Traditional pricing of information technology hardware and tracking profitability is a relatively straightforward task, considering that cost is a known quantity; but consulting and IT outsourcing deals in particular can be trickier to assess.

At Dell, IT infrastructure & cloud computing services represent a significant revenue stream. Some 500 specialist consultants in Dell’s Europe, Middle East and Africa (EMEA) region sign up around 900 deals each quarter and the IT outsourcing team is involved with pursuing hundreds of millions of dollars in opportunities.

Jon Rhymes, EMEA Service Business Development Finance Director, has responsibility for large, complex bids within the region. He and his team of business development ‘pricers’ work closely with bid teams and sales colleagues to help construct deals.

Rhymes joined Dell from UBS six years ago. At the time, clarity on deals, win rates and profitability was lacking or inconsistent. “We did not have a clear view of our pipeline of opportunities. We did not have a view of what deals we had sold, from a budgetary perspective, and we did not have a view of deal P&Ls, i.e. which deals were making money and how they were being tracked.”

Rhymes’ team now works with Dell’s consulting and managed services organisation on the financial aspects of high-value deals.

Sales colleagues welcome the team’s input. “If you look at any sales-led organisation, you will find that a lot of the sales guys are not very comfortable dealing with Finance. But at Dell, the sales guys want the pricing team to be with them on the deal. It helps them sell and assists with internal approvals; importantly, it also supports what they are trying to do with the customer and validates the solution that the sales team has designed. This adds value all round.”

Team members often attend customer meetings, says Rhymes, and management accountants are particularly well suited to customer liaison work. “If I look to hire into this team, CGMA skills are hugely valuable. You need to have very strong control and technical skills – and with Dell’s transformation into a solutions-focused business, forging deeper relationships becomes critical; since customers view us as their advisors. This is where finance can really add value for our customers & the wider team.”

Business Development team members can enhance deal values. “Net financial gain from someone at the top of their game in my view could be 10% or more, and if you are looking at $50 million to $100 million deals, you are talking about millions of dollars of gains being brought to the table.”

**The CGMA designation**

Two of the world’s most prestigious accounting bodies, AICPA and CIMA, have formed a joint venture to establish the Chartered Global Management Accountant (CGMA) designation to elevate the profession of management accounting. The designation recognises the most talented and committed management accountants with the discipline and skill to drive strong business performance.