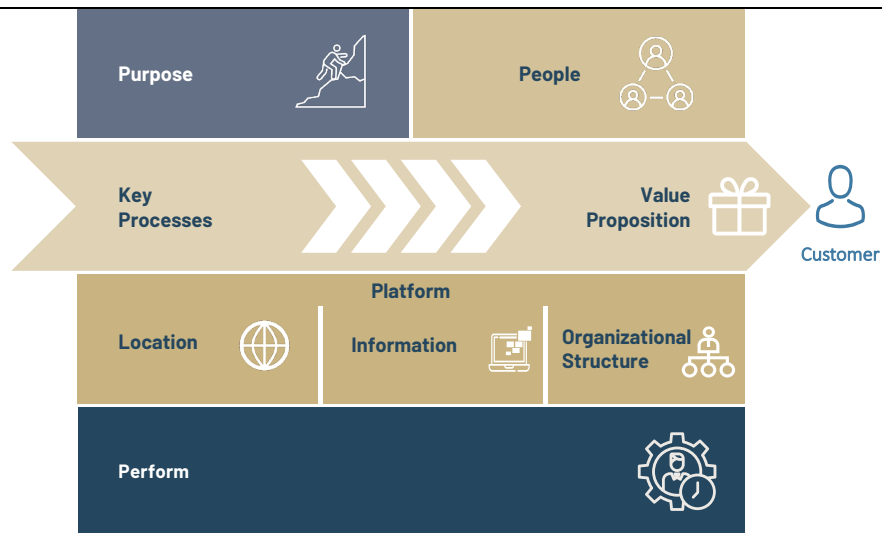


## Tools for SMALL Businesses

Level 1 Question 7: Are all our other core processes fully functioning? (Do we have an effective order fulfillment process)?

<b>Title</b>	Level 1 mapping tools
<b>Why</b>	<p>As the organization scales, having robust, well documented processes that delivers the right output, at the right time, quality and cost becomes essential to success.</p> <p>The purpose of this tool is to get a birds view of all key processes and to identify where constraints are or could occur as the organization grows.</p>
<b>What</b>	<p>Processes are the pulse of the organization, everything that happens is the result of a process.</p> <p>An input triggers a series of tasks (the process) that delivers an output</p> <div data-bbox="384 882 1134 1093" data-label="Diagram"> </div>
<b>How</b>	<p>We use the 5P Operating Model as the tool to draw our key processes</p> <p>Identify the key processes needed to deliver your products and or services to you customers.</p> <p>Typical Key processes are:</p> <div data-bbox="360 1473 1369 1653" data-label="Diagram"> </div> <p>But they will vary from company to company. You need to define your own key process</p> <p>In the following we will use the 5P Operating Model Canvas as the tool to Map your processes (see below)</p>



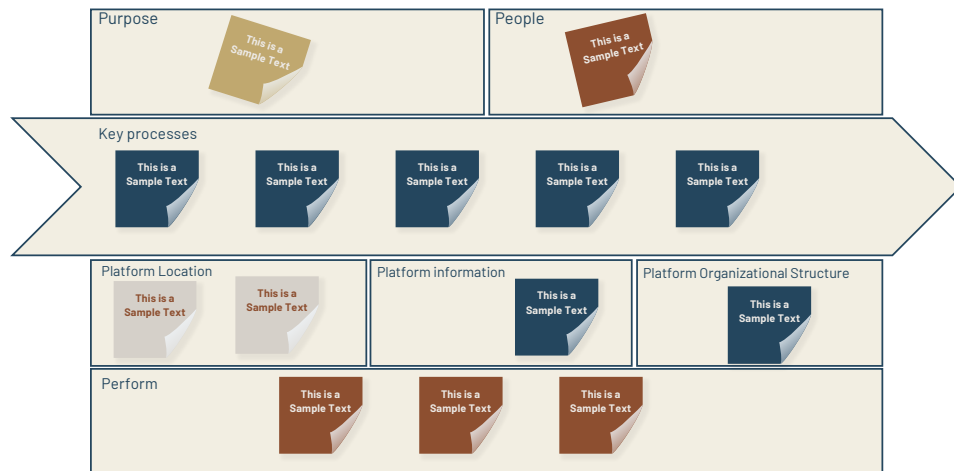
Figur 1 5P Operating Model Canvas

The Steps in understanding your Key processes are the following:

**1) Map out the current state:**

1. Assemble a team of people with a broad knowledge of the company's processes.
2. Map out your Key customer facing process from beginning to end. (you can use the 5P operating model Canvas (see model below)
3. This is only going to be a very high level overview, so be careful not to go into too much detail. The process should not be mapped in more than 5-7 steps
4. Once Mapped, ask yourself the following questions for the overall process and each of the individual steps:
  - a. What is the expected time to fulfill the Process?
    - i. What is the actual time?
  - b. What is the Demand for Capacity (Units per hour, day, week)
    - i. What is the actual Capacity?
  - c. What is the expected quality level?
    - i. What is the actual Quality level?
  - d. What is the expected cost of producing one unit?
    - i. What is the actual Cost?
  - e. Which Skills are needed to operate each step
    - i. Do we have the necessary skills today.
  - f. Identify if there are any issues in handoffs between process steps
5. Now ask yourself the following question Related to the Other Five Ps:
  - a. Are any of the other 5Ps a barrier for efficient execution of the key Key processes?

Example: We do not have enough skilled people to operate the production units, The IT-systems are not supporting our key process, etc.



- 2) Identify the Future state
  - a) Look into the strategy for growth expectations
  - b) Define the Future requirements for Time, capacity, cost, quality and Skills
  - c) Set a 1, 3 and 5 year horizon
  
- 3) Identify gaps in current and future performance
  - i. Prioritize which issues are most critical and make a list of improvement initiatives.

**Template**

See next page

5P Operating model Canvas

