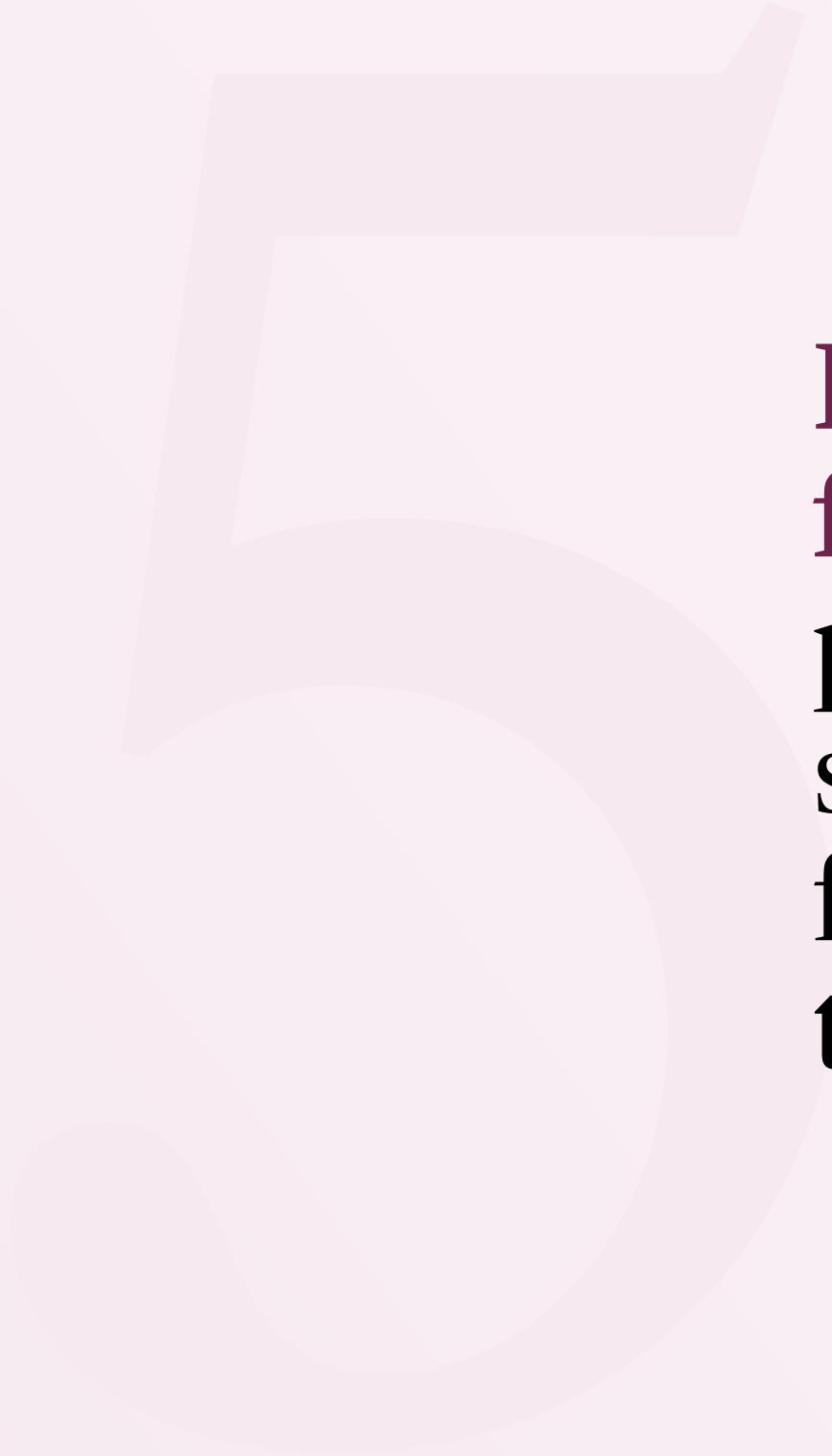


eBook

# Ultimate Guide to Services Delivery Success

certinia





**Discover the top  
five challenges  
professional  
services companies  
face—and how  
to solve them**

# Change is the „ only constant.

*- Heraclitus, Greek Philosopher*

The words of the ancient Greek philosopher ring true today more than ever. Global professional services organizations are navigating change on a scale unique to history.

From the shift to a services economy, to AI's surging impacts, to the need to deliver outstanding customer experiences in every interaction, organizations that do not embrace change will pay the price for decades to come.

This change comes at a time when external pressures are at their highest. The global economy is nothing but volatile, and workforces are relearning how to deliver services in a distributed and remote environment. These external pressures are like fuel to a flame and demand that organizations accelerate their own transformation.

Many of the top professional services firms have adopted cloud-based point systems to optimize specific processes or business functions, but they have yet to unite all of their processes in the cloud. While the focus on process optimization is noble, without unifying around a single cloud strategy they suffer inefficiencies, reduced agility, and the inability to make decisions with certainty.

**Here are the top five challenges that every services organization faces.**

# #1

## Siloed front and back office data

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Breaking down silos is not a new or particularly radical strategy when it comes to digital transformation. The topic has been well studied and the efficiencies gained from eliminating the barriers between the different functional groups within a professional services organization has been well documented. Despite this tacit understanding, however, critical information that front and back office teams use still remains separated.

The impact of having front and back office data siloed in their respective applications is a lack of visibility across the organization throughout the sales-to-delivery process.

Individuals are only able to see through a small window into the process based on the information available to them. Significant efforts are then invested into merging, integrating, and synthesizing the information to achieve a holistic view across the firm.

Being able to see the forest for the trees is essential, but having siloed front and back office data makes this a tall order.

Spending valuable time and resources coping with siloed applications is not a sustainable strategy. It hinders growth and acts as an impediment to developing new, innovative, offerings. The best innovations are surfaced when a diverse group of individuals are able to study the same problem from multiple perspectives.

Oftentimes, the breakthrough idea comes from the least likely source. Siloing applications, information, and functional teams stifles this process and reduces the likelihood of disruptive, positive change.

By eliminating the barriers between front and back office information, organizations can achieve true 360-degree business visibility and remove barriers to both growth and innovation.

# #2

## Revenue leakage and margin erosion

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Revenue leakage is a silent business killer. If an organization is not actively looking for revenue leakage, it can go unnoticed until it's too late to fix. Formally defined, revenue leakage is the difference between revenue sold and revenue recognized. In reality, revenue leakage can happen in any stage of the customer lifecycle.

It is common for organizations to have 5%–8% gaps between revenue sold and revenue earned. Even for smaller professional services organizations, this could represent upwards of \$5 million in leaked revenue per year. Addressing only 50% of revenue leakage over a five year period could preserve nearly \$12 million in revenue. Global delivery organizations, however, could be losing upwards of \$1 billion per year—and could preserve nearly \$2.5 billion in revenue by addressing 50% of revenue leakage.

Disconnected systems and broken feedback loops are two of the biggest drivers of revenue leakage. Whether it's time worked but not invoiced or unused budget that a client would have happily consumed, the problem takes many forms. Organizations without a single system for selling, planning, staffing, and delivering work open themselves up to multiple risk areas for revenue to leak.

Similar to revenue leakage, margin erosion is also a constant threat. Erosion of margin occurs when the actual profit margin of a project is less than the planned margin at the time the project was scoped. Factors like discounting, resource mix, and scope creep all add to margin erosion. Sometimes giving up some margin to ensure an excellent customer experience is a strategic decision leaders will make. It is important, however, for leaders to know when, where, and why they are giving up margin instead of being surprised once the books are closed.

# #3

## Outdated, manual, and error-prone processes

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The complexities involved in operating a global professional services organization at scale are enormous. With thousands of teams, each with their own set of capabilities and priorities, systems and processes are often created at a lower level to address the most pressing issues at the time. These individual solutions created within each team or practice then run in parallel with the applications the organization deploys globally.

The conflict between quick fixes at the delivery level and highly custom applications at the global level creates a tangled web of outdated solutions, manual intervention, and error-prone processes. These outcomes manifest themselves in the form of endless spreadsheets and disconnected applications.

As the speed of business accelerates and the world embraces remote delivery models, this reality cannot persist. It makes sourcing and analyzing information slow and disjointed, resulting in delayed and poorly informed decisions. Without a cohesive approach to managing the opportunity-to-delivery cycle, global professional services organizations will need to deploy increasingly tremendous resources towards developing insights and planning their business growth.



# #4

## Disconnected customer experience

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The way firms organize themselves affects customer experience. As businesses shift to being more customer-centric, elevating the customer experience is paramount. Custom-built applications and spreadsheets to manage the various processes surrounding delivery result in a rigid and disconnected experience. These approaches also limit an organization's agility when responding to changes in customer or market needs.

A disconnected ecosystem results in a low-information environment. While this is a challenge for delivery teams, lack of information can have an even greater impact on the overall customer experience. Customers may not know the status of their projects or how to engage with their team at a deeper level.

Large-scale projects are becoming collaborative efforts, and real-time connectivity with the customer is more and more essential for success. Having a single system to manage the entire opportunity-to-delivery cycle is necessary to provide true continuity across the customer experience.

How mature is your customer success strategy?

[Read more](#)



# #5

## Low visibility into project status or resources

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As the saying goes, you can't manage what you can't measure. And it's extremely difficult for a global professional services organization to gain insights into project status and resource activities. Teams are distributed, projects are complex, and every project manager has their own way of tracking their team's progress. The result is a network of "side systems" that individuals use to get their jobs done. From custom spreadsheets to homegrown tools, these approaches are not fully integrated into the overall process, and the information they contain is quickly out of date and only accessible to a privileged few.

This environment puts downward pressure on many of the core metrics that global professional services firms focus on, most notably resource utilization. Without a centralized way to distribute work across teams that takes into account booked backlog, future pipeline, and resource capabilities, inefficiencies emerge. This could manifest in terms of "bench" time between projects or simply idle capacity that goes unnoticed.

9 ways to optimize  
your resource  
planning

[Read more](#)





In addition to underutilizing resources, organizations struggling with low visibility into projects and resources often have a hard time understanding what is and isn't profitable. Profitability targets can be well-established up front but, once delivery begins, working toward those targets requires detailed information surrounding project progress. Variables like resource mix, budget performance, and change orders can have significant influence on profitability. Inflexible systems make the blending of these variables to determine profitability an outsized task. To mitigate the risk around running an unprofitable project, managers resort to building broad contingencies into the plan that they otherwise would not need.

The struggles that start with low visibility into projects and resources soon extend into nearly every aspect of a business. Planning for the future of the organization becomes particularly challenging. Without knowing if projects will run late or when key resources are available affects future commitments. Moreover, a lack of understanding around available capacity means sales teams can easily over- or under-sell the pipeline, and delivery teams will struggle with too much, too little, or not the right type of work.





# Achieve end-to-end services delivery success with the right cloud solution

Being able to optimize critical delivery processes using a single dataset on your existing customer relationship management (CRM) platform is essential for success.

Having the right cloud solution will help you:

- **Connect the front and back office**
- **Get full visibility into project status and resources**
- **Bring delivery up to the same modern standard as your other cloud solutions**
- **Reduce revenue leakage and margin erosion**
- **Improve customer experience**

By plugging directly into the Salesforce Platform, **professional services automation (PSA)** extends the capabilities of your existing CRM investment. With sales and delivery teams working from the same platform, Salesforce and PSA tie the front and back office together, enabling you to balance real-time resource demand against resource capacity, forecast capacity a year into the future, easily convert won opportunities into billable projects, and more.

**Discover how** an AI-powered, cloud-based PSA solution provides you with the flexibility to support ever-changing delivery models and the scalability to drive and sustain rapid growth—all while building on your existing CRM. The path to transforming your services business starts here.



# Experience Modern Delivery

Certinia accelerates business growth by providing the only complete and connected services journey spanning services delivery, finance, and customer success. Native to the leading cloud platform, Salesforce, Certinia helps organizations run a connected business, deliver with intelligence, and achieve scalable agility.

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