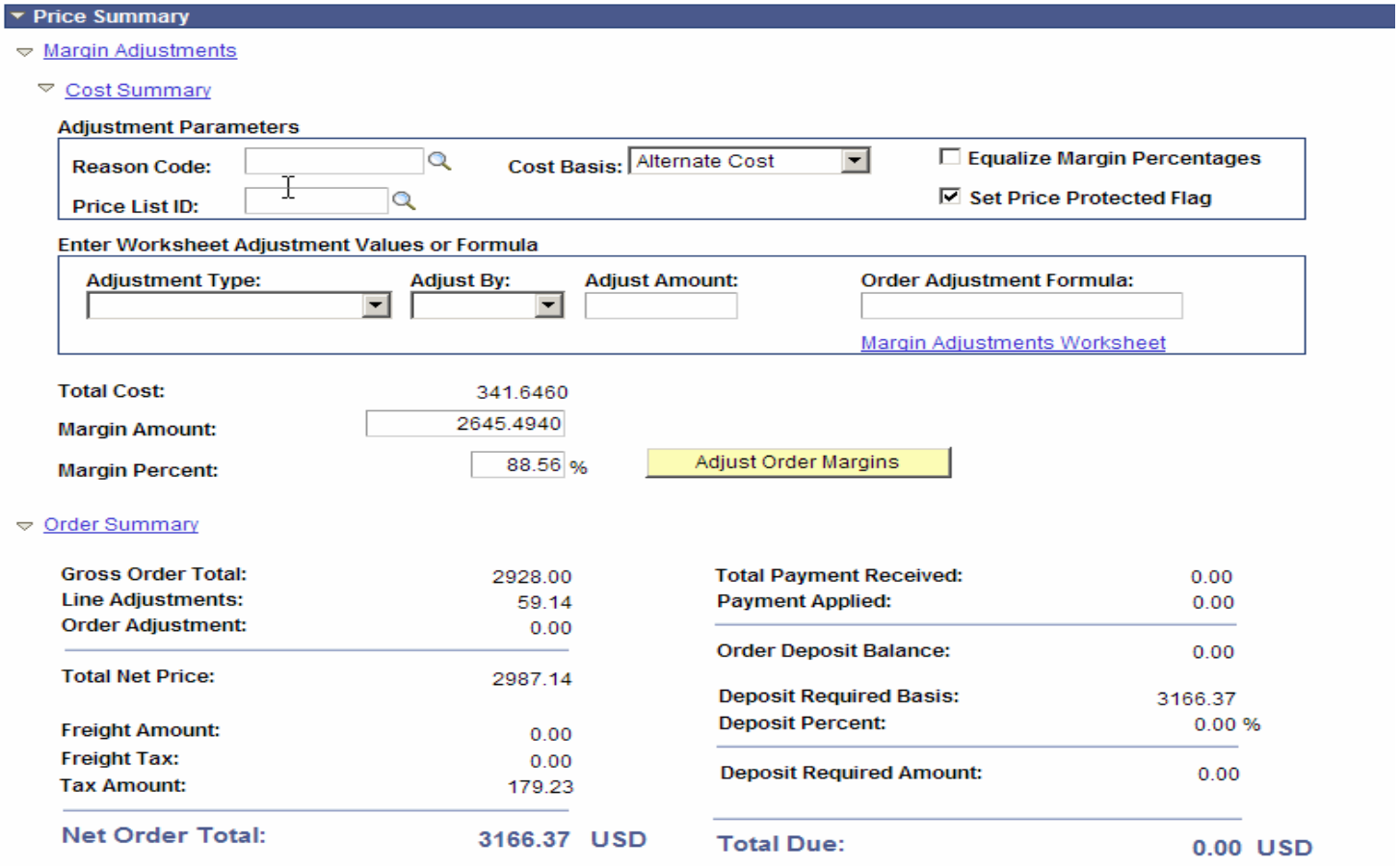
Adjusting a single line

- 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

Margin Manipulation/Sprinklebacks –Process



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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 / Su

*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		☐	☐	64.6908	26.12	247.6800		Adjust Net Unit Price
2	Open		0.0000		☐	☐	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 / Su

*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		☐	☐	64.6908	26.12	247.6800		
2	Open		0.0000		☐	☐	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

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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 / Su

*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		☐	☐	64.6908	26.12	247.6800		
2	Open		0.0000		☐	☐	0.0000	0.00	0.0000		

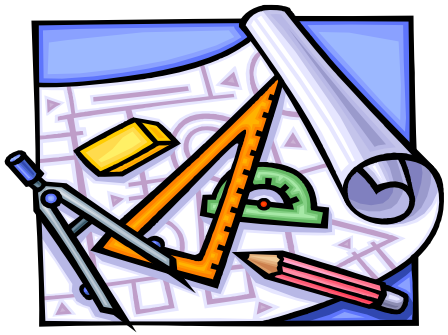
Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount
10000	21.7844		☑	☐	78.4208	30.00	261.4100
	0.0000		☐	☐	0.0000	0.00	0.0000
	0.0000		☐	☐	0.0000	0.00	0.0000
	0.0000		☐	☐	0.0000	0.00	0.0000
	0.0000		☐	☐	0.0000	0.00	0.0000

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

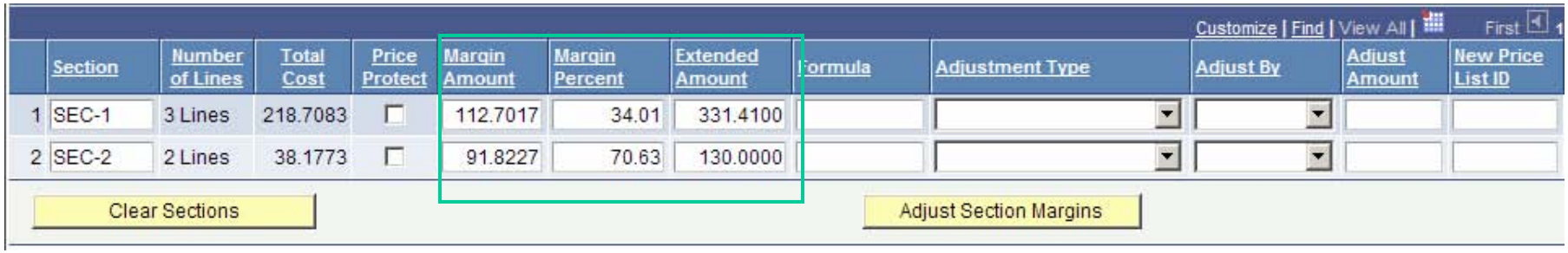


Sales Order Sections:

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
○	1	Open	10000	21.7844	SEC-1	☑	☐	78.4208	30.00	261.4100
○	2	Open	10002	25.0000	SEC-1	☐	☐	19.2809	77.12	25.0000
○	3	Open	10012	65.0000	SEC-2	☐	☐	37.0000	56.92	65.0000
◉	4	Open	10014	45.0000	SEC-1	☑	☐	15.0000	33.33	45.0000
○	5	Open	10003	65.0000	SEC-2	☐	☐	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	☐	112.7017	34.01	331.4100					
2	SEC-2	2 Lines	38.1773	☐	91.8227	70.63	130.0000					

Clear Sections

Adjust Section Margins

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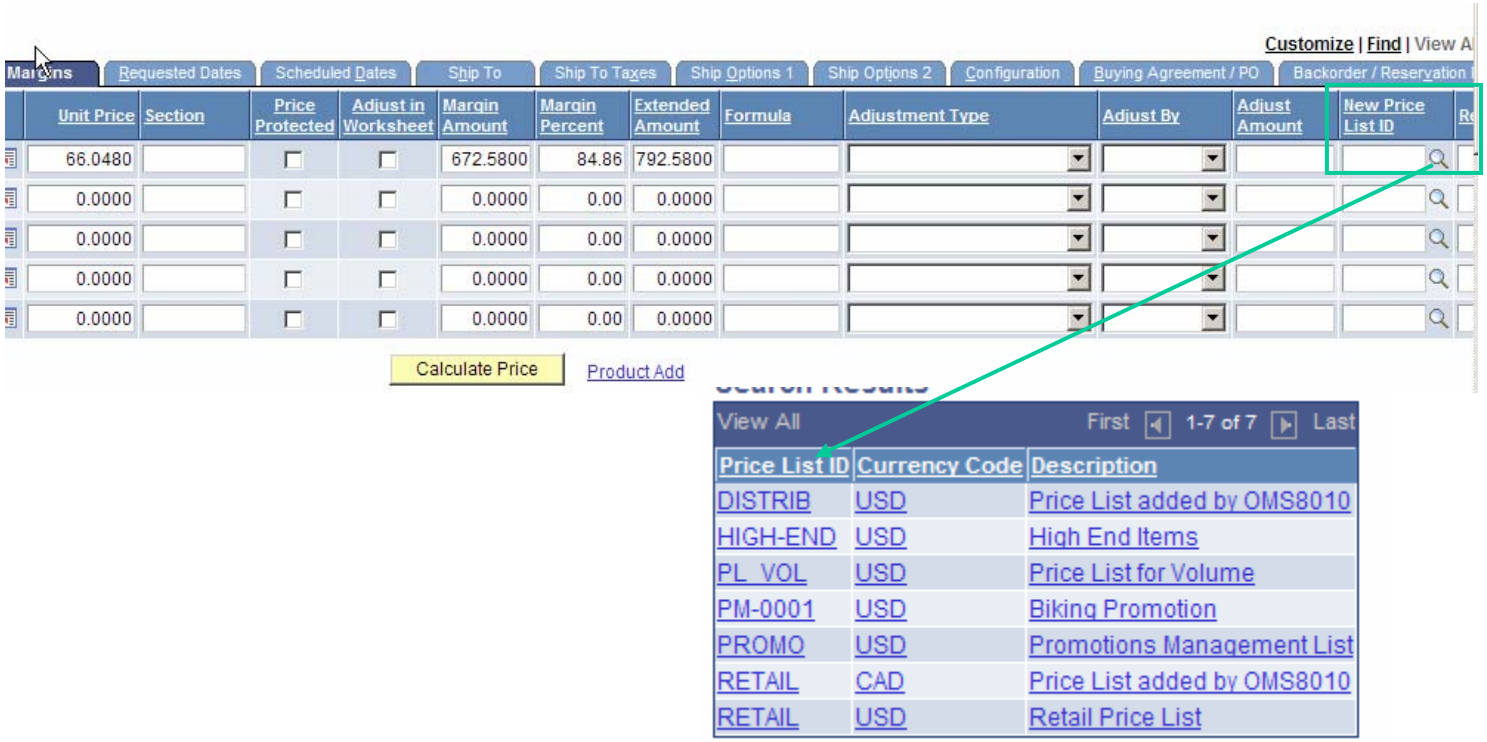
Select an alternate Price List:



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:

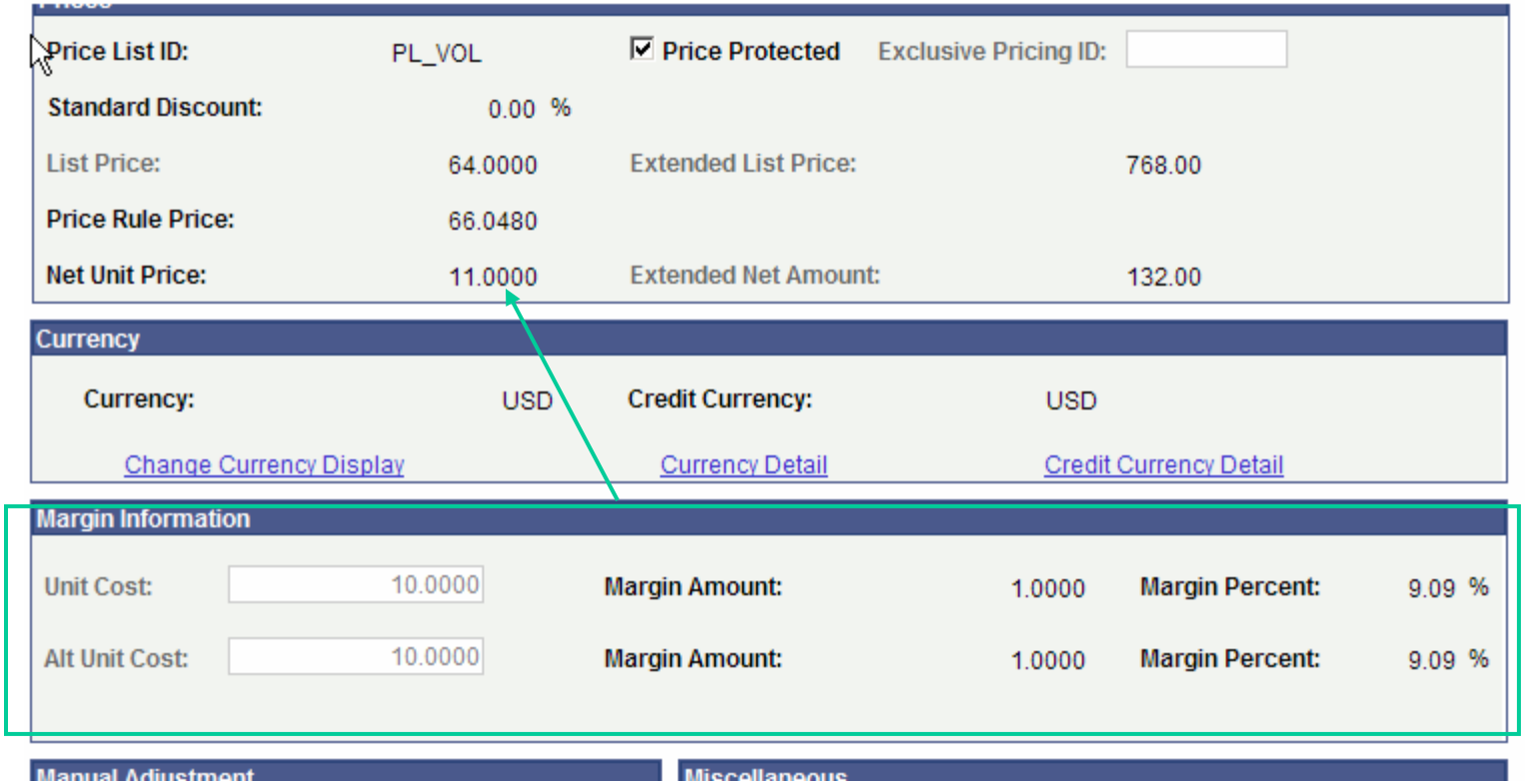
oduct | Fulfillment Data | **Margins** | Requested Dates | Scheduled Dates | Ship To | Ship To Taxes | Ship Options 1 | Ship

Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula
10000	66.0480		☐	☐	672.5800	84.86	792.5800	C+10%
	0.0000		☐	☐	0.0000	0.00	0.0000	
	0.0000		☐	☐	0.0000	0.00	0.0000	
	0.0000		☐	☐	0.0000	0.00	0.0000	
	0.0000		☐	☐	0.0000	0.00	0.0000	

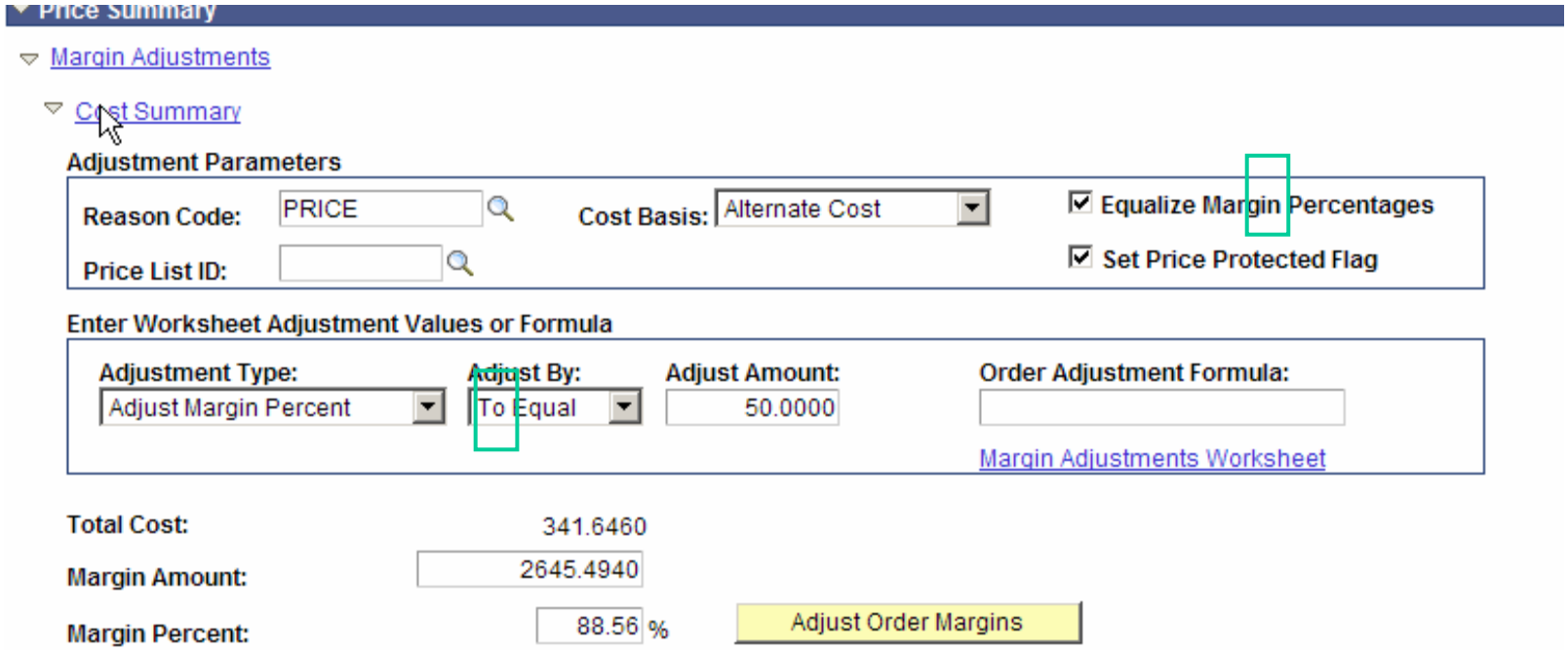
duct | Fulfillment Data | **Margins** | Requested Dates | Scheduled Dates | Ship To | Ship To Taxes | Ship Options 1 | Sh

Product ID	Unit Price	Section	Price Protected	Adjust in Worksheet	Margin Amount	Margin Percent	Extended Amount	Formula
10000	11.0000		☑	☐	12.0000	9.09	132.0000	
	0.0000		☐	☐	0.0000	0.00	0.0000	
	0.0000		☐	☐	0.0000	0.00	0.0000	
	0.0000		☐	☐	0.0000	0.00	0.0000	
	0.0000		☐	☐	0.0000	0.00	0.0000	

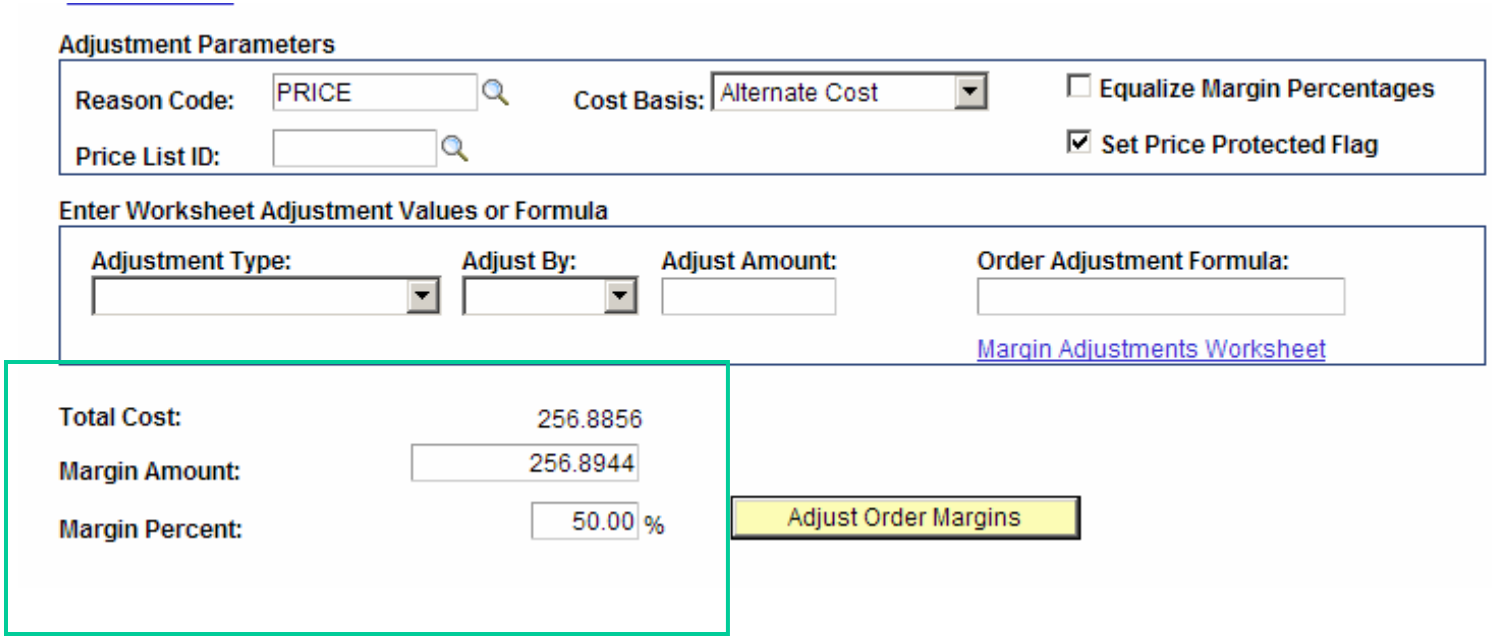
Adjustments using Formulas: Cost + 10%



Margin Adjustments/Sprinklebacks at the Order Total Level:



Margin Adjustments/Sprinklebacks at the Order Total Level:



Margin Manipulation/Sprinklebacks - Worksheet

Margin Manipulation/Sprinklebacks – Worksheet

Access from Sales Order/Quote header menu

Download contents of document to Worksheet

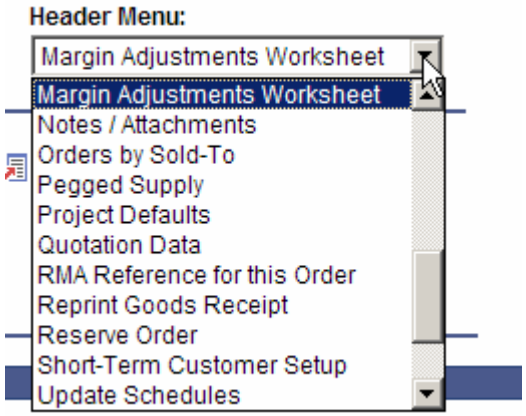
Many options for selection criteria

Let the Worksheet “crunch the numbers”

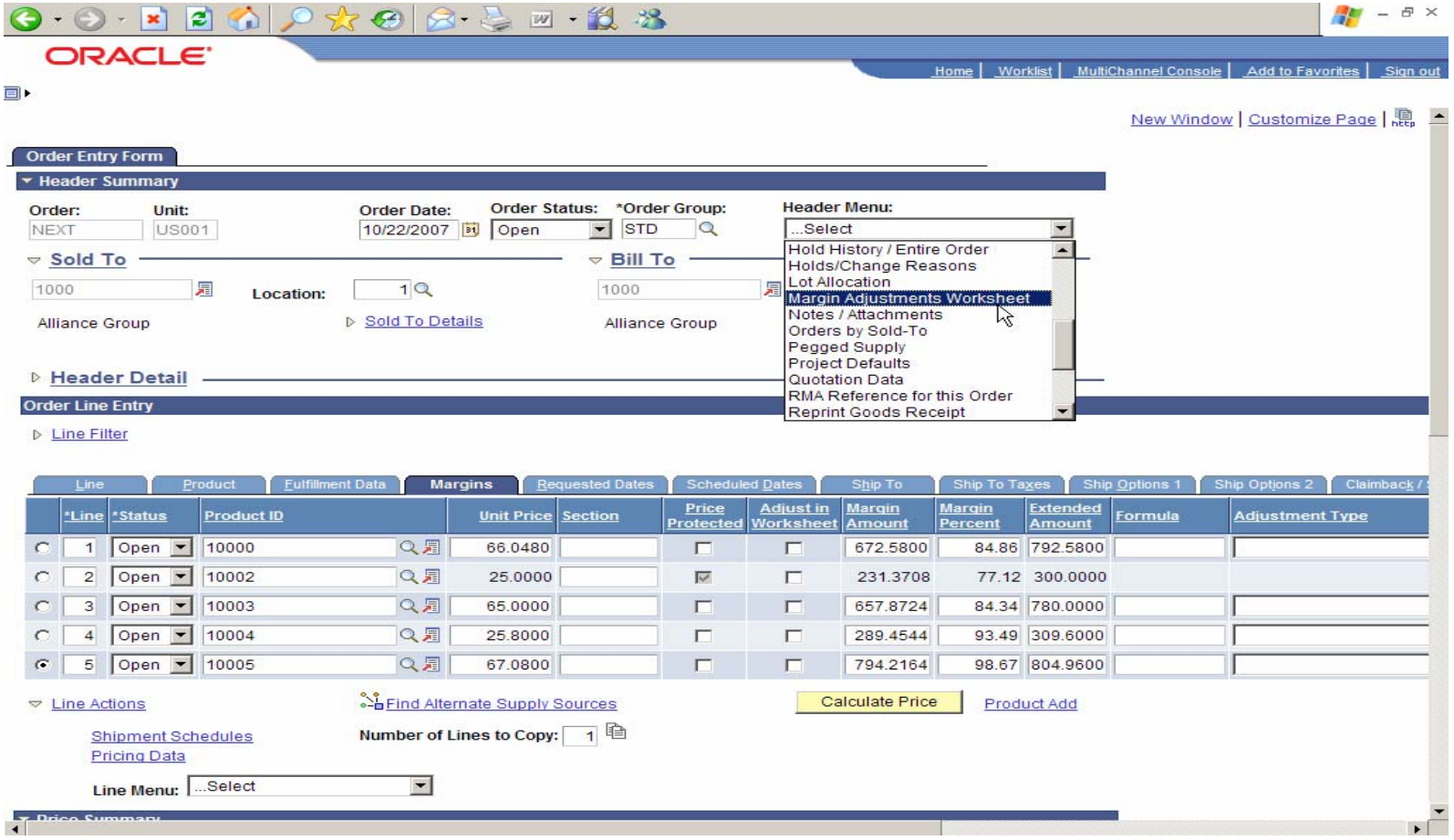
Upload back to Sales Order/Quote lines

Allows “what if” scenarios

“Do over!” and “Never Mind!”



Margin Manipulation/Sprinklebacks – Worksheet



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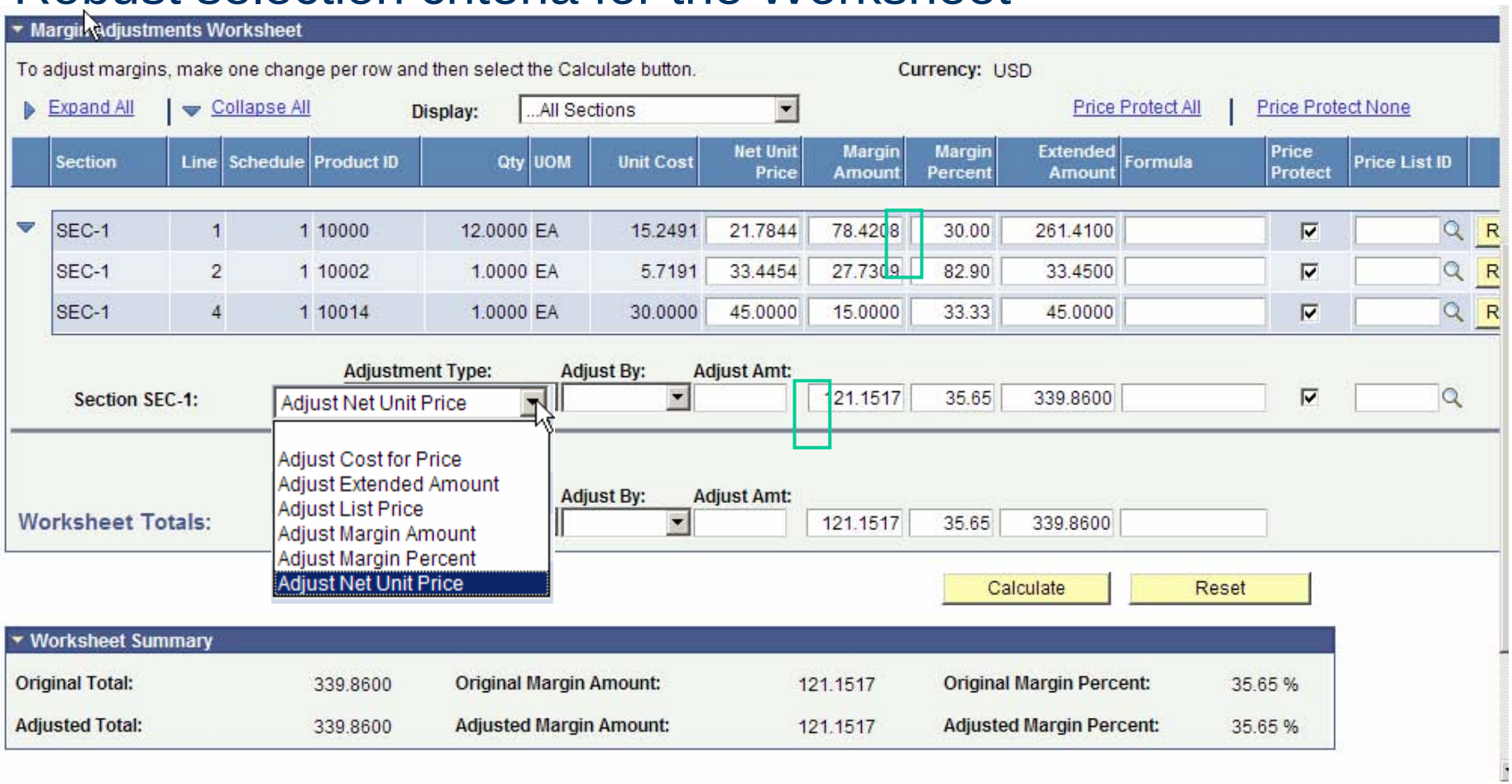
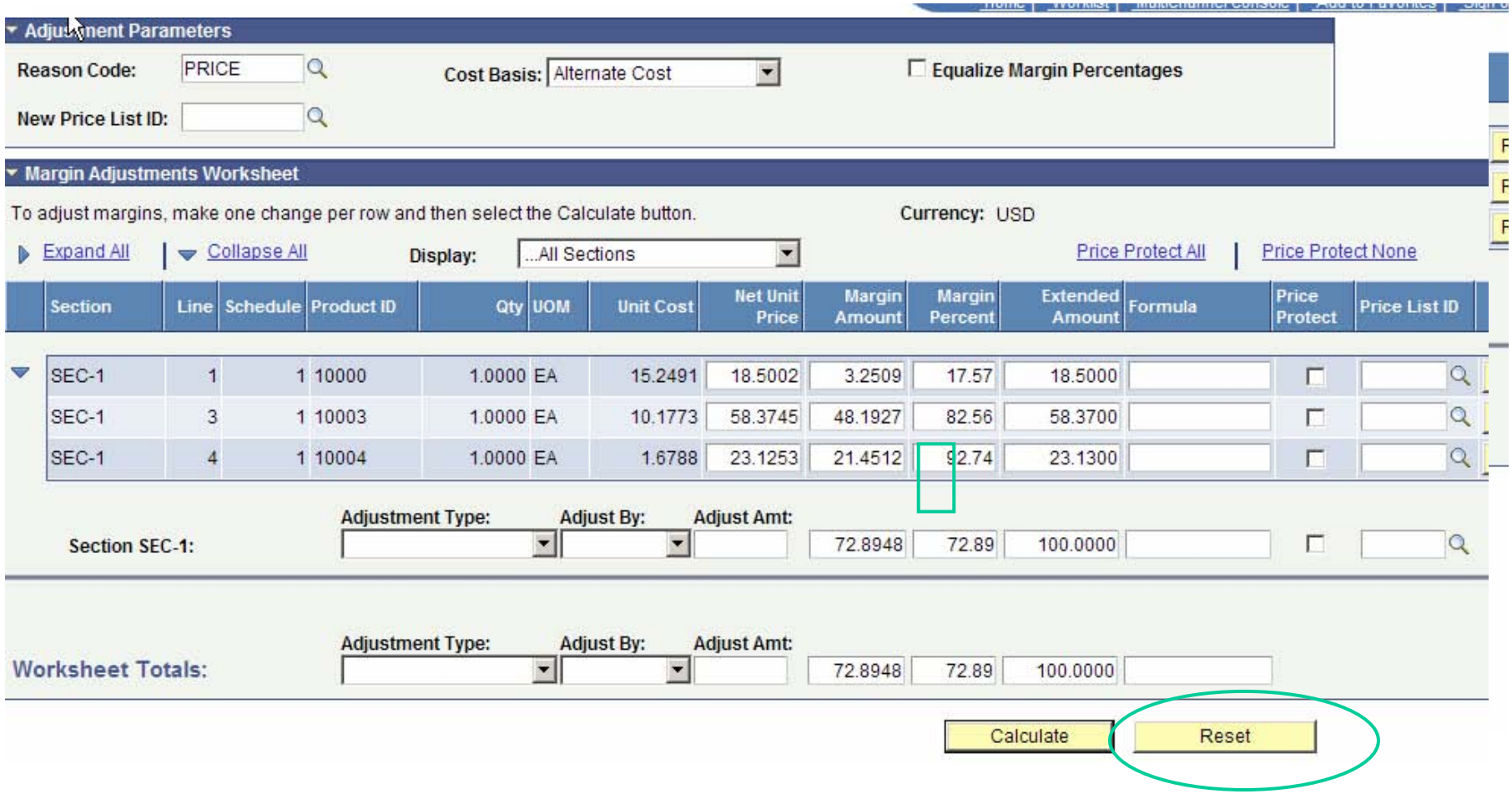
Robust selection criteria for the Worksheet



Margin Manipulation/Sprinklebacks – Worksheet



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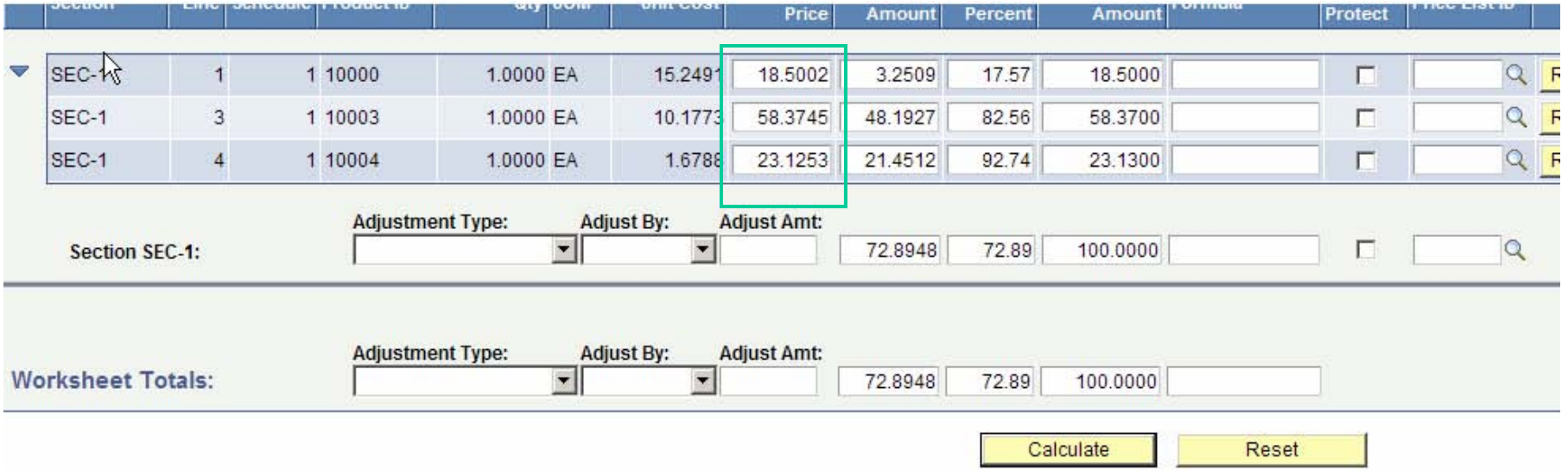
Margin Manipulation/Sprinklebacks – Worksheet



	Line	Schedule	Product ID	Qty	UOM	Unit Cost	Price	Amount	Percent	Amount	Formula	Protect	Price List ID
SEC-1	1	1	10000	1.0000	EA	15.2491	18.5002	3.2509	17.57	18.5000			
SEC-1	3	1	10003	1.0000	EA	10.1773	58.3745	48.1927	82.56	58.3700			
SEC-1	4	1	10004	1.0000	EA	1.6788	23.1253	21.4512	92.74	23.1300			
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			

Calculate Reset

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

Apply Changes | Reset ALL Changes

Order Entry

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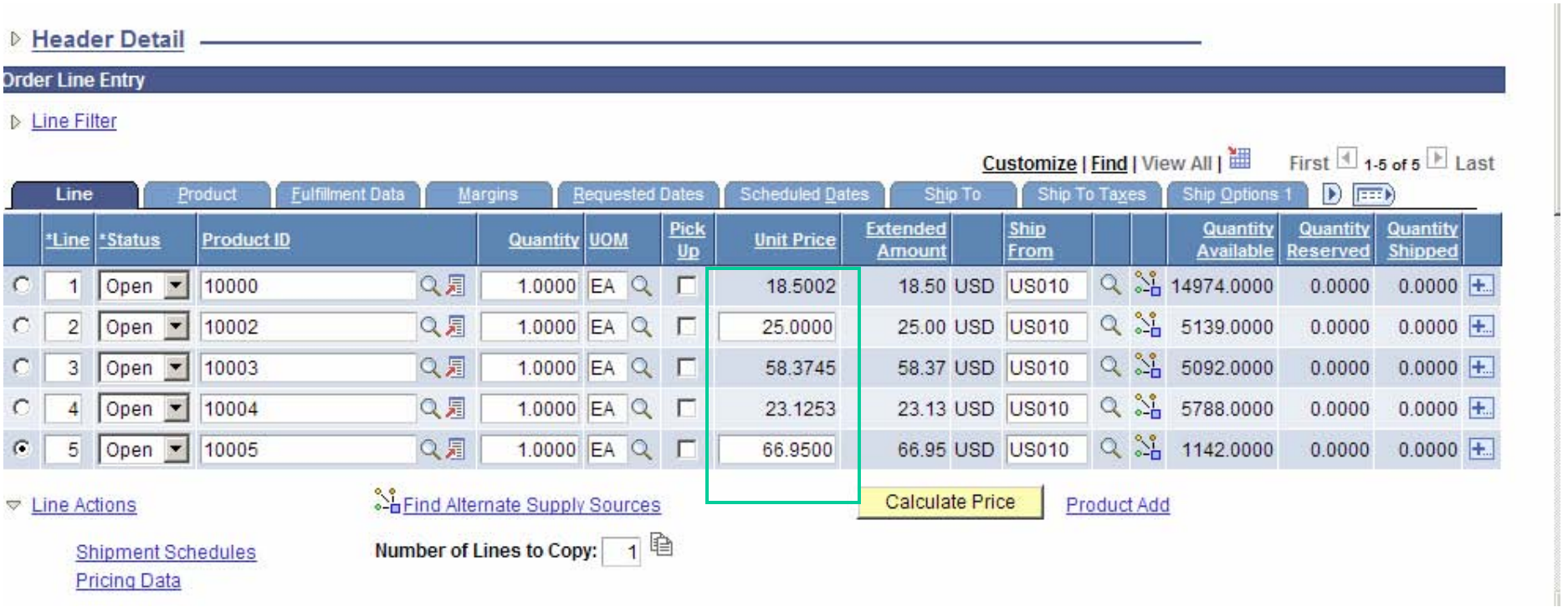
Margin Manipulation/Sprinklebacks – Worksheet



Header Detail

Order Line Entry

Line Filter

Customize | Find | View All | First 1-5 of 5 Last

Line | Product | Fulfillment Data | Margins | Requested Dates | Scheduled Dates | Ship To | Ship To Taxes | Ship Options 1

	*Line	*Status	Product ID	Quantity	UOM	Pick Up	Unit Price	Extended Amount		Ship From			Quantity Available	Quantity Reserved	Quantity Shipped	
○	1	Open	10000	1.0000	EA	☐	18.5002	18.50	USD	US010			14974.0000	0.0000	0.0000	+
○	2	Open	10002	1.0000	EA	☐	25.0000	25.00	USD	US010			5139.0000	0.0000	0.0000	+
○	3	Open	10003	1.0000	EA	☐	58.3745	58.37	USD	US010			5092.0000	0.0000	0.0000	+
○	4	Open	10004	1.0000	EA	☐	23.1253	23.13	USD	US010			5788.0000	0.0000	0.0000	+
◉	5	Open	10005	1.0000	EA	☐	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: 1

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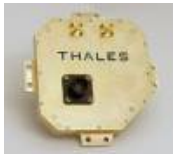

"Margin Manipulation allows us to continue a sustained growth with rapid visibility on Order Margins, ensuring a profitable sales cycle which funds the infrastructure and keeps us highly competitive…"

Phillip Rice

Director, Information Technology