Bringing Reliability and Speed to the Pricing Process

Headquartered in Poway, California, General Atomics Aeronautical Systems, Inc. (GA-ASI) is an affiliate of General Atomics and a leading manufacturer of Remotely Piloted Aircraft (RPA) systems, radars, and electro-optic and related mission systems solutions. The company's Aircraft Systems business unit is a leading designer and manufacturer of RPAs, specifically the prominent Predator® series. GA-ASI also manufactures a variety of state-of-the-art digital Ground Control Stations and provides pilot training and support services for RPA field operations. The company counts federal agencies as well as state and local governments among its growing base of loyal customers.



"ProPricer's unified database captures all our cost, pricing, and resource data and makes everything so much faster, the system was in place when I started working here many years ago, and every year it adds new features that help streamline our processes."

MARIA CAMPBELL GA-ASI's Senior Manager of Pricing and Estimating

Time Savings Win the Day

GA-ASI has managed their pricing process with the ProPricer system since 2007. To choose between standardizing on spreadsheet-driven processes or ProPricer-driven ones, they evaluated the two methods and found operations ran much faster and more smoothly with ProPricer.

In the early 2010s, the use of ProPricer was challenged when GA-ASI absorbed a business affiliate that relied almost entirely on spreadsheets to develop their bids. Not wanting to change their existing processes, staff from the affiliate's pricing and estimating group wanted the GA-ASI team to use both ProPricer and spreadsheets to support bids. "I flat out refused that request," said Campbell. "I knew that would slow down our operations." To prove her point, Maria tracked the time it took the affiliate organization to develop prices and estimates versus the time it took her team to do the same with ProPricer. The difference was enormous: ProPricer was always at least five times faster than spreadsheets when employing manual

data entry. The speed difference was even bigger when the team used the ProPricer upload capability. "When people prepared initial inputs for a proposal – basis of estimate and hour estimates – they were doing so in forms that could be immediately uploaded to ProPricer," said Campbell, "which made the time savings even greater."

ProPricer's speed superiority grew even more when the affiliate organization needed to time-shift their estimates and prices in response to prospects' requirements to have funding profiles sorted by calendar year - something they did often. "That was so slow with spreadsheets," recalled Campbell. "They were re-entering all the data whenever they had to shift their performance period, which was, of course, all the time with government agencies constantly pushing back award dates." In contrast, ProPricer easily provides time-shifted data each time an award date changes or a prospect requests data for a new performance period.

Finally, although each estimate is unique, ProPricer's workflows and prompts help pricers – especially inexperienced ones – follow a process of reasoning that creates estimates faster.

The more experienced team members also benefit from the prompts and complete sets of information presented in ProPricer. "Often, people become preoccupied with just one item, such as labor; the system helps them avoid the trap of glossing over necessary sections.

Maria demonstrated the time savings the organization has enjoyed over the years using ProPricer, and soon, the affiliate organization staff joined the existing GA-ASI team in using ProPricer – with impressive results.



"It's very useful because it almost teaches you how to think through an estimate so you don't get stuck. You have all the resources right on your screen, so you say, 'Oh yeah, I guess I should ask about that."

> MARIA CAMPBELL GA-ASI's Senior Manager of Pricing and Estimating

Growth Enabled with ProPricer

Today, the pricing and estimating team supports the development of 300-400 proposals per year with a team of just 30 people. "The only way we're able to support that type of volume and meet all the customer requirement dates is with ProPricer," said Campbell. "You can't support that kind of workload by doing things manually. You need an automated system." She went on to explain that a manual-based way of working would have required GA-ASI to hire a much larger number of pricers, which would have increased the cost of resources and resulted in the company having to raise prices. "That's if we could even find the right people. Pricing and estimating professionals are rare, especially for hardware estimating," Campbell added.

Beyond initial bid support, ProPricer has enabled further growth by providing a unified data set that ties together all existing bids and can be leveraged for future bids and new ways of presenting data. For example, ProPricer can create funding profiles by calendar year or fiscal year; apply cost-estimating relationships easily within the system; and burden various items differently.

Another important aspect of ProPricer's data management capabilities is version control. With several hundred proposals generated per year, it's clear the company benefits greatly by knowing which version is the latest for each bid. Sending the wrong version to a customer can either doom a bid or lead to an unprofitable win.



"One of the big benefits is being able to slice and dice data so many different ways with the touch of a button. We look at these types of things all the time with ProPricer and probably never would without it."

> MARIA CAMPBELL GA-ASI's Senior Manager of Pricing and Estimating

Process Consistency and Accuracy

Humans being humans, everyone works differently, which presents problems with consistency when using spreadsheets; ProPricer eliminates variation and ensures a high quality, consistent product each time. The system provides both sanity checks and process enforcement as people enter pricing information. Then, the outputs all appear as properly formatted professional views or reports with none of the awkward formats, page breaks, and one-off looks that plague spreadsheets.

With the consistency inherent in ProPricer, GA-ASI's customer interactions run more smoothly and predictably. First, prospects know what to expect each time they receive a proposal based on ProPricer. They understand the easy-to-read reports that offer clean, in-depth reporting of data and the rationale behind the various pricing factors. Second, GA-ASI can perform better knowledge transfer to customers via the ProPricer database file, which they can manipulate any way they choose. "Customers with ProPricer can just take our database file and apply a change, take a decrement ... any number of things," explained Campbell. Since the data is consistent, GA-ASI gains flexibility in the way it shares information with customers who have ProPricer. "In recent years, more and more of our government customers have implemented ProPricer, so we're able to work more closely with each of them," said Campbell.

Superior Data Management Improves Profitability

With so many potential projects in the works, GA-ASI's management team is always seeking to calculate required resource levels to balance effectiveness and efficiency. The unified and easily-manipulated data set within ProPricer lets GA-ASI strike this balance. "By knowing the most current version of each proposal, the team can apply 'probability of win' values to them," explained Campbell. "Since the system provides staffing by bid category and month across all current outstanding proposals, we quickly obtain a profile of the company's future hiring requirements."

The company is now building on its success with ProPricer to reduce the time it takes to consolidate bills of materials (BOMs). In their initial tests, they have reduced an 80-hour BOM consolidation project down to just 17 minutes.

Future Plans with ProPricer

While GA-ASI estimating and pricing staff find the ProPricer system intuitive and capable of being self-taught, several team members attend a ProPricer conference and classes each year as a way to learn new industry practices and gain different perspectives. This will help the company use the system to do more with the same level of staff. "We'll be sending some people to learn about perfecting the way we import a wide variety of data from the integrated master schedule," said Campbell.

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Case Study