

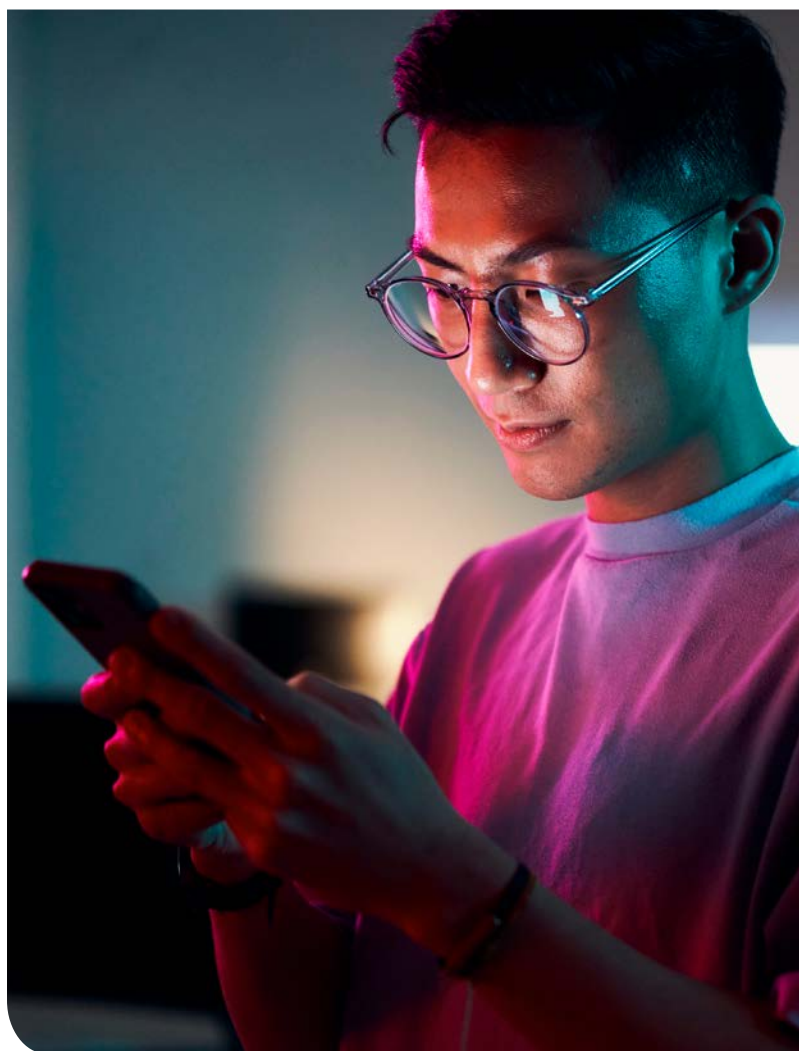


**Unlocking agility with a modern  
approach to Quote to Cash (Q2C)**



# Unlocking agility with a modern approach to Quote to Cash (Q2C)

Tech and Media companies are grappling with rapid changes driven by new products and channels, M&A activity, and new buying preferences from Millennial and Gen Z buyers and decision makers. Finance, IT and Sales operations teams are under immense pressure to drive business agility and efficiency during these times of change where growth at all costs is no longer a viable business option.



## Revenue growth rates are slowing

SaaS growth rates are tapering off from 40-30% to 25-15%<sup>1</sup> due to economic conditions, changing customer preferences, and overall company maturity.



## Companies are refocusing on cost reduction, speed and efficiency

Companies can no longer sacrifice profitability for growth. SaaS leaders are tightening the belt on costs, eliminating operational bottlenecks to increase productivity levels while reallocating spend to areas with high returns.



## Quote to Cash (Q2C) is a C-Suite priority

Companies are prioritizing Q2C programs to support their transition to recurring revenue and new SaaS models such as consumption pricing and product led growth (self-serve). 78% of C-Suite executives say that Quote to Cash is a top priority for their organization in 2023.<sup>3</sup>

These dynamics have forced enterprises to re-invent their operating model, business processes and systems to keep up with customer needs. Speed and agility are key. Modernizing Q2C can be a catalyst for transforming the Quote to Cash (Q2C) process—the central artery for generating sales, committing resources, delivering customer orders and recognizing revenue in an organization..

Indeed, companies are urgently modernizing their Q2C approach to improve sales efficiency and cashflows using interoperable and integrated tools and technologies.

<sup>1</sup>Cloud Judgement

<sup>2</sup>Accenture Research

<sup>3</sup>Gartner, "2023 Gartner CFO Survey: Quote-to-Cash (QTC) Modernization a Top Priority for C-Suite," by Mark Raskino, Matt Golis, et al., March 8, 2023  
C-Suite," by Mark Raskino, Matt Golis, et al., March 8, 2023





This isn't just true for technology laggards. Even digitally mature companies are discovering that the Q2C solution they implemented a few years ago is inefficient now, having accumulated organizational, process and technical debt over time. This is especially true with hyper growth software and technology companies where efficiency hasn't been a focus until recently.

Part of the problem has been the outdated way that sales and finance leaders have historically seen the Q2C lifecycle: as a series of transactional workflows with handoffs, from the first step of configure/price/quote (CPQ) to collecting revenue down the road. These key stakeholders think of themselves as responsible for generating and recognizing revenue, not for delivering a superior customer experience. And traditional Q2C solutions are inefficient, internally focused, siloed and cumbersome—hemmed in by processes that were created for old business models and more predictable times. Using these outdated workflows just reinforces business leader myopia, as they end up far more focused on executing a series of discrete contracts instead of offering a holistic, customer-centered experience.



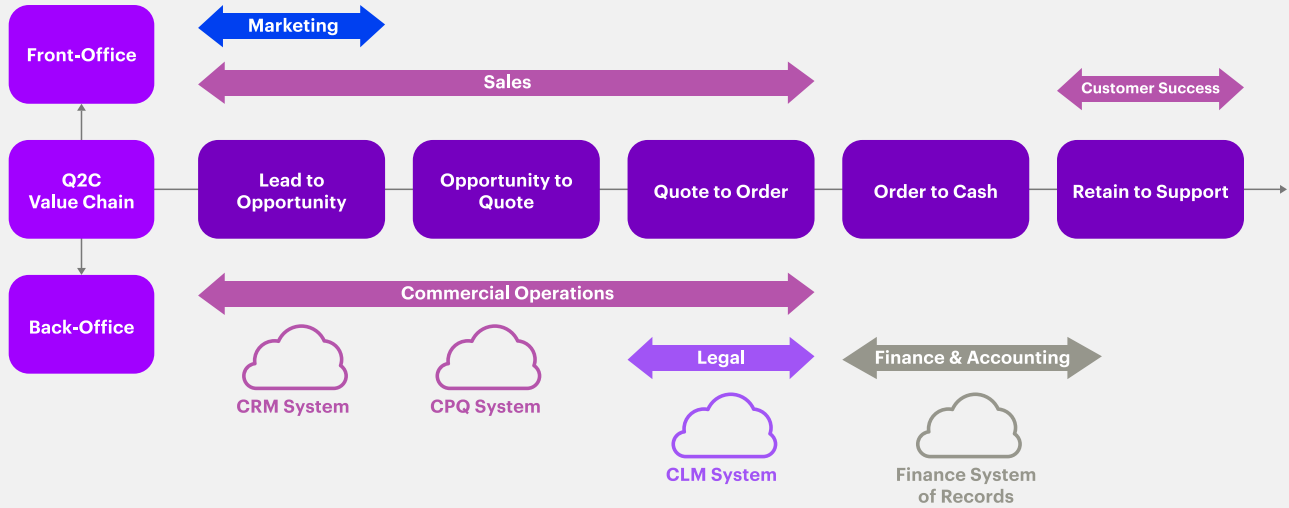
## Modernizing quote to cash is the first step to business agility

In reality, the Q2C lifecycle and the experience it offers begins the moment a customer, subscriber or prospect interacts with a brand, and it surfaces consistently throughout their journey, remaining a persistent, positive presence well beyond the point when cash changes hands and revenue hits the balance sheet.

Companies that fail to deliver this kind of coherent customer experience create what Accenture calls “value debt,” or the costs of a business with broken and inefficient systems, measured by metrics like diminished customer satisfaction, overlooked revenue opportunities and gross-to-net inefficiencies.

## Illustration of traditional vs. modernized Q2C approach

### Traditional Q2C Environment



### Modernized Q2C Environment



Eliminating the value debt locked within your Q2C lifecycle to reimagine a lackluster customer experience requires taking three key steps:

01

Establishing new ways of working.

02

Implementing a composable Q2C strategy.

03

Building a strong data foundation enhanced by Generative AI and ML capabilities.



# 1. Establishing new ways of working.

Successful organizations must adopt new organizational models to reinvent the way stakeholders work throughout the Q2C process.

Applying a business design focus to organizational change, leaders can begin to understand where customer acquisition meets configure-price-quote, where that meets the deal desk, where the deal desk meets finance, and where finance meets FP&A for analytics and forecasting. It's an interconnected end to end process.

Part workflow design and part mindset shift, an organizational reboot requires both operational and cultural changes. The results can be profound. A contract amendment, for example, which might have been seen as stalling progress and requiring complicated workarounds before, instead becomes an opportunity to meet and even exceed the unique, changing needs of a customer. ML-powered automation can help prevent slowdowns and enable customers to make adjustments as part of a fast, self-service experience.

Accenture believes that RevOps is an indispensable model enabling this new organizational design.

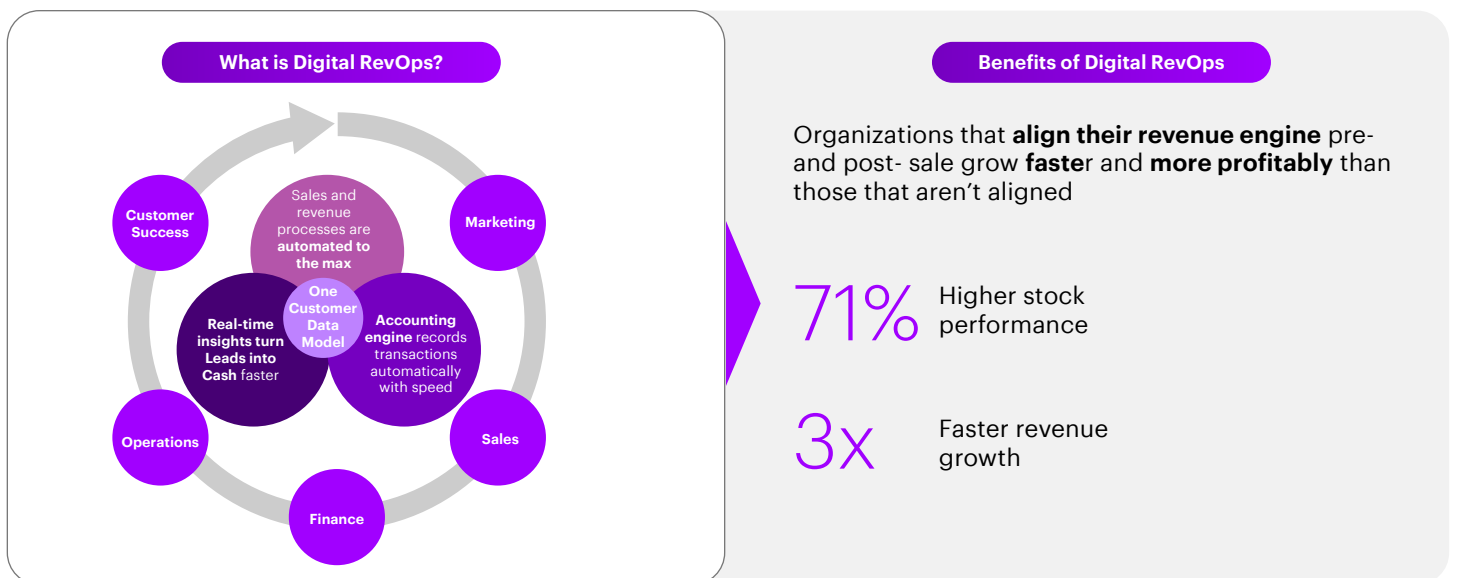
“With its already established role as a unifier of sales, marketing, and customer success—and its mission to drive operational efficiency across the customer lifecycle—RevOps is helping orchestrate Q2C functions via a centralized or even decentralized (hub-and-spoke) organizational model” - **Prem Ananthakrishnan**



## RevOps Is on The Rise

Organizations are realizing the sheer value and benefit of breaking down silos and strategically aligning their marketing, sales, finance and services operations teams to become more customer centric.

The key is to establish a model designed around shared ownership of the customer experience. In that scenario, the RevOps team oversees key logistical aspects of the Q2C transformation orchestrating all the key pieces, from earning buy-in, to agreeing on metrics to designing workflows. Q2C must move from a linear, process-centric model to one that is fluid, flexible, self-learning, and self-service—and that enables continuous collaboration with every stakeholder group.





## 2. Implementing a composable Q2C strategy.

The second key step for eliminating value debt is developing a composable approach to the Q2C process. This not only allows for maximum flexibility and agility but can also serve as a springboard for a larger enterprise-scale transformation.

In a composable environment, it's easy to configure, change, and extend core business processes. This means the software environment can adapt to fit the needs of a company's Q2C organizational model, rather than be held back by the unyielding confines of traditional software.

Another essential advantage of a composable strategy and architecture: It can take data from virtually any source and make it available throughout the system. That data is always current and usable across applications. Moreover, the most advanced composable Q2C solutions also feature ML-augmented analytics and extensive what-if modeling to help stakeholders see around corners, iterate on plans and forecast what's coming next.

When working within a best-of-breed cloud, it's far easier to create a unified environment that companies can configure to match their organizational model. Best-of-breed solutions offer specialization, flexibility, scalability, seamless integration, innovation and cost effectiveness. For example, organizations may have previously viewed sales and demand planning through an accounting lens—studying sales pipeline data and trying to determine the impact on the



cash forecast. But when CRM, the financial management system and planning and analytics applications are all integrated in a unified system, it becomes much more than an accounting exercise. Now companies can start to analyze change more deeply and not just respond to it but also model it.

“Being able to do this in real time, to ask ‘what if?’ so you’re never missing an opportunity to create capabilities that deliver an excellent customer experience, and to do all this from anywhere you are and at any time—that’s why a modernization effort is so worthwhile.” – **Darshan Viswanath**



Modern Q2C systems should work seamlessly with popular cloud applications that are already in an organization's stack. And the organization must engage ecosystem partners to further develop cloud-to-cloud integration strategy, create a roadmap and implement top composable solutions (and relying on more than one cloud solution avoids the pitfalls of anchoring to a single platform).

Accenture calls these cloud-to-cloud integrations "pushing the technology easy button" for sales and finance organizations who are modernizing their Q2C process. An example is how cloud financial management and CRM systems can work together to make the overall system stronger and more cohesive.



Another technology easy button is Workday Financial Management, a leading cloud financial management and planning system, which integrates with Salesforce CRM and Sales Cloud—the top cloud CRM solution—

to leapfrog a costly custom integration, which is common in more traditional Q2C environments.

Instead, customers rapidly achieve two-way integration between the applications. Stakeholders can work using the most efficient application for their role, but still take advantage of tapping into data and insights from both applications. Here are some examples of how this works:



Opportunity and customer data from Salesforce flows to Workday, where customer activity information is always available and current.



When invoices, payments or adjustments occur in Workday, customer activity automatically updates in Salesforce.



Stakeholders can create opportunities, contracts, projects, invoices and resource plans in Workday from Salesforce events.



Dashboards provide a seamless experience for users with continuous sync monitoring.



Similarly, connectors are available to integrate CPQ, CLM and Billing to access finalized configurations, customer quote and billing information (like customer info, product SKUs, pricing/quote/discounts, subscription details, billing schedules, consumption etc.).

## Accenture and Workday jointly developed a solution that enables end-to-end Q2C capabilities powered by Workday Core Platform

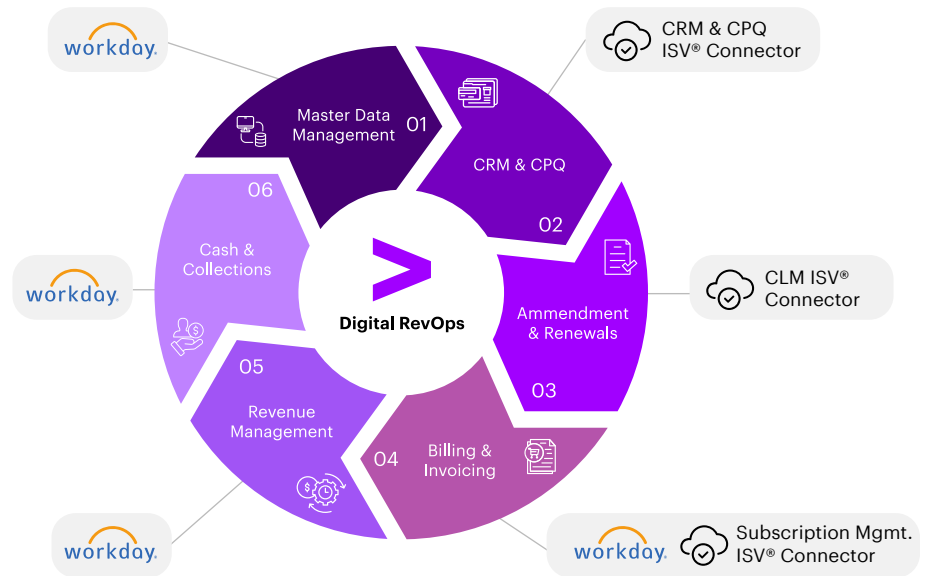
### Workday x Accenture Quote-to-Cash Solution

#### Our Solution:

Enable your end-to-end Quote-to-Cash capabilities with our pre-built suite - Workday Financials at the core, combined with the best of breed composable apps from independent-software-vendors (ISVs) and Accenture's connectors to manage continuous data flow, interoperability, ISVs.

#### Benefits:

- Accelerate time to scaled implementation with a nimble Quote-to-Cash environment
- Accenture's pre-built connections with ISVs amplify the value of Workday's strong portable data model
- Software industry and Quote-to-Cash expertise from Accenture Strategy & Consulting, Accenture Operations, and Accenture Technology.



Accenture offers connectors to best of breed composable apps and ISVs for Interoperability

## 3. Building a strong data foundation and embracing Generative AI and ML.

The final piece of the puzzle for technology companies looking to successfully revamp their Q2C process is establishing a strong data foundation. Data must be accurate, complete and reliable, especially in critical areas like revenue recognition, revenue forecasting, and order and billing management. Data must be interoperable across various systems and **easily accessible** by all stakeholders so they can act decisively and with agility.

**Nearly 8 out of 10 C-suite executives surveyed by Accenture said that between 50% and 90% of their data is "unstructured and inaccessible." This is a common consequence of data silos, but it's a major obstacle for teams needing to create a stable core for Q2C and other critical systems.**

Modern Q2C demands the establishment of a single source of truth for a company's data, seamlessly integrating workflows across multiple tools and technologies. This solid data foundation alleviates the workarounds, inflexibility and errors that all too often plague organizations.

### AI/ML

Artificial Intelligence (AI) and Machine learning (ML) have become hallmarks of modern enterprise systems and processes—including Q2C—enabling enterprises to achieve greater agility through automation. But a solid data strategy and foundation is essential before organizations can successfully unlock this value.





“Every AI app starts with data and having a comprehensive data and analytics platform is more important than ever.” – **Satya Nadella, CEO of Microsoft**

With a strong data foundation, Media, Technology and SaaS companies can take advantage of recent advancements like Generative AI to power intelligent automation, what-if scenario modeling and predictive planning.

How would that look for Q2C? Building on a robust data core, AI and ML enhancements supporting Q2C can automate previously manual workflows. The updated Q2C process can then provide extensive and rich data for better understanding customer behavior and even anticipating their needs in specific scenarios. This can be a game changer when it comes to renewals, churn management, promotions and pricing incentives. Generative AI can help create quotes, RFP responses and pricing configurations based on buying behaviors, industry trends and specific customer scenarios, significantly reducing the burden on sales representatives and deal desks. ML can also help RevOps teams identify data anomalies that could skew potential business decisions—E.g. it can improve the accuracy of sales, revenue, and demand forecasts. And it can support scenario planning. For example, media planners or software product managers can get a clear picture of what is likely to happen if they, say, raise subscription prices by 10%, or add pay-per-use options to what has historically been an all-you-can-eat offering.

“Without a strong data foundation, AI is just a pipe dream.” – **Thomas Kurian, CEO of Google Cloud**

These are just a few examples. The possibilities to exploit AI and ML are endless when you marry a sound operating model like RevOps with a composable Q2C architecture built on a strong data foundation.



## Launching a broader transformation. – Total Enterprise Reinvention

The time for business transformation is now. Accenture's CFO Now research shows that 72% of CFOs believe their company needs to completely rethink business models and corporate strategies to be more resilient. As CFOs have executed compressed transformations—wide-ranging projects on a fast timetable—they also have recognized new opportunities to connect different kinds of transformations and work across functions to fundamentally change every part of their business. In 2023, our Total Enterprise Reinvention research confirmed that companies who take this more holistic approach to transformation report generating 10% higher incremental revenue growth, 13% higher cost-reduction improvements and 17% higher balance-sheet improvements.

Modernizing Q2C doesn't just solve an urgent business imperative. It can also provide organizations with a starting point for implementing a much broader enterprise transformation.

The enterprise management cloud your organization implements to modernize Q2C, for example, can serve as the foundation for enterprise-wide commercial operations—a portfolio of connected systems delivered as a set of services, one modeled on boosting the customer experience from end to end.

RevOps, meanwhile, transforms back-office processes into front-office capabilities that can directly help customers. Innovation in finance exists increasingly at the edges, moving beyond FP&A to reach the people



### Endgame: Total Enterprise Reinvention

With new digital delivery, evolving business models, and M&A activities, 82% of C-suite executives are looking to significantly transform their technology landscape, processes, and workforce.

who are driving the business every day, and the systems that touch customers directly. That innovation will help define the future of the business itself.

A phased transformation that starts with Q2C and then extends to other systems makes it easier to deliver extraordinary customer experiences going forward, all part of a larger Total Enterprise Reinvention that resets the frontier of what's possible for organizations.

## Case Study - Vertex



### Challenge

Vertex, a leading tax software client, wanted to streamline front-office sales processes that historically used siloed systems built with manually imported and exported data. The client's goal was to connect sales and revenue operations using Salesforce and Workday Financials at the core. And they wanted to do it with a best-in-class Q2C approach, leveraging configurable cloud solutions to handle their complex customer billing arrangements.



### Action

Accenture replaced the client's heavily customized, on-premises ERP system with a modern, configurable solution, allowing Vertex to be more agile in rapidly addressing changes in their business model from on-premise licensing to subscription billing.



### Results

With the dizzying pace of change inherent in the technology industry, this solution enables the client to keep up with changes needed in their sales and revenue processes in a matter of days, instead of the weeks or months that would be needed to customize their legacy solution to meet those needs. Having Workday Financials at the core enables the client to have better insight into their business. Using Workday's Reporting and Analytics platform, they can better understand profitability and revenue forecasting and better grasp where to make future investments in their portfolio of product offerings.

## In Conclusion

For Media, Technology and SaaS businesses, the implications are clear: accelerating change and disrupted markets demand new approaches to Q2C. Waiting may come at a very great cost. But modernizing Q2C—by establishing new ways of working, implementing a composable Q2C process and building a strong data foundation that speeds automation—will help keep companies ahead of the competition and set the stage for transforming the entire enterprise.



## Written by:



**Darshan Viswanath**  
Principal Director,  
CFO & Enterprise Value



**Prem Ananthkrishnan**  
Managing Director,  
Software & Platforms



## Contributions by:



**Jabari Hopson**  
Senior Consultant,  
CFO & Enterprise Value



## About Accenture

Accenture is a leading global professional services company that helps the world's leading businesses, governments and other organizations build their digital core, optimize their operations, accelerate revenue growth and enhance citizen services—creating tangible value at speed and scale. We are a talent and innovation led company with 738,000 people serving clients in more than 120 countries. Technology is at the core of change today, and we are one of the world's leaders in helping drive that change, with strong ecosystem relationships. We combine our strength in technology with unmatched industry experience, functional expertise and global delivery capability. We are uniquely able to deliver tangible outcomes because of our broad range of services, solutions and assets across Strategy & Consulting, Technology, Operations, Industry X and Accenture Song. These capabilities, together with our culture of shared success and commitment to creating 360° value, enable us to help our clients succeed and build trusted, lasting relationships. We measure our success by the 360° value we create for our clients, each other, our shareholders, partners and communities. Visit us at [www.accenture.com](http://www.accenture.com).

