

An Oracle Business Architecture Case Study
December 2012

Transforming Revenue Management at Brink's

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About Brink's

As a world-leading provider of secure transportation and cash management services, Brink's has been transporting cash and valuables since 1859. With more than 59,000 employees worldwide, Brink's provides secure logistics solutions to banks, retailers and other commercial enterprises through a nationwide network and advanced technologies.

Brink's U.S., a division of Brink's, Inc., is the largest provider of armored transportation services in the United States, encompassing 9,214 U.S. Employees, 285 vaults, 246 branches and 2,228 armored vehicles.

Brink's At-A-Glance

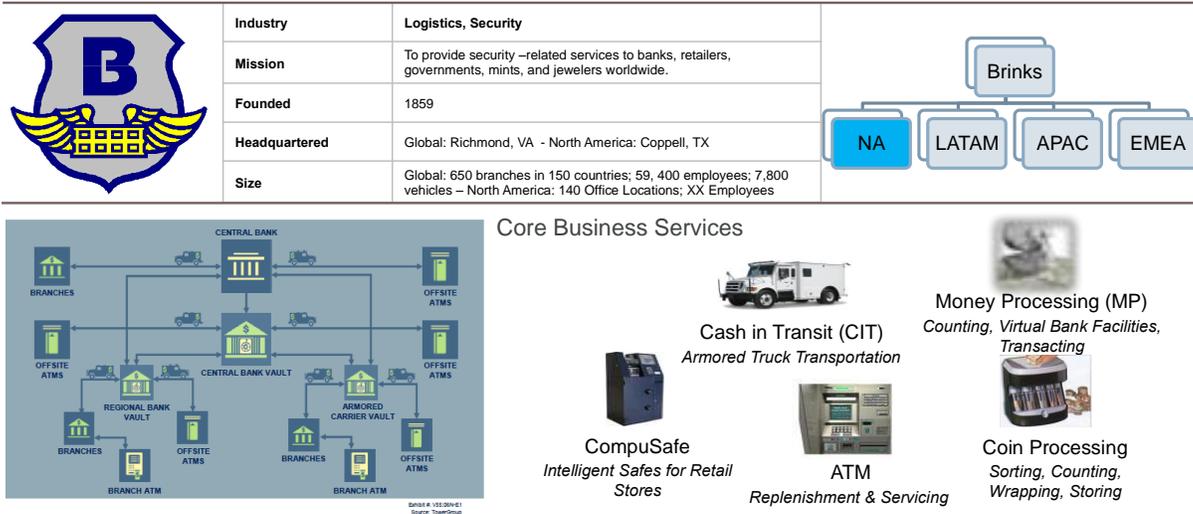


Figure 1. Brink's core services include cash in transit, money processing, in-store safes, ATM servicing, and Coin Processing.

The Need for Consistent Processes

For many years Brink's has relied on custom-developed systems for billing, transportation, contract management, and other corporate functions. Each branch behaved more like a franchise than a parallel operating unit. They could bill how, when and in the amounts they had individually arranged with their customers. However, Brink's revenue management processes were not standardized and in many cases they used custom software applications to capture and manage these transactions. In addition, each branch had its own business rules and many had created their own price lists, leading to an overly complex pricing model that lacked standardization and contributed to revenue leakage.

“The architecture component was very solid. We took the time to clearly understand where the problems lie and followed many of Oracle’s recommendations about what we needed to do for the business. We have reached important project milestones, on budget and on time.” – Dorinda Abendschein, Brink’s CFO

Management wanted to optimize performance and infuse consistency throughout the organization. “Our main goals centered around understanding customers and improving the customer experience, especially with respect to contracts, invoicing and the accompanying process flow,” says Stacy Rexroad, director of the Program Management Office at Brink’s. “We were operating with a very decentralized operation, not just among the various lines of business, but also between branches.”

Much of Brink’s heterogeneity stemmed from the natural growth of the company, which extends back 150 years to the days of horse-drawn carriages. This organic growth led not only to technical disparities, but cultural ones. For example, large customers within the National Accounts organization had centralized contract administration, billing, GL and HR as part of a unified model, but those invoices were rolled up from a hodge-podge of custom-developed billing systems maintained by the branches. Some customers were billed from the branch, others from corporate headquarters. Different branches billed customers in different ways and there were few standards dictating what information was included on these various types of invoices.

To remedy this situation, Brink’s decided to streamline its billing processes, eliminate these disparities and, as Rexroad puts it, “obtain an end-to-end view of customers on the invoices.” Business architects from Oracle Consulting Services helped Brink’s consider the overall architecture, the scalability of the technology, and the skilled resources necessary to develop and manage new technology.

“We brought together all of the threads and had a cohesive set of conversations about how to execute the project,” says Dorinda Abendschein, Brink’s CFO and executive sponsor for the project. “Oracle helped us to drive a process orientation and establish a Center of Excellence while we were delivering a new tool. There was no separation between IT and business—no separate architectural discussions or sets of rules. Everybody was held responsible for the success of the project.”

Achieving a Broader Perspective

Initially Brink's thought billing was the number one issue.

"Billing was extremely complicated; the terms and conditions were sometimes changed on the fly, there was a high percentage of credits and re-bills, and the burden of reconciliation was usually on the customer," admits Abendschein. "While we thought we were brokering contracts that gave customers lots of flexibility in how they structured their relationship with us, in fact we were adding additional complexity and manual processes."

As the management team delved deeper, Oracle encouraged them to broaden their scope and take a strategic view of the way they were thinking about the real problem, namely all customer interactions, not just billing. Oracle business architects interacted with senior managers to identify the high level processes running the business. The steering committee included personnel from Oracle as well as senior leaders from throughout Brink's including the CFO, CIO, Senior VP of Sales, Senior VP of Operations, and VP of Product.

Their discussions raised larger questions about how Brink's operates, both within its individual branches and as a corporation. How does the sales team identify potential customers? How do they capture the contract and then communicate those terms to the branch offices, to headquarters, and to operations personnel in the field? How do they coordinate activities when one customer obtains two or three different services from two or three different business units? How do they alert customer service personnel when issues arise, and coordinate resolution and follow up in the most expedient manner?

Getting their arms around these revenue management issues involved unraveling many legacy processes, procedures, and traditions that had grown up to serve customers in different regions, leading to an array of different products, services, and contracts.

Brink's current-state processes for the cash-in-transit operations are illustrated in Figure 2.

The Role of Business Architecture

Business architecture focuses on business strategy, process and organizational planning. Oracle Business Architects provide an organizing framework of services and artifacts that enable customers to rapidly deliver quantifiable business-value while controlling complexity with realistic, technology-enabled business solutions. Through the business architecture lens, Oracle helped Brink's reframe its revenue management project from a focus on a billing platform as the number one issue.

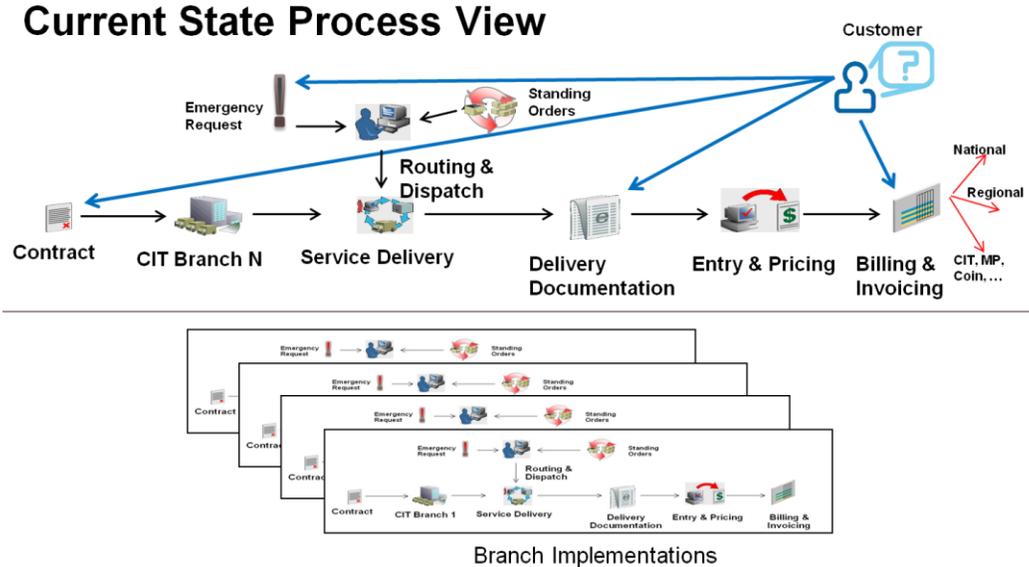


Figure 2. A business view of the current systems and processes for Cash in Transit.

A New Operating Model

Led by Rob Trotter, North American CIO at Brink's, the team envisioned an integrated “lead to cash” platform that they could deploy quickly and build on, year over year. In addition to a new billing system, this platform would include new systems for sales automation, contract management, teleservice, customer care, and business intelligence.

Achieving Brink's goals required modifying the process flow between the branches and the corporate office. The team laid out a new operating model that links contracts, customers, pricing, and transactions onto a single technology platform, driven by a unified process and fed by common data elements.

“As we progressed we began to see the value of taking a cohesive approach to the Customer Experience,” says Rexroad. “Some facets of our operation were inefficient for the branch and not a good experience for the customer.”

For example, customers might have to make multiple calls to resolve issues or wait while a call-center representative contacted various branches to round up information. There was no way to offer ‘one call resolution,’ which compromised the overall customer experience.

“This initiative was not just about technology,” Trotter says. “It was about how we are serving customers. Lack of standardization meant we had a hard time seeing our customer from front to back.”

“We needed a leaner, more efficient model to continue to compete effectively and offer stellar service to customers. This new business and technical foundation enables us to drive transformation. We are turning a very traditional business into a technology-driven company.” – Rob Trotter, North American CIO, Brink's

Oracle business architects took a holistic view of the situation. Their aim was to optimize and adjust processes related to customer convenience, experience, and revenue. To do this they created process maps for sales, branch involvement, customer contact, and finance. The Oracle consultants gathered and refined this information via interviews, surveys, and workshops. They interacted closely with regional VPs, branch managers, finance managers, branch personnel, and all major operational divisions at headquarters. They also examined the roles that various personnel play in these domains and analyzed the best way to coordinate their activities under the auspices of a unified contract management system. A separate program, called Branch Unification, combined money processing and cash-in-transit into one unified effort.

Overcoming 150 years of tradition wasn't easy. There were both cultural and logistical challenges associated with instituting these changes. For example, defining customer data elements might make perfect sense from a Master Data Management perspective, but figuring out who will take ownership of customer relationships introduced another level of understanding and, ultimately, acceptance. Who owns the customer from a relationship perspective, an operations perspective, a sales and marketing perspective, a financial perspective? Which duties belong to the branch, which to the call center? While in some instances it was difficult for the branches to let go of certain customer activities, it quickly became clear that branch managers didn't have the right tools for every facet of customer relationship management.

“We realized that it wasn't just a new system we were looking for, but also an associated business process that would help us achieve greater efficiencies and meet our revenue goals,” Rexroad sums up.

The Artifacts of Change

Oracle conducted an impact analysis to determine the organizational design that would help Brink's achieve an optimal value stream and business operation. As before, they interacted closely with many types of personnel at headquarters and in the field.

Organizational Impact Analysis

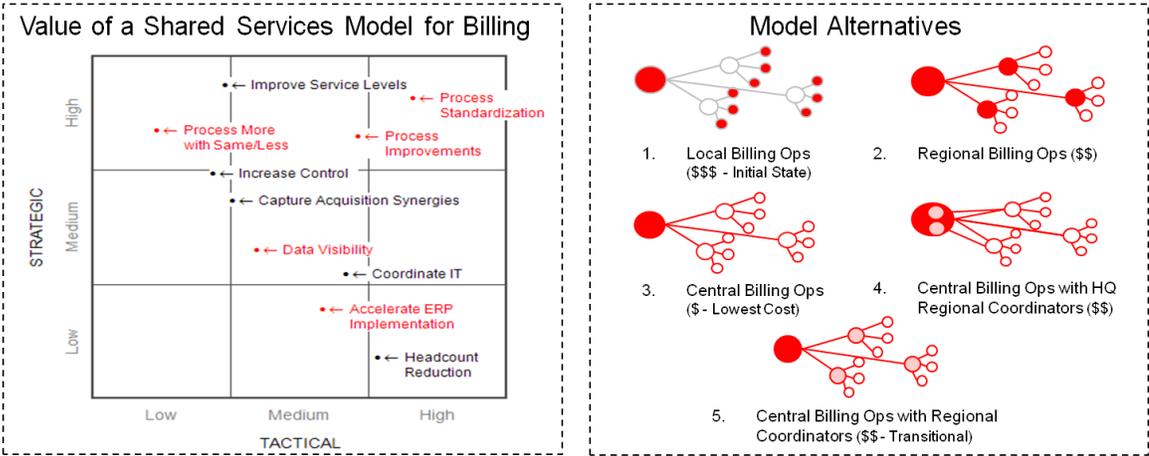


Figure 3. Maximizing the potential of the technology by maximizing the structure of the organization.

In addition, as Brinks evaluated its operational processes, Oracle sat down with the executive team and recommended that they consider a shared services model for finance. They had many meetings with the executive team, management staff, and branch personnel to identify all of the correct components of a shared services solution. One aspect of this model was a unified price book that would eliminate regional variations, introduce standardize billing procedures, and allow the company to more easily determine the cost of doing business.

Next Oracle conducted a Value Stream Analysis to examine the end-to-end processes and activities related to customers, as shown in Figure 4.

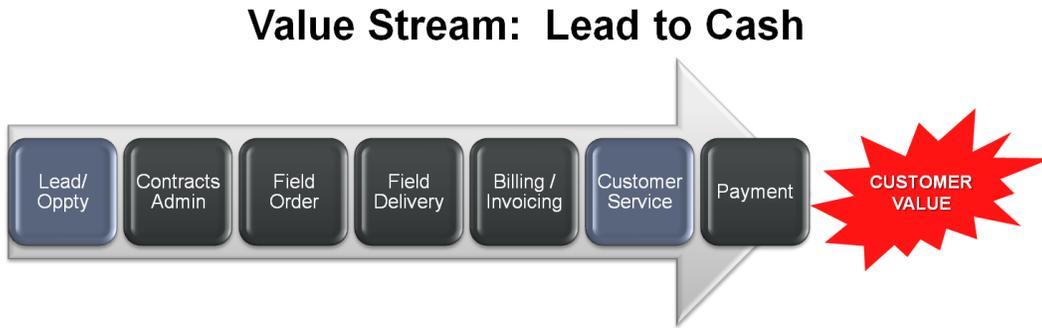


Figure 4. A graphical representation of the customer value stream, from initial contact to final payment.

It quickly became clear that this exercise was broader than just Revenue Management. In the ensuing weeks, a detailed process analysis of the Value Stream became the foundation for a more detailed roadmap that would allow Brink's to meet its high level goals: to improve operational efficiency, lower the cost of doing business, and improve the customer experience, as shown in Figure 5. This business process analysis allowed Brink's to see the integrated nature of the business and the impact of various proposed solutions.

Business Process Revenue Management Analysis

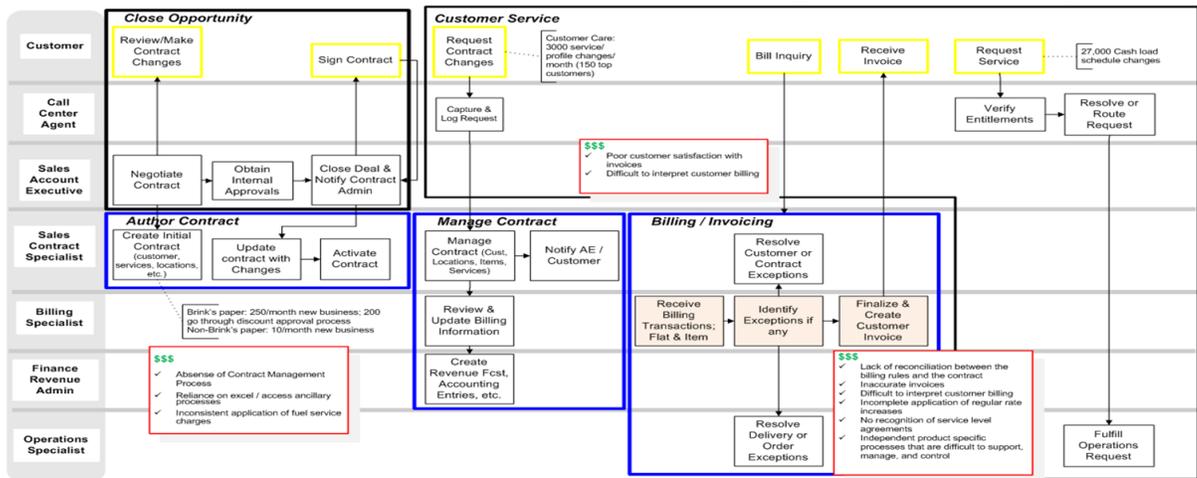


Figure 5. Revenue management analysis and workflow showing participation by customers, call center agents, sales account executives, and other personnel.

Building a Technology Foundation

Oracle Consulting Services helped Brink's create a new billing solution as well as establish a shared service for finance. They partnered with Brink's throughout the implementation. The organizational model aligns standardized processes with centralized administration to transition the company from local billing to central billing with regional coordinators, as shown in Figure 6.

Simplified Operations Model

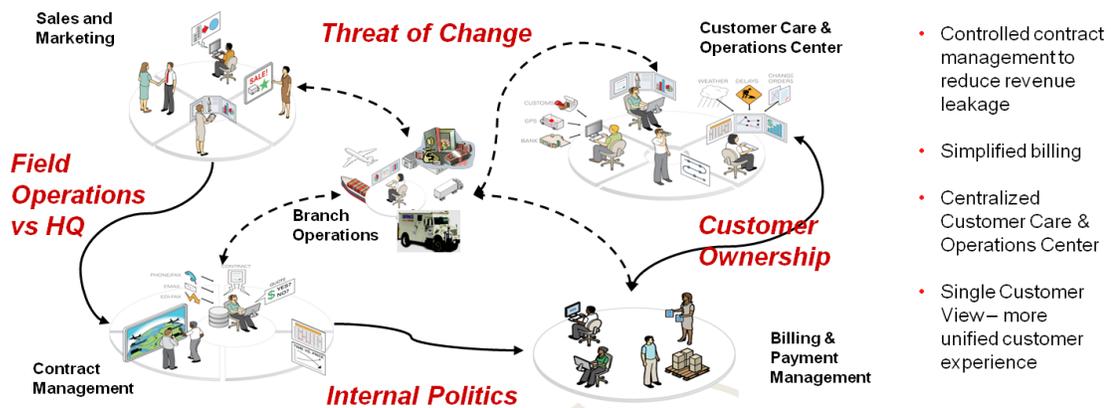


Figure 6. Customer inquiries are now handled centrally so that the branches can focus on servicing immediate customer needs.

Part of the job at hand was to establish master data management (MDM) principles for all customer and contract data elements. Everyone knew that establishing a single customer identity, from billing through service, was a key step forward. Embarking on a similar endeavor for the sales contracts and pricing schemes proved to be the winning combination.

Previously, for example, a large bank might have been listed in the customer records as two separate entities—one for Cash in Transit, another for Money Processing—reflecting these different lines of business. As a result, that customer would receive two separate bills for those services. There were not only different managers and billing systems, but also different operating models among various branches throughout North America.

“From an information architecture standpoint, there was no common definition of customer,” says Rexroad. “The essential ingredients of this supremely important data element varied based on the services each customer received.” Trotter agrees. “Master data management within the billing system was the silver bullet for us,” he notes. “By creating a billing system that would drive standardization in the master data elements, such as customer and pricing, we looked to expand on that standardization throughout all of our operating environments, systems, processes, and lines of businesses.”

Oracle supplied software to create a master data repository with consistent definitions for Contract, Customer, Product and Pricing. Oracle also provided technology to streamline Contracts Administration, Business Intelligence, and Invoicing based on several applications from Oracle E-Business Suite. The primary technology components are shown in Figure 7.

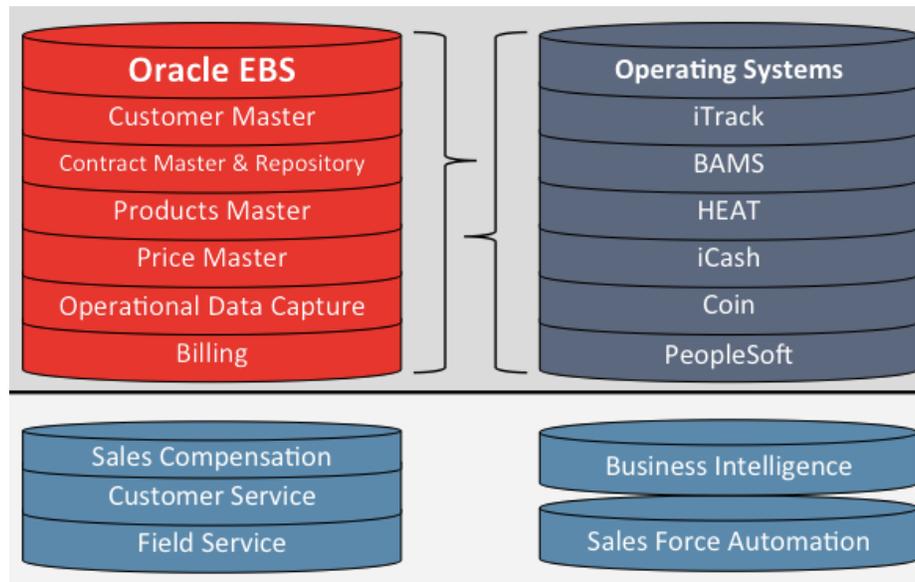


Figure 7. In the new application architecture, current and legacy systems share master data from an MDM repository associated with Oracle E-Business Suite.

Governing the Effort

Kevin Boland, Director of Revenue Management at Brink's, established the direction for this project. He worked closely with Stacy Rexroad to establish a program management office (PMO) to govern the revenue management initiative. The PMO was responsible for organizational change management, enterprise architecture, and all of the related people, processes, and technology required to make the program successful.

Even though this project was spearheaded by the Finance department, IT project managers were responsible for running it from front to back. They engaged subject matter experts to build out the plan and spearhead it through each facet of execution, from the business level to the technical level to the implementation level.

Key tasks and milestones included data conversion, finding and updating the contracts, migrating/retiring several legacy systems, and implementing Oracle E-Business Suite applications. The workstreams were aligned across the company, with shared schedules and communications enterprise wide.

“This project touched every department and branch within North America. Enterprise Architecture and Business Architecture played a key role in the success of the implementation.” – Stacy Rexroad, Director of the Program Management Office, Brink's

“This project touched every department and branch within North America,” Rexroad says. “Enterprise Architecture and Business Architecture played a key role in the success of the implementation.”

Currently Brink's is in production with parallel billing solutions. Ultimately the legacy billing processes will be discontinued. Trotter describes it as a sequential roadmap: once billing enters full production mode, Brink's will integrate CRM and other operational systems to utilize the new master data repository.

Today all field-billing personnel utilize a central finance shared service driven by standard KPIs and standard business processes. While these processes represent significant cultural change, the new system will help the branches improve revenue and also eliminate an administrative burden. Branches are paid in part based on their own profitability so they immediately benefit from unbilled revenue, giving them an incentive to transform their local operations.

“Rather than rolling out something that was punitive we devised a system that was incentive-based,” says Abendschein. “Obviously this is much easier to do with a central billing platform like we have acquired from Oracle. We are removing a lot of the day-to-day administrative burden from the branch leadership so that they can focus on interfacing with customers, optimizing routes, processing money—all the things that they do so well.”

Results and ROI

According to Abendschein, increasing automation has minimized the headcount required for these various processes, resulting in a significant revenue lift in the first year. “Now we are seeing additional lift as we implement the Oracle technologies,” she notes. “It has been very positive across the board. Establishing clarity into our billing processes has helped the business tremendously.”

While boosting revenue and increasing productivity are important, even more important is the fact that Brink's has simplified billing activities for customers. “Over time we will have fewer issues and fewer subjective interpretations of terms,” she continues. “They will enjoy a more seamless invoice, fewer reasons to call with issues, fewer re-bills, and greater overall quality.

“There are significant savings associated with this endeavor and greater clarity into what our contracts include and what we need to bill for,” concludes Abendschein. “Previously there was very little transparency into what each branch did. Having a standard billing platform and a new contract management capability brings much more rigor to the process and ensures a much better customer experience.”

For More Information

To learn more about Oracle Business Architecture and its impact on Brink's revenue management project, refer to the following resources:

Oracle Experiences in Enterprise Architecture article series: "Using Business Architecture to Ensure a World Class Customer Experience," by Bill Wimsatt, Director, Oracle Business Architect, Oracle. Click [here](#) to view this article.

Oracle Enterprise Architecture Summit 2012, a presentation by Bill Wimsatt and Stacy Rexroad. Click [here](#) for the presentation. Click [here](#) to listen or download an audio file of this session.



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December 2012

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