



AMERICAN UNIVERSITY OF BEIRUT

BETTER PREPARING EAST & EAST FOR SCALING UP:  
DOCUMENTATION & STANDARDIZATION OF CORE  
PROCESSES TO IMPROVE EFFECTIVENESS &  
EFFICIENCY

By  
SAMER NADIM ABOU NEHME

A project  
submitted in partial fulfillment of the requirements  
for the degree of Master of Business Administration  
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at the American University of Beirut

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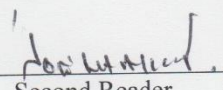
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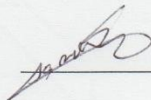
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# AN ABSTRACT OF THE PROJECT OF

Samer Nadim Abou Nehme for Master of Business Administration  
Major: Business Administration

Title: Better Preparing East & East for Scaling Up: Documentation & Standardization of Core Processes to Improve Effectiveness & Efficiency

In order for any company but especially Small and Medium Enterprises to grow and scale up, they need to start with robust and repeatable business processes. Most have not done so. Thus, process mapping and documentation can be very beneficial in this regard. It constitutes a guide for those responsible for doing the work to think about their work. They are used to help improve processes in light of what customers most value about that work, while making the work architecture visible as a catalyst for subsequent action to improve, measure, monitor, or perform the work. Process maps collectively describe the best known way to do this work currently.

As a growing SME, ND needed to have its processes standardized and structured to help in the scaling initiative. An initial set of basic process maps were prepared by the company. Based on this MBA project, these process maps were elaborated, updated and a set of control measures were added to processes. Company policies and business rules were identified as they related to these processes through verification and validation. In addition, the MBA project generated three new processes which were freshly mapped.

The impact of updated and new process mapping exercise has been positive; errors and mistakes in production have decreased by over 30%, damages in shipping reduced by over 80% and thus customer satisfaction has increased dramatically<sup>1</sup>.

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<sup>1</sup> The detailed are withheld for confidentiality reasons.

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## ABBREVIATIONS

AWB	Airway Bill
BOL	Bill Of Lading
CEO	Chief Executive Officer
COO	Chief Operating Officer
CRM	Client Relationship Management
FOB	Free On Board
MBA	Master in Business Administration
ND	Nada Debs
PFI	Proforma Invoice
PIMS	Profiles Integrated Management System
PO	Supplier (Purchase) Order
SME	Small & Medium Enterprises
SO	Client (Sales) Order

# CHAPTER 1

## INTRODUCTION

The first step in preparing companies for both scaling and also focusing on repeatable transactions which serve the company and its customers well is to make sure the core business processes are documented, measured and managed. If this is true for most companies, it is an existential imperative for Small and Medium Enterprises (SMEs) because of lean principles they need to live by. Process maps help address questions related to individual and team performance and quality of work. However, it is also well known fact that SME often fail to have processes that are documented, measured and managed. As a result, the notion of process documentation and standardization as a precursor to growth and scaling is an absolute must for all SMEs.

While Lebanon flourishes with private initiatives and start-ups, they often fail to expand from the small business stage and remain “stuck” at the family boundaries. One major obstacle identified is the lack of standardized processes, leaving room for non-homogenous product, entailing a difficulty in delegating responsibility to employees (owner feels only he can produce the right product and is not able to delegate) and resulting in the impossibility in achieving economies of scale. This is something I have experienced first-hand in my father’s own agribusiness, which has the right fundamentals, however it has not grown for the past 10 years and has not been successful in moving to the next stage. This is one of the main reasons I have opted to do an MBA and I have specifically chosen

this project, focused on Nada Debs in order to apply this methodology within my father's business post-graduation.

Returning to her roots in Lebanon after an absence of 40 years, Nada Debs found designs for modern Middle Eastern furniture almost non-existent. This made her determined to use her multi-cultural background to create furniture which would appeal to a global market. Nada created her company 'East and East' in the year 2000, which concentrates on designing, manufacturing and selling her own furniture and home accessory lines. The company now has retail outlets throughout Beirut: the Nada Debs Gallery, which displays the 'East & East' and 'Contemporary' collections and two Nada Debs Boutiques, which carry her home accessory collections. Globally, Nada Debs is represented in New York, Dubai, Geneva, Cairo and Amman.

As a pre-requisite to scaling up, the processes of the firm need to be robust and repeatable. In order to achieve this, these processes must be documented and analyzed. With this rationale in mind, we have launched this project aiming for the following:

1. Understanding in depth core business processes.
2. Documenting core processes.
3. Mapping additional processes.
4. Analyzing & proposing standardization of core processes.

## CHAPTER II

### METHOD & APPROACH

In order to unify and standardize processes, cross-functional maps are commonly used. They show the succession of activities to be undertaken by staff in order to accomplish specific tasks. They clearly show how these activities are distributed among departments and individuals.

When creating process maps, the following symbols are used:

- Arrows to represent the input and output from an activity and to show direction of the workflow.
- A rectangle to define the activity that transforms the resource input.
- A diamond symbol with two branches as output to indicate a decision where more than one outcome is possible. Branches are labeled accordingly (Y/N...).
- Forms and records used are specified next to the activity
- Horizontal bands to represent the entity that does the work and when several entities collaborate on the same task, a box that includes all the entities is drawn.

Through a series of one-on-one interviews, core processes related to sales, production, inventory and delivery were revisited. Armed with seventeen process maps previously prepared by COO Mr. Joe Khayat, I was slowly able to make sense of the work that is being done in the company. Using these maps, key employees from each department were interviewed to be able to cover the core work being done. I had seven one-on-one interviews as listed in the following table.



Table 1: List of interviews

<b>Department</b>	<b>Key Employees</b>	<b>Validated Processes</b>
Sales	Marina	Sales Process For Stocked Items Costing/Pricing of Variation Items Sales of Non-Stocked Items Answer Sales Inquiries Repair Sales Sales of Branded Corporate Gifts Costing/Pricing of Customized Items for Clients
Accounting	Elie	Issue & Redeem Gift Vouchers Return or Exchange Items
Production	Ziad	Production Cycle Production Order Wrapping/Packing
Procurement & Logistics	Danielle	Insurance Claim Order Reception International Delivery Refinish Items Supplier Approval for Crating
Logistics	Hanan	Local Delivery
Sales	Bouchra	ND Stock Order Order Procurement
Design	Mouawana	Photoshoot Request

Below is a sample of the questions asked during interviews:

- Walk me through what happens when a customer asks for a customized chair?
- And then what happens?
- Do you encounter any problems when delivering the items?
- What kind of improvements do you think can be made to prevent delays?
- What if the item delivered is damaged, how do you handle the customer

complaints?

Each step on the original map was validated and/or corrected. By making the interviewee explain how things get done, we were able to correct and improve some of the maps and add some valuable information either in the map itself or in the attached documentation.

Upon the request of the COO, emphasis was put on standardization. This has been achieved by:

1. Identifying sub-processes that were hidden in core processes. In the final drawings, they were coded by a double-bar rectangle. These sub-processes allowed for simplification of maps. At the same time, more details can now be obtained by looking at the sub-process's own map and documentation

2. Adding triggering events and ending events to maps; in other words, boundaries were set

3. Creating an editable description for each process: this means that for each process, steps were detailed and numbered, the event was described by action words to be performed by the 'performers' that refers to the department in charge of the work. Business rules and company policies (such as sales policy) were included through the documentation.

As for creating new process maps, we would first interview a knowledgeable employee and ask him to walk us through the work from the beginning. As he explains the details of the work and the succession of activities that take place, we should be able to answer the following questions:

- What triggers the work and how does it end? What is the final output?
- Which succession of activities lead to the end result? And in which order?

- What are the inputs needed and the outputs produced at each step?
- What are the forms and records collected and which software is used for this purpose?
- Who performs each activity? And what are the mechanisms used that control for errors and mistakes?

Based on the interview, a map is quickly drawn showing the set activities in the correct order to be performed by different entities. The map is then validated by the employee himself and double-checked by the COO. Business rules and company policy were also identified and recorded through the interviews. They have been described fully in the documentation.

## CHAPTER III

### PROCESS MAPPING & DOCUMENTATION

For all processes, a detailed documentation has been produced. This constitutes a detailed step-by-step guide for each map. It explicitly explains what must be done by each department and states the rules to be followed in each case. For each process, triggering events were specified as well as closing events. In an effort to standardize processes, sub-processes were identified and denoted by a double bar rectangle. These sub-processes link maps to each other. In this document, the original map previously prepared by ND upper management was added followed by the edited version.

#### **A. Process Documentation**

Here, only minor changes were done to the original drawing. For each process, a detailed documentation was produced where business rules and policies were listed.

##### ***1. Sales of Non-Stocked Items***

The following cross-functional map details how items currently not found in stock were ordered, produced and sold to the customer. Forms to be filled were specified. Minor changes were made to the original map.

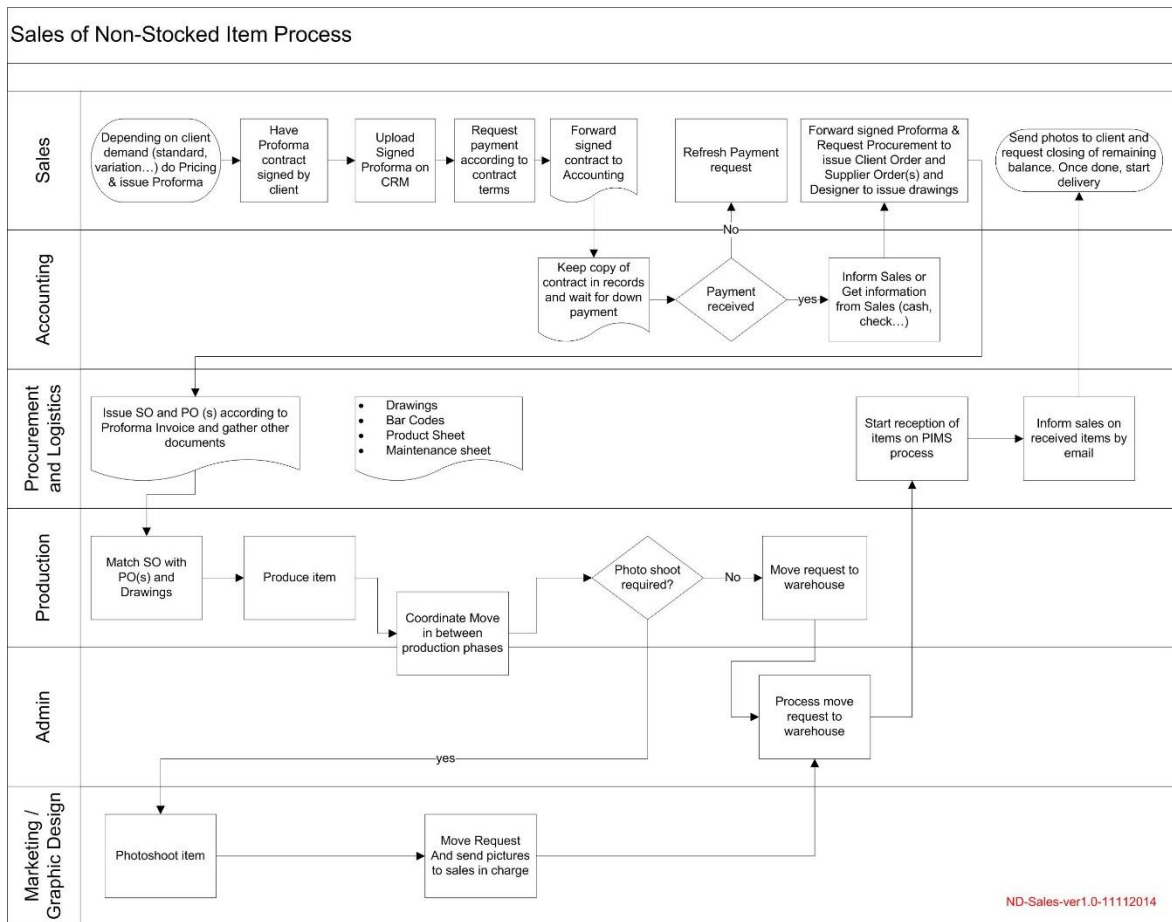


Figure 1: Sales of Non-Stocked Items (Original Drawing)

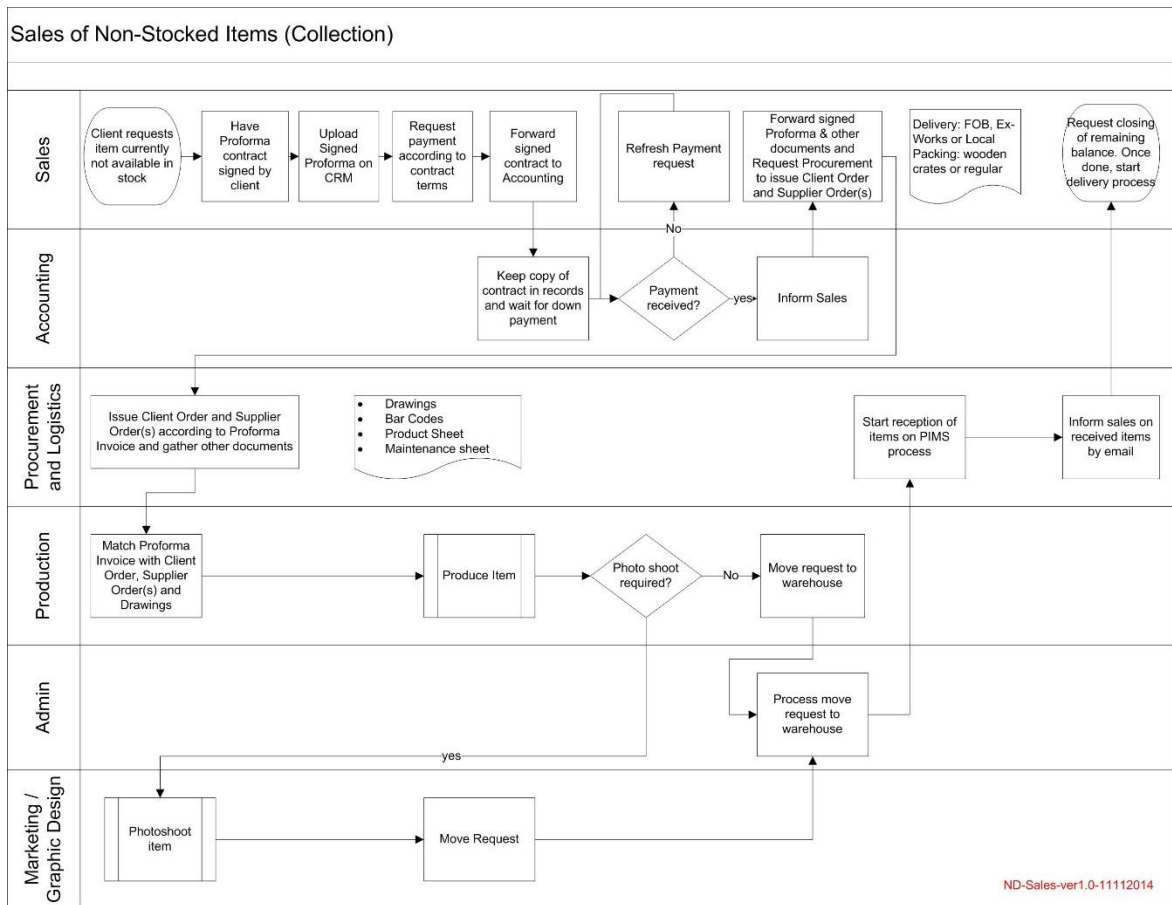


Figure 2: Sales of Non-Stocked Items (Final Drawing)

Sequence # & Name	1. Client requests item currently not available in stock
Description	
Performers	Sales
Documents	
Sequence # & Name	2. Have Proforma signed by client
Description	Print Proforma and have it signed by client
Performers	Sales
Documents	Proforma Invoice

Sequence # & Name	3. Upload signed proforma on CRM
Description	Update status of deal on CRM to 'WON' when deal is closed or 'LOST' if ended
Performers	Sales
Documents	Proforma Invoice
Sequence # & Name	4. Request payment according to contract terms
Description	If item is customized, 50% of final price is required upon signature
Performers	Sales
Documents	
Sequence # & Name	5. Forward signed contract to accounting
Description	
Performers	Sales
Documents	Proforma Invoice
Sequence # & Name	6. Keep copy of contract in records and wait for down payment
Description	
Performers	Accounting
Documents	Proforma Invoice
Sequence # & Name	7. Payment received?
Description	Check if payment is received
Performers	Accounting
Documents	
Sequence # & Name	7.1.Refresh payment request
Description	If payment is not received, refresh request
Performers	Sales
Documents	
Sequence # & Name	7.2.Inform Sales
Description	If payment is received via credit card or on the website, inform Sales

	If payment is done directly in showroom (cash, check...), inform Accounting
Performers	Accounting
Documents	
Sequence # & Name	7.2.1. Forward signed Proforma & other documents and request Procurement & Logistics to issue Client Order and Supplier Order
Description	Collect the following information from client and forward to Procurement & Logistics: Delivery: FOB, Ex-Works Packing: in wooden crates or in regular cartons
Performers	Sales
Documents	Proforma Invoice Delivery & Packing Info
Sequence # & Name	7.2.2. Issue Client Order and Supplier Order(s) according to Proforma Invoice and gather other documents
Description	
Performers	Procurement & Logistics
Documents	SO PO(s) Drawings Proforma
Sequence # & Name	7.2.3. Match PFI with Client Order, Supplier Order(s) and drawings
Description	Check if proforma, client order, supplier orders and technical drawings match up and do necessary adjustments if needed
Performers	Production
Documents	SO PO(s) Drawings Proforma
Sequence # & Name	7.2.4. Produce Item
Description	Sub-process
Performers	Production
Documents	
Sequence # & Name	7.2.5. Coordinate Move in between production phases
Description	



Performers	Production & Admin
Documents	
Sequence # & Name	7.2.6. Photoshoot required?
Description	Check if photoshoot is required If it's a new item/customized item, it requires photo shooting If it's a regular item, photos are available
Performers	Production
Documents	
Sequence # & Name	7.2.6.1. Move request to warehouse
Description	If photo shoot is not needed, proceed to step 7.2.6.2.2.
Performers	Production
Documents	
Sequence # & Name	7.2.6.2. Photoshoot item
Description	Sub-process
Performers	Marketing/ Graphic Design
Documents	
Sequence # & Name	7.2.6.2.1. Move Request
Description	
Performers	Marketing/ Graphic Design
Documents	
Sequence # & Name	7.2.6.2.2. Process move request to warehouse
Description	
Performers	Admin
Documents	
Sequence # & Name	7.2.6.2.3. Start reception of items on PIMS
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	7.2.6.2.4. Inform Sales on received items by email

Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	7.2.6.2.5. Request closing of remaining balance. Once done, start delivery process
Description	
Performers	Sales
Documents	

Figure 3: Sales of Non-Stocked Items (Documentation)

## ***2. Costing/Pricing of Customized Items for clients***

Here costing and pricing of customized items has been mapped (i.e. items that are tailored to suit customer needs). Minor changes were made to the original map.

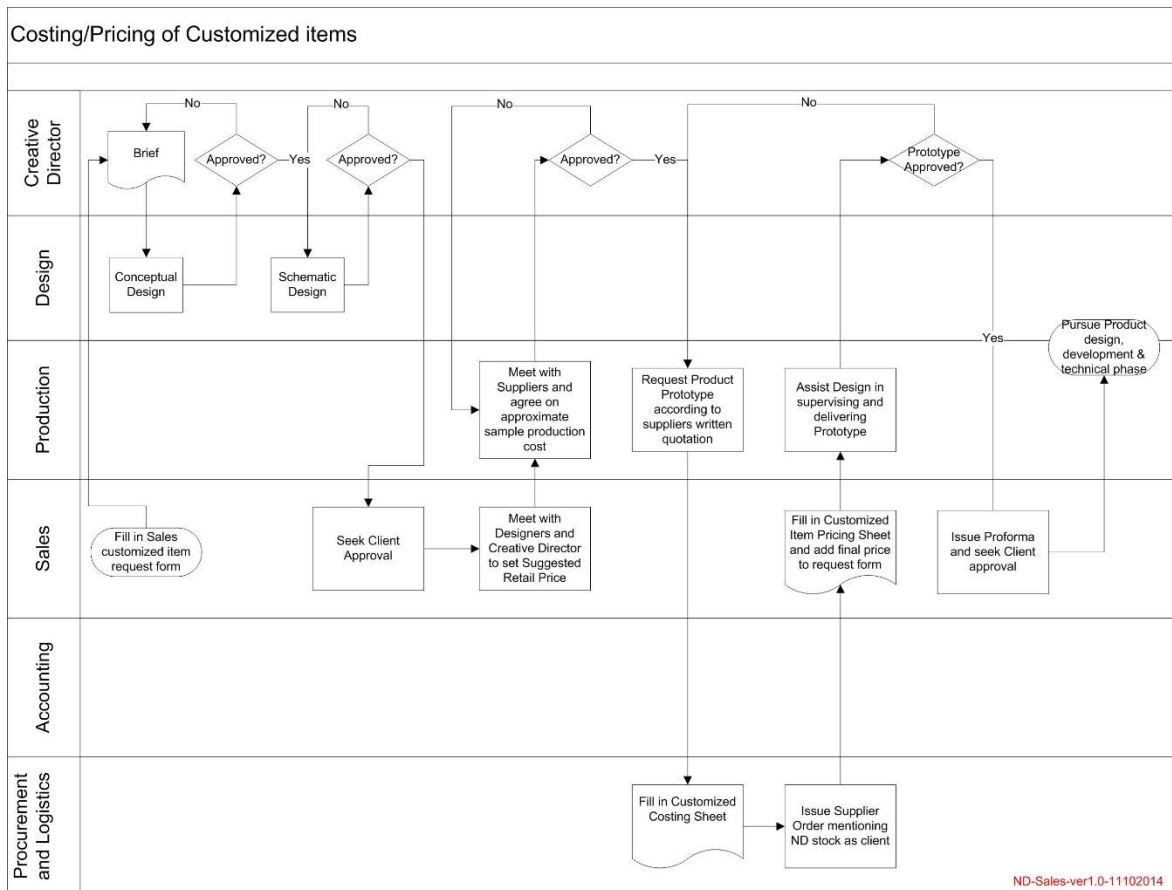


Figure 4: Costing/Pricing of Customized Items for Clients (Original Drawing)

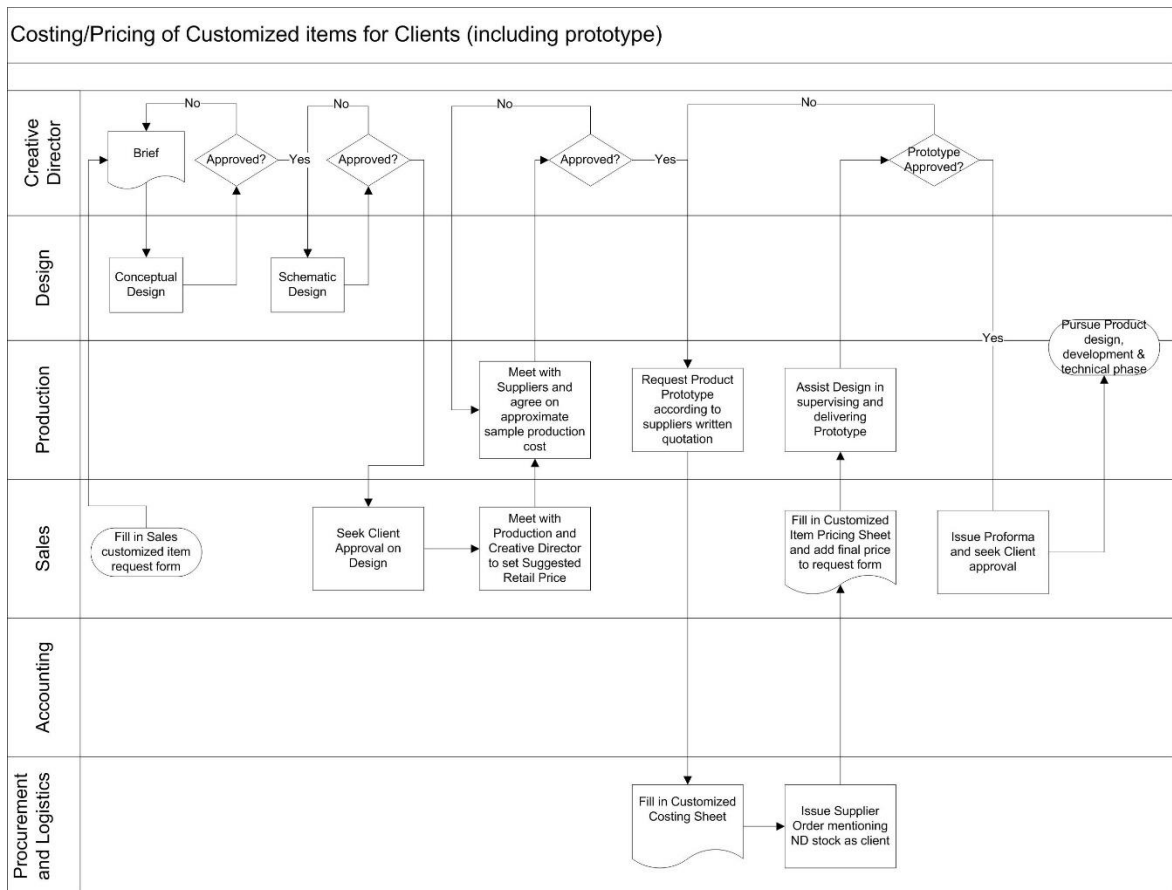


Figure 5: Costing/Pricing of Customized Items for Clients (Final Drawing)

Sequence # & Name	1. Fill in Sales customized item request form
Description	
Performers	Sales
Documents	Customized Item Request Form
Sequence # & Name	2. Brief
Description	Creative Director is informed about customized request
Performers	Creative Director & Sales
Documents	
Sequence # & Name	3. Conceptual Design

Description	Do conceptual Design
Performers	Design
Documents	
Sequence # & Name	4. Approved?
Description	Seek Creative Director Approval by Sales
Performers	Creative Director
Documents	
Sequence # & Name	4.1.Go back to Brief
Description	If not approved by Creative Director, go back to step 2.0.
Performers	Creative Director & Sales
Documents	
Sequence # & Name	4.2.Schematic Design
Description	If conceptual design is approved, proceed with Schematics
Performers	Design
Documents	
Sequence # & Name	4.2.1. Approved?
Description	
Performers	Creative Director
Documents	
Sequence # & Name	4.2.1.1.Go back to Design
Description	If schematic design is not approved by Creative Director, go back to design
Performers	Design
Documents	
Sequence # & Name	4.2.1.2.Seek Client Approval on Design
Description	If schematic design is approved by creative director, seek client approval on design
Performers	Sales
Documents	

Sequence # & Name	4.2.1.2.1. Meet with Production and Creative Director to set suggested retail price
Description	
Performers	Sales, Production & Creative Director
Documents	
Sequence # & Name	4.2.1.2.2. Meet with Suppliers and agree on approximate sample production cost
Description	
Performers	Production
Documents	
Sequence # & Name	4.2.1.2.3. Approved?
Description	Is sample production cost approved?
Performers	Creative Director
Documents	
Sequence # & Name	4.2.1.2.3.1.Go back to Production
Description	If not approved by Creative Director, go back to Step 4.2.1.2.2.
Performers	Production
Documents	
Sequence # & Name	4.2.1.2.3.2.Request Product Prototype according to suppliers written quotation
Description	If approved by Creative Director, proceed with prototyping
Performers	Production
Documents	
Sequence # & Name	4.2.1.2.3.2.1. Fill in Customized Costing Sheet
Description	
Performers	Procurement & Logistics
Documents	Customized Costing Form
Sequence # & Name	4.2.1.2.3.2.2. Issue Supplier Order mentioning ND stock as client
Description	
Performers	Procurement & Logistics
Documents	Supplier Order

Sequence # & Name	4.2.1.2.3.2.3. Fill in customized pricing sheet and add final price to request form
Description	
Performers	Sales
Documents	Customized Pricing Form
Sequence # & Name	4.2.1.2.3.2.4. Assist Design in supervising and delivering prototype
Description	
Performers	Production
Documents	
Sequence # & Name	4.2.1.2.3.2.5. Prototype Approved?
Description	Is prototype approved?
Performers	Creative Director
Documents	
Sequence # & Name	4.2.1.2.3.2.5.1.Go back to Production
Description	If prototype is not approved by Creative Director, go back to step 4.2.1.2.3.2.
Performers	Production
Documents	
Sequence # & Name	4.2.1.2.3.2.5.2.Issue Proforma and seek client approval
Description	If prototype is approved by Creative Director, issue proforma and seek client approval
Performers	Sales
Documents	Proforma
Sequence # & Name	4.2.1.2.3.2.5.2.1. Pursue product design, development & technical phase
Description	
Performers	Production & Design
Documents	

Figure 6: Costing/Pricing of Customized Items for Clients (Documentation)

### 3. Production Cycle

Here the production cycle has been mapped where items are produced by assembling items delivered by suppliers.

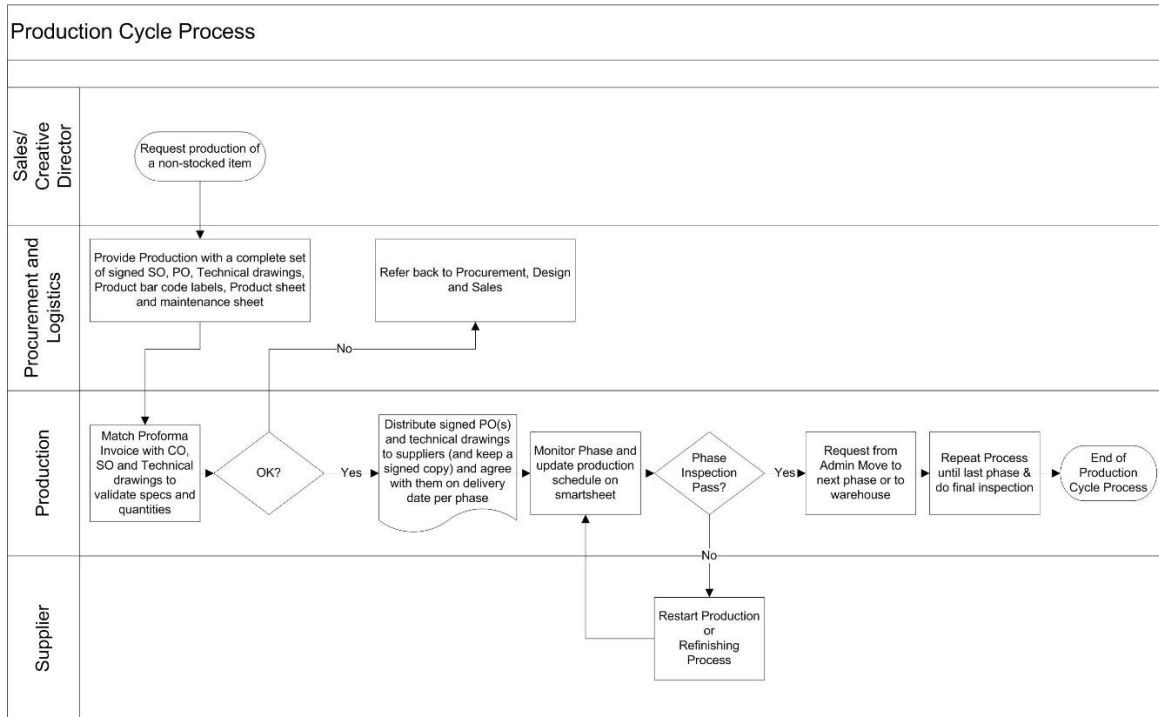


Figure 7: Production Cycle (Original Drawing)



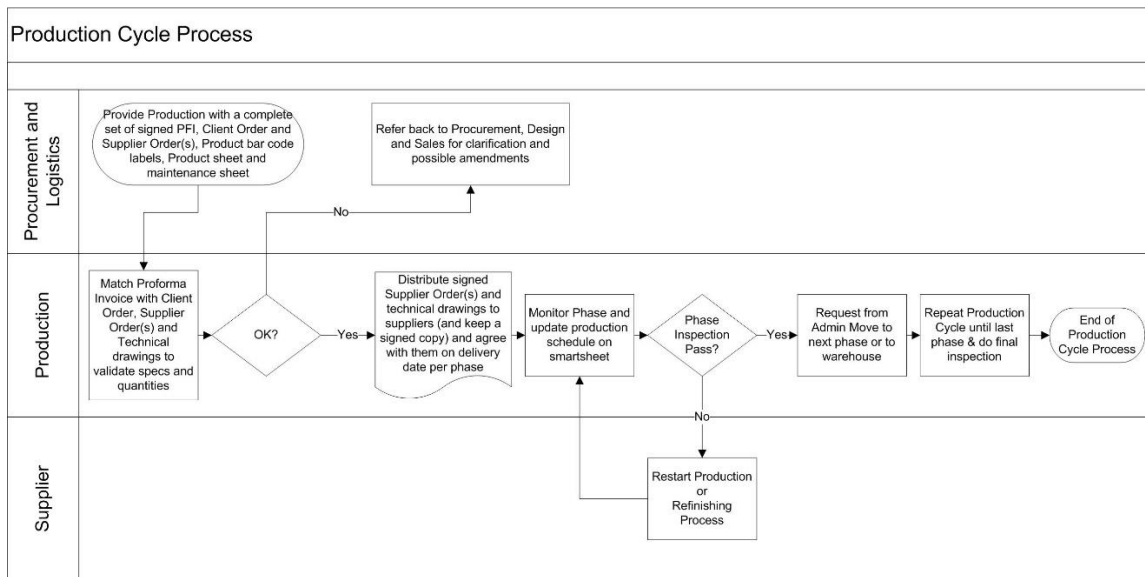


Figure 8: Production Cycle (Final Drawing)

Sequence # & Name	1. Provide Production with a complete set of signed PFI, Client order, Supplier Order(s), product bar code labels, product sheet and maintenance sheet
Description	
Performers	Procurement & Logistics
Documents	Client Order (SO) Purchase Orders (POs) Product bar code label Product sheet Maintenance Sheet
Sequence # & Name	2. Match Proforma invoice with Client Order, Supplier Order(s) and technical drawings to validate specifications and quantities
Description	
Performers	Production
Documents	Client Order (SO) Purchase Orders (POs) Drawings Product bar code label Product sheet Maintenance Sheet

Sequence # & Name	3. OK?
Description	Check if the proforma matches with the printed client order, supplier orders and technical drawings.
Performers	Production
Documents	
Sequence # & Name	3.1.Refer back to Procurement, Design or Sales for clarification and possible amendments
Description	In case of discrepancies, refer back to Procurement & Logistics, Design or Sales
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.2.Distribute signed Supplier Order(s) and technical drawings to suppliers and agree with them on delivery date per phase
Description	If documents match, proceed with: Distribute the supplier orders and technical drawings to suppliers Have supplier orders signed by suppliers where prices and specs are mentioned clearly and keep copies Agree on delivery date per phase
Performers	Production
Documents	Signed PO(s) & technical drawings
Sequence # & Name	3.2.1. Monitor Phase and update production schedule on SmartSheet
Description	Monitor production phases at each supplier
Performers	Production
Documents	
Sequence # & Name	3.2.2. Phase inspection Pass?
Description	Check quality and quantity of items at each phase of production
Performers	Production
Documents	
Sequence # & Name	3.2.2.1.Restart Production or Refinishing process
Description	If quality defect or quantity discrepancy, restart production or refinish item and go back to Step 3.2.1.
Performers	Supplier
Documents	

Sequence # & Name	3.2.2.2. Request from Admin Move to next phase or to warehouse
Description	If production phases passes quality check, proceed to next phase or warehouse
Performers	Production
Documents	
Sequence # & Name	3.2.2.2.1. Repeat Production Cycle until last phase and do final inspection
Description	
Performers	Production
Documents	
Sequence # & Name	3.2.2.2.2. End of production cycle process
Description	
Performers	Production
Documents	

Figure 9: Production Cycle (Documentation)

#### **4. Refinish Item (Client or ND)**

This process is a corrective action process. If an item in stock delivered to the client is incomplete (or requires refinishing), this map details what steps to follow. Minor changes were made to the original map.

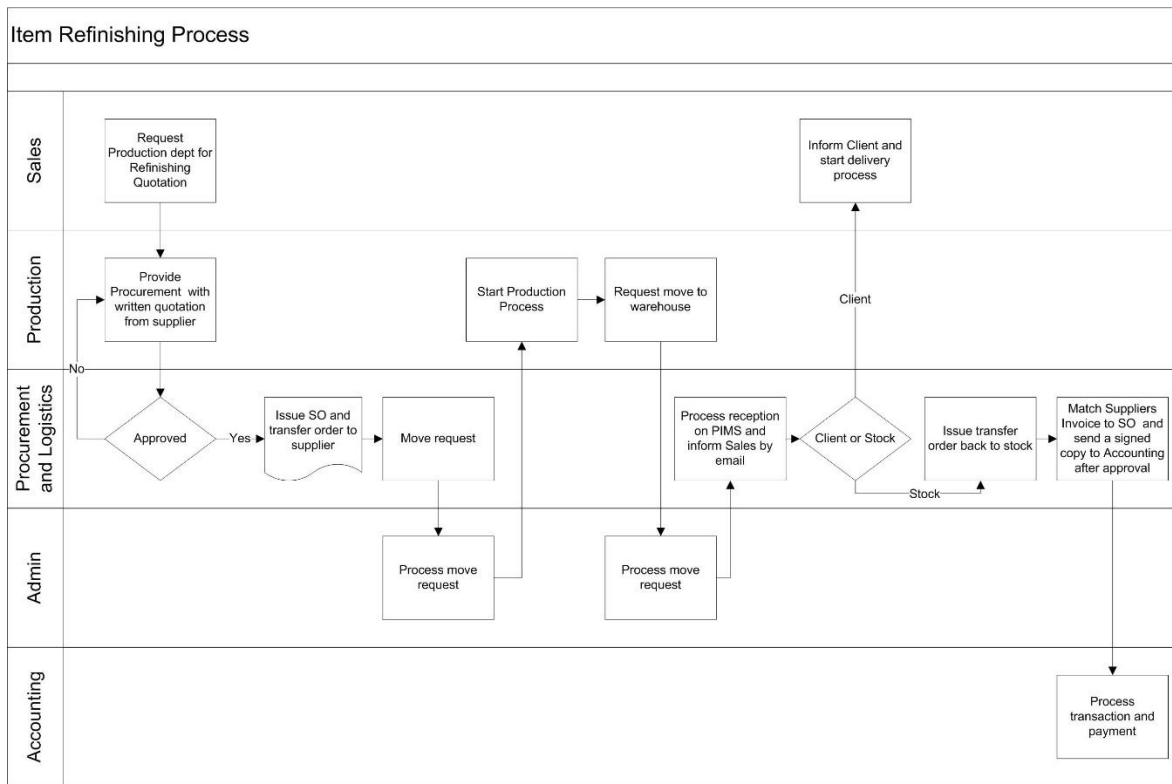


Figure 10: Refinish Item (Original Drawing)

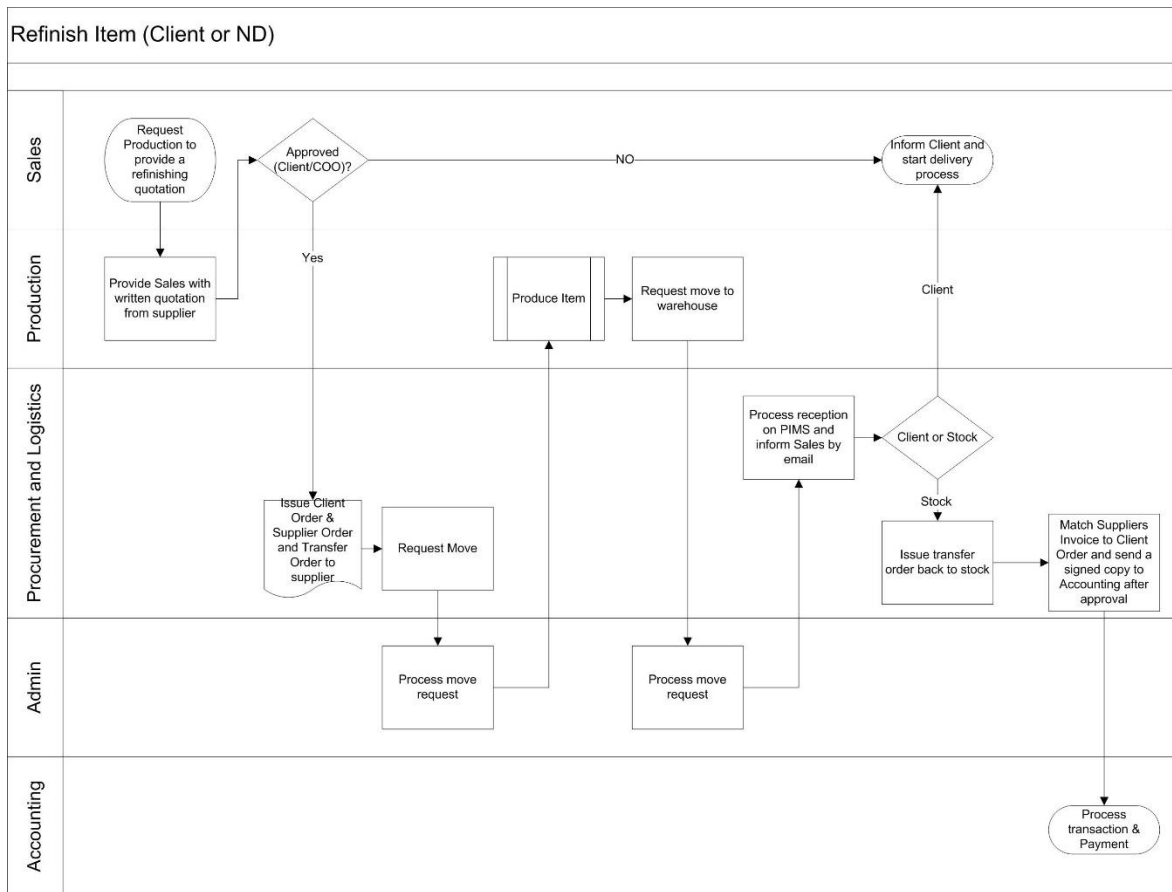


Figure 11: Refinish Item (Final Drawing)

Sequence # & Name	1. Request Production department to provide a refinishing quotation
Description	
Performers	Sales
Documents	
Sequence # & Name	2. Provide Sales with written quotation from supplier
Description	
Performers	Production
Documents	Refinishing Quotation

Sequence # & Name	3. Approved (Client/COO)?
Description	Check if quotation is approved by client or COO (in case it's a stock item that requires refinishing)
Performers	Sales
Documents	
Sequence # & Name	3.1.End
Description	If quotation is not approved by client/COO, end process
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.2.Issue Client Order & Supplier Order and Transfer Order to supplier
Description	
Performers	Procurement & Logistics
Documents	Client Order Supplier Order(s) Transfer Order
Sequence # & Name	3.2.1. Request move
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.2.2. Process move request
Description	
Performers	Admin
Documents	
Sequence # & Name	3.2.3. Produce item
Description	Sub-process
Performers	Production
Documents	
Sequence # & Name	3.2.4. Request move to warehouse
Description	
Performers	Production

Documents	
Sequence # & Name	3.2.5. Process move request
Description	
Performers	Admin
Documents	
Sequence # & Name	3.2.6. Process reception on PIMS and inform sales by email
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.2.7. Client or Stock?
Description	Is it a stock item or an item belonging to a client
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.2.7.1. Inform Client and start delivery process
Description	If the item belongs to a client, inform client of end of refinishing and start delivery
Performers	Sales
Documents	
Sequence # & Name	3.2.7.2. Issue transfer order back to stock
Description	If it's a stock item, return item to stock
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.2.7.2.1. Match Suppliers invoice to client order and send a signed copy to accounting after approval
Description	
Performers	Procurement & Logistics
Documents	Supplier Invoice Client Order
Sequence # & Name	3.2.7.2.2. Process transaction and payment
Description	

Performers	Accounting
Documents	

Figure 12: Refinish Item (Documentation)

### 5. Production Order Wrapping/Packing

Regular packing of items to be delivered locally is detailed. Minor changes were made to the original map.

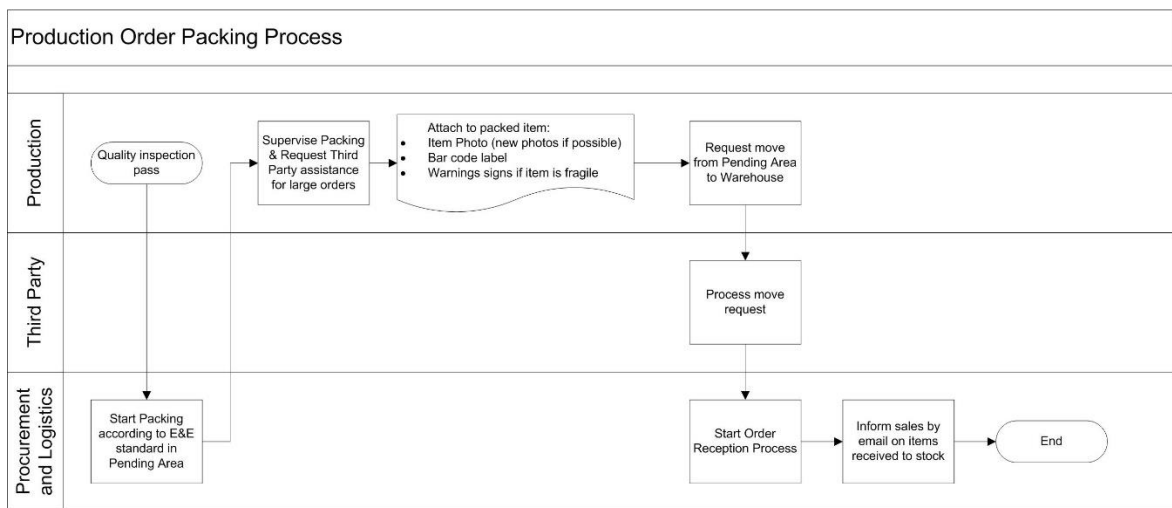


Figure 13: Production Order Wrapping/Packing (Original Drawing)



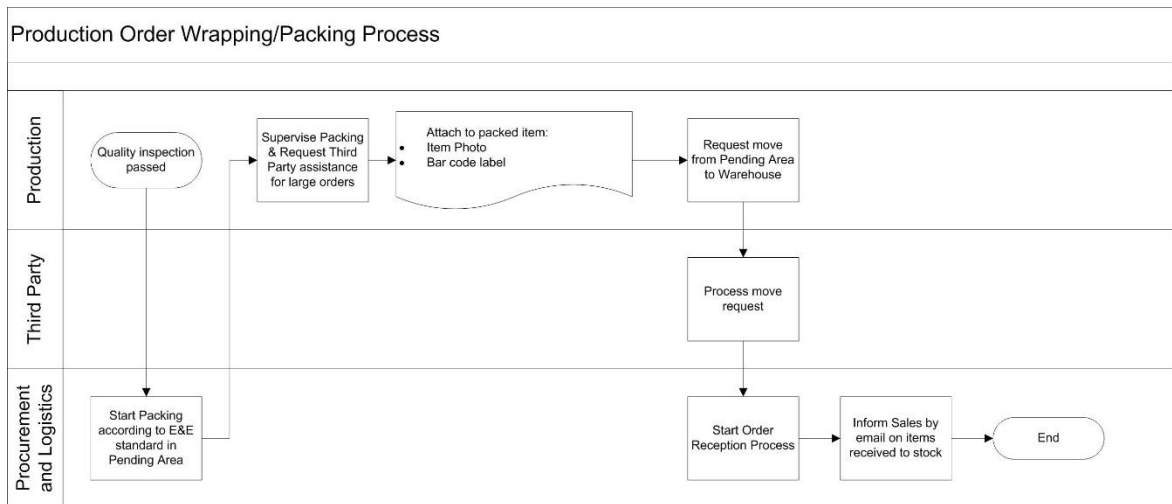


Figure 14: Production Order Wrapping/Packing (Final Drawing)

Sequence # & Name	1. Quality inspection pass
Description	Perform final quality inspection before packing
Performers	Production
Documents	
Sequence # & Name	2. Start packing according to E&E standards in Pending Area
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3. Supervise packing and request third party assistance for large orders
Description	If the order is too large for the packing team, or if items must be delivered sooner than possible, request third party assistance
Performers	Production
Documents	
Sequence # & Name	4. Attach to packed items: item photo, bar code label
Description	
Performers	Production

Documents	Item photo Bar code label
Sequence # & Name	5. Request move from Pending Area to warehouse
Description	
Performers	Production
Documents	
Sequence # & Name	6. Process move request
Description	
Performers	Third Party
Documents	
Sequence # & Name	7. Start order reception process
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	8. Inform sales by email on items received to stock
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	9. End
Description	
Performers	Procurement & Logistics
Documents	

Figure 15: Production Order Wrapping/Packing (Documentation)

### **6. Local Delivery**

Here is detailed how items are delivered locally to clients. Few changes were done to the original map. Details were added to the process description such as charges of delivery.

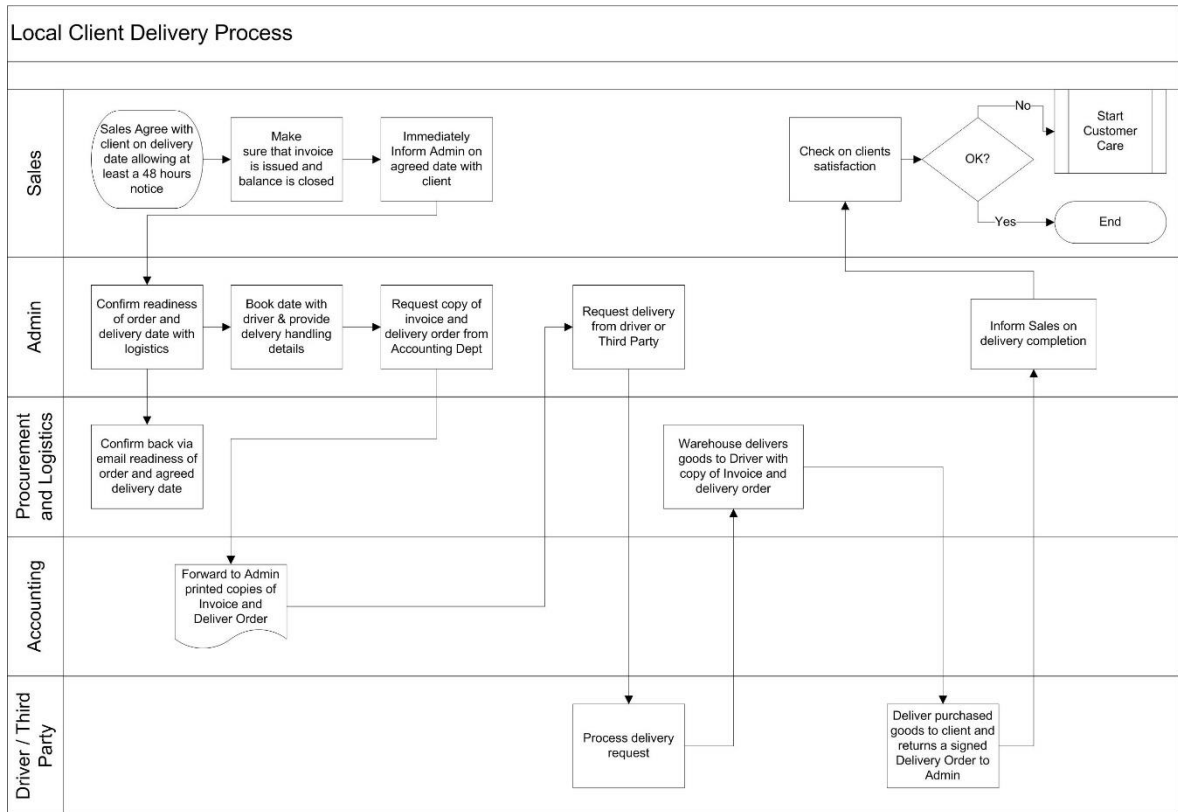


Figure 16: Local Delivery (Original Drawing)

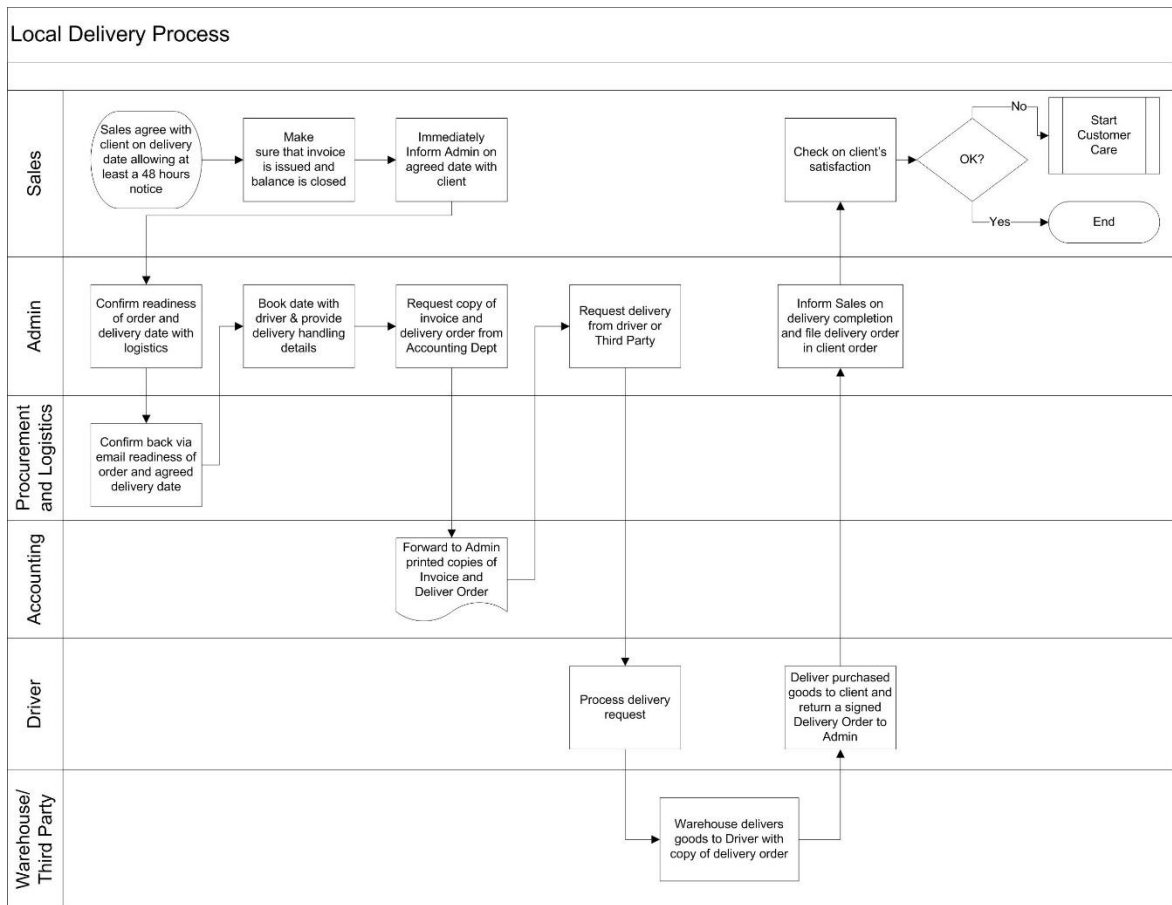


Figure 17: Local Delivery (Final Drawing)

Sequence # & Name	1. Agree with client on delivery date allowing for at least 48-hour notice for internal processing
Description	Inform client that deliveries inside Greater Beirut are free of charge. Deliveries outside Greater Beirut will be priced at cost based on location and size of order
Performers	Salesperson
Documents	
Sequence # & Name	2. Make sure that invoice is issued
Description	
Performers	Salesperson

Documents	Invoice
Sequence # & Name	3. Immediately inform Admin on agreed delivery date
Description	Update delivery sheet, fill all rows and send updated excel file to Admin: -Name: -Item: -Address: -Contact: -From: warehouse or showroom -Any payments left: Yes/No How much? -Special delivery instructions: -Delivered: Yes/Not yet
Performers	Salesperson
Documents	Delivery Sheet (excel sheet)
Sequence # & Name	4. Confirm readiness of order and delivery date with logistics
Description	
Performers	Admin
Documents	
Sequence # & Name	5. Book date with driver or service provide and provide delivery handling details
Description	Depending on size of order and items to be delivered, use the appropriate delivery mode: -small scooter -pickup truck -6-wheel truck Specify if a crane is needed and how many helpers are required to carry the item
Performers	Admin
Documents	
Sequence # & Name	6. Request copy of invoice and delivery order from accounting
Description	-
Performers	Admin
Documents	
Sequence # & Name	7. Forward printed copies of invoice and delivery order

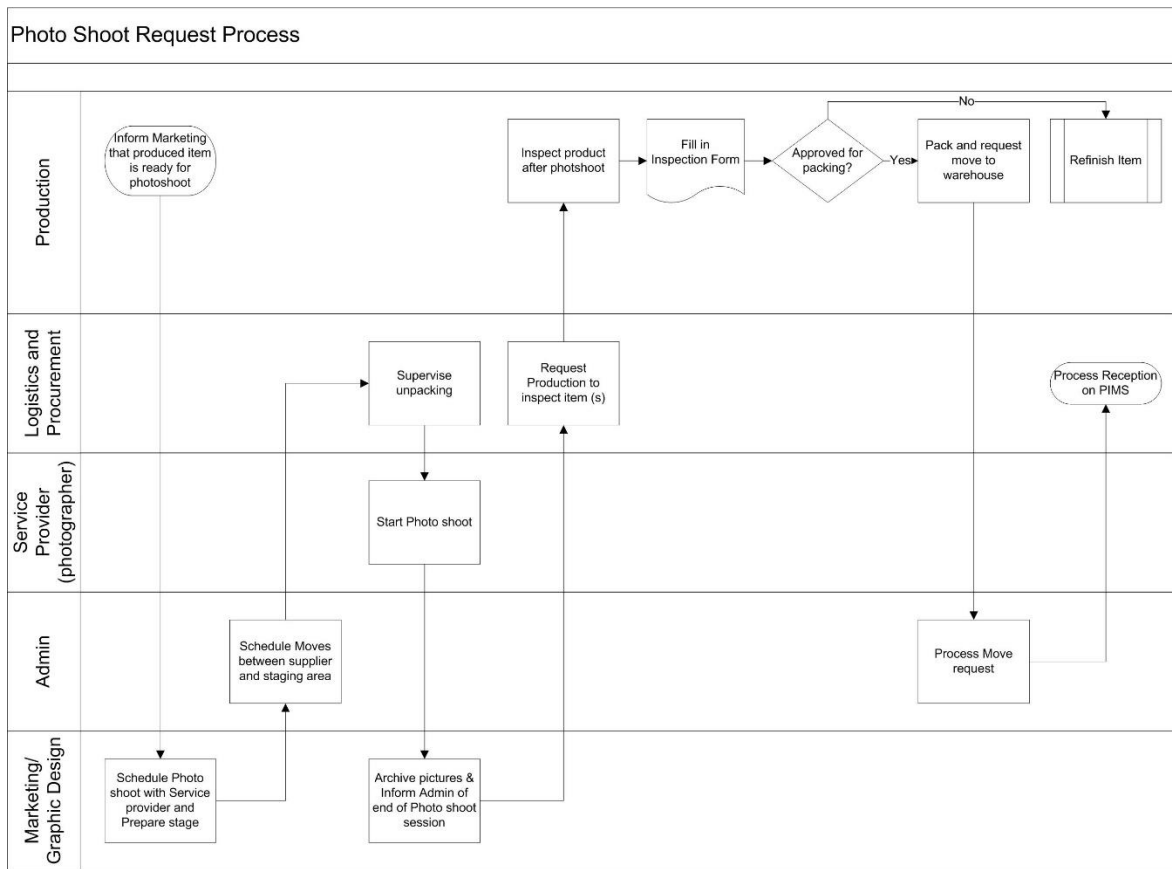
Description	
Performers	Accountant
Documents	Sales Invoice Delivery order
Sequence # & Name	8. Request delivery from driver
Description	
Performers	Admin
Documents	
Sequence # & Name	9. Process delivery request
Description	
Performers	Driver
Documents	
Sequence # & Name	10. Deliver goods to driver with copy of delivery order
Description	
Performers	Warehouse/Third Party
Documents	Delivery Order
Sequence # & Name	11. Deliver purchased goods to client and return a signed delivery order to admin
Description	Deliver items to client and make sure delivery order is signed by client
Performers	Driver (third party)
Documents	Signed delivery order by client
Sequence # & Name	12. Inform Sales on delivery completion and file signed delivery order in client order
Description	
Performers	Admin
Documents	
Sequence # & Name	13. Check on client satisfaction
Description	
Performers	Salesperson
Documents	

Sequence # & Name	14. Is Client satisfied?
Description	
Performers	Salesperson
Documents	
Sequence # & Name	14.1.End
Description	If client is satisfied, end process
Performers	Salesperson
Documents	
Sequence # & Name	14.2. Start Customer Care
Description	If client is not satisfied, start customer care
Performers	Salesperson
Documents	

Figure 18: Local Delivery (Documentation)

### ***7. Photoshoot Request***

Requesting a photoshoot for new items is mapped as follows. Minor changes were made to the original map.



ND-Marketing-ver1.0-11112014

Figure 19: Photoshoot Request (Original Drawing)



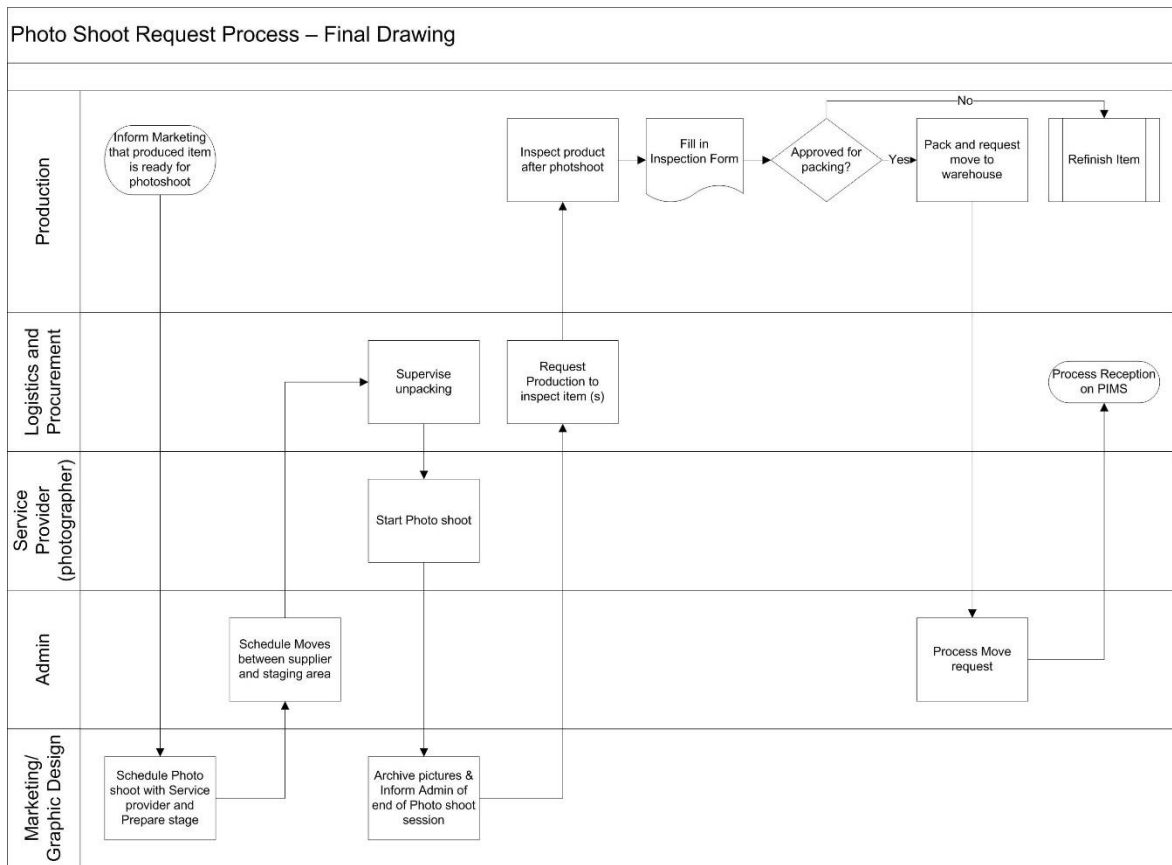


Figure 20: Photoshoot Request (Final Drawing)

Sequence # & Name	1. Inform Marketing/ Graphic Design that produced item is ready for photo shoot
Description	
Performers	Production
Documents	
Sequence # & Name	2. Schedule Photoshoot with service provider and prepare stage
Description	
Performers	Marketing/ Graphic Design
Documents	
Sequence # & Name	3. Schedule moves between supplier and staging area

Description	
Performers	Admin
Documents	
Sequence # & Name	4. Supervise unpacking
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	5. Start photoshoot
Description	
Performers	Service Provider
Documents	
Sequence # & Name	6. Inform Admin of end of photoshoot and archive pictures
Description	
Performers	Marketing/ Graphic Design
Documents	
Sequence # & Name	7. Request Production to inspect item(s)
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	8. Inspect product after photoshoot
Description	
Performers	Production
Documents	
Sequence # & Name	9. Fill in inspection form
Description	
Performers	Production
Documents	
Sequence # & Name	10. Approved for packing?
Description	Check if item is ok for packing

Performers	Production
Documents	
Sequence # & Name	10.1. Refinish Item
Description	Sub-process If item is not approved for packing, proceed with refinishing
Performers	Production
Documents	
Sequence # & Name	10.2. Pack and request move to warehouse
Description	If item is ok for packing, pack and request move to warehouse
Performers	Production
Documents	
Sequence # & Name	10.2.1. Process move request
Description	
Performers	Admin
Documents	
Sequence # & Name	10.2.2. Process reception on PIMS
Description	
Performers	Procurement & Logistics
Documents	

Figure 21: Photoshoot Request (Documentation)

## B. Process Documentation and Map Update

Processes were updated and maps were corrected. Documentation was added to each process.

### ***1. Costing/Pricing of Variation Items***

The process of costing and pricing of variation items (i.e. items that have been modified from the original piece in showroom) requires several steps. The process was updated as follows:

- The triggering event was specified: starting with a client request
- The costing form is now filled by the production department instead of procurement & logistics
- An extra step was added: the final price is added to the original variation request form and sent back to the salesperson
- As for the documentation, filling forms was detailed. Coefficients for pricing have not been specified as this is confidential but can be added later on to the documentation by management.

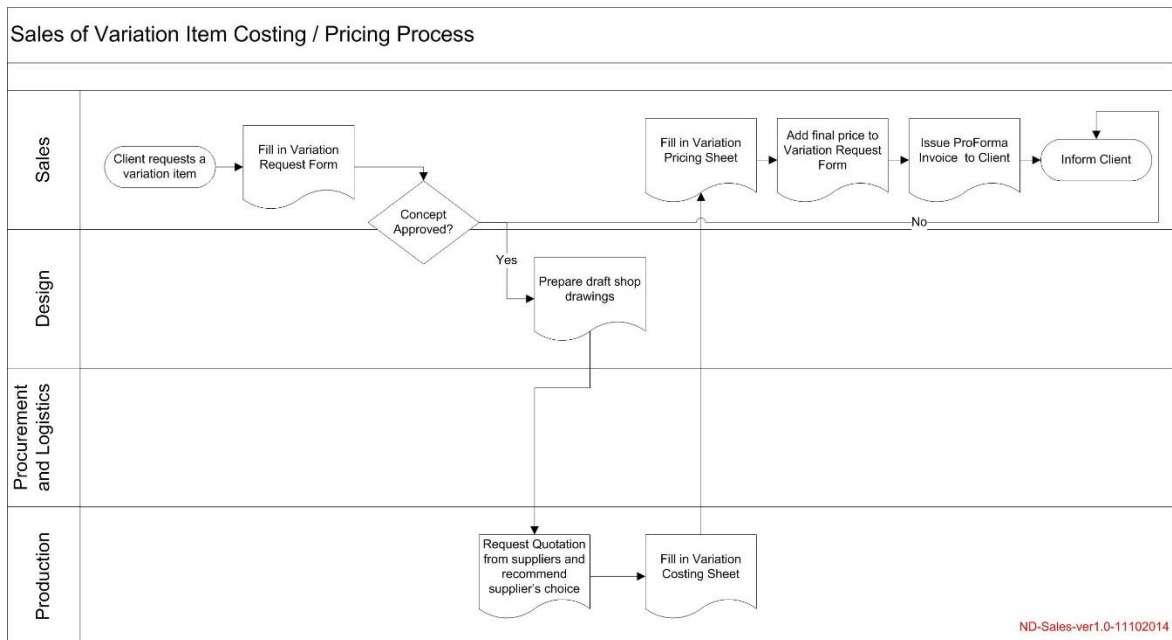


Figure 22: Costing/Pricing of Variation Items (Original Drawing)

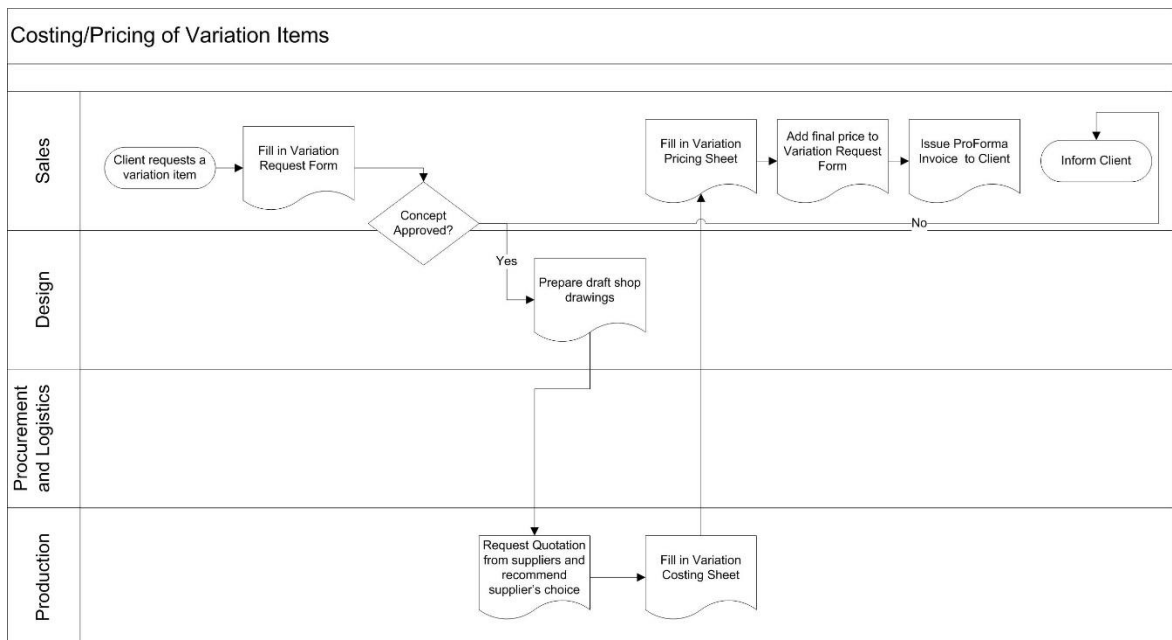


Figure 23: Costing/Pricing of Variation Items (Final Drawing)

Sequence # & Name	1. Client requests a variation item
Description	Client requests a simple variation on an item found in the catalogue by email/phone or in showroom
Performers	Client
Documents	
Sequence # & Name	2. Fill in variation request form
Description	Fill in name of sales person, client's name, date and the description of the requested item (all rows must be filled appropriately). Attach photo of item if available. Leave the row "Estimate price" empty to be filled afterwards. Send form to Sales Department by email
Performers	Sales Person
Documents	Variation Request Form
Rule	
Sequence # & Name	3. Concept Approved?
Description	Verify if the concept is approved by head of design and/or head of sales
Performers	Sales Department Design Department
Documents	
Sequence # & Name	3.1 Inform Client
Description	If concept is not approved, inform client and end process.
Performers	Sales Person
Documents	
Sequence # & Name	3.2 Prepare Draft Drawings
Description	Based on original drawings and requested modification, draft drawings are to be prepared and sent to the production team.
Performers	Design Team

Documents	
Sequence # & Name	3.2.1 Request Quotation from suppliers
Description	Using draft drawings and previous production formula for original item, figure out required phases and suppliers for each phase. Request quotation from specified suppliers for each phase of production
Performers	Production Team
Documents	-
Sequence # & Name	3.2.2 Fill Variation Costing Form
Description	Fill out the phases table and associated supplier and cost for each phase Send completed form back to Sales Department
Performers	Production Team
Documents	Variation Costing Form
Sequence # & Name	3.2.3 Fill in Variation Pricing
Description	Using the variation costing form previously filled: Fill in the variation pricing form to generate a final price for the modified item. Use appropriate coefficients depending if item is an accessory or furniture...
Performers	Sales Department
Documents	Variation Request Form Variation Costing Form
Sequence # & Name	3.2.4 Add Final Price to Variation Request Form
Description	Add the final price obtained and send back form to Sales Person
Performers	Sales Department
Documents	Variation Request Form Variation Pricing Form
Sequence # & Name	3.2.5 Issue Proforma Invoice to Client

Description	Using the completed Variation Request, Issue a proforma invoice to the client.
Performers	Sales Person
Documents	

Figure 24: Costing/Pricing of Variation Items (Documentation)

## 2. *Repair Sales*

This map clarifies the work to be done when a client reports a damaged item and requests repair. The original process was updated as follows:

- The triggering event is specified: starting with a customer requesting repair
- An additional step is added to the map: using the CRM software to register the request and closing the case once done
- As for the documentation, business rules were noted: if the item is less than one month old and no deliberate signs of damage were found, the company will incur the charges; otherwise, the client must pay for the repair.



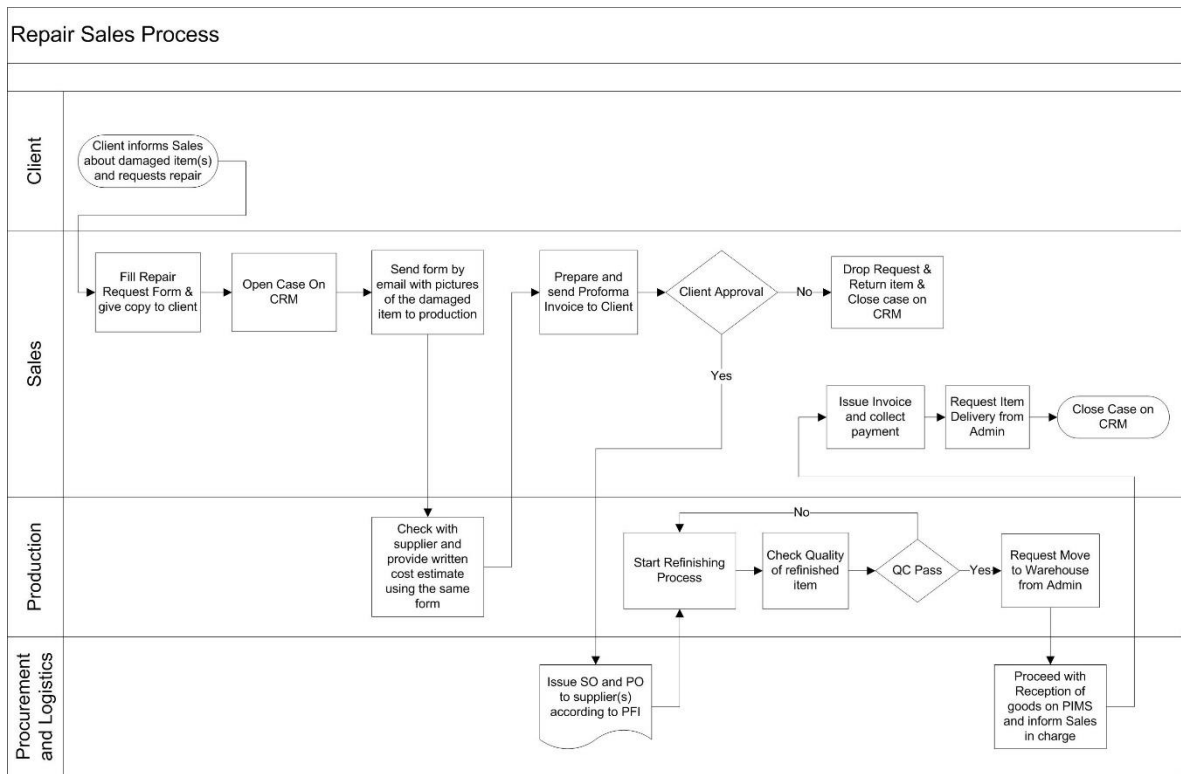


Figure 25: Repair Sales (Original Drawing)

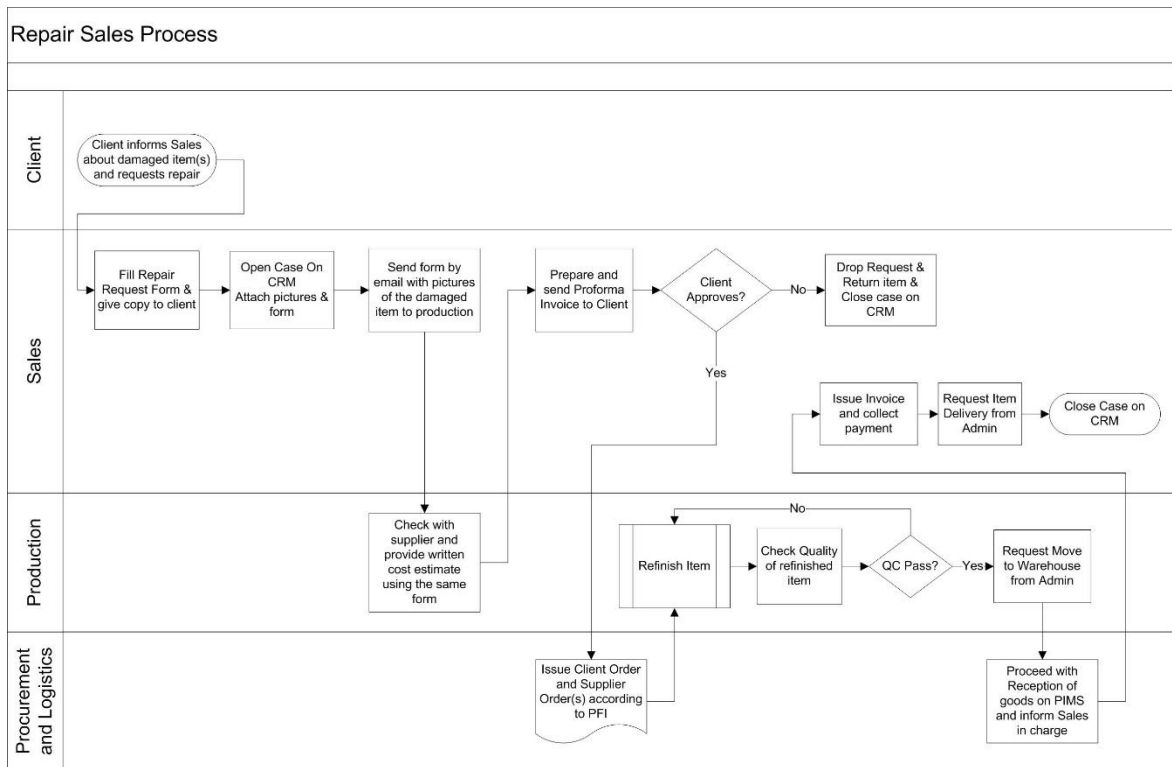


Figure 26: Repair Sales (Final Drawing)

Sequence # & Name	1. Client informs Sales about damaged item(s) and requests repair
Description	
Performers	Client
Documents	
Sequence # & Name	2. Fill repair request form & give copy to client
Description	Inform Client that cost of repairs will be paid by ND only if the item was purchased up to 1 month prior to current date (if no sign of deliberate abuse was noted) If purchase date is more than one month old, the client must incur repair charges Request photos of damaged item
Performers	Sales
Documents	Repair Request Form

Sequence # & Name	3. Open Case on CRM Attach pictures and form
Description	
Performers	Sales
Documents	
Sequence # & Name	4. Send Repair form by email with pictures of the damaged item to Production
Description	
Performers	Sales
Documents	Repair Request Form
Sequence # & Name	5. Check with supplier and provide written estimate using the same form
Description	
Performers	Production
Documents	Repair Request Form
Sequence # & Name	6. Prepare and send proforma invoice to client
Description	
Performers	Sales
Documents	Proforma Invoice
Sequence # & Name	7. Client Approval?
Description	Seek Client Approval and inform of total repair charges
Performers	Sales
Documents	
Sequence # & Name	7.1.Drop request, return item & close case on CRM
Description	If client does not approve of invoice, end process and return item
Performers	Sales
Documents	
Sequence # & Name	7.2.Issue Client Order and Supplier Order(s) to supplier(s) according to proforma invoice
Description	
Performers	Procurement & Logistics
Documents	SO PO(s) Proforma Invoice

Sequence # & Name	7.2.1. Start refinishing process
Description	Sub-process
Performers	Production
Documents	
Sequence # & Name	7.2.2. Check quality of refinished item
Description	
Performers	Production
Documents	
Sequence # & Name	7.2.3. QC Pass?
Description	Check if item is according to specs
Performers	Production
Documents	
Sequence # & Name	7.2.3.1.Go back to Step 7.2.1.
Description	If item fails to pass quality check, go back to step 7.2.1.
Performers	Production
Documents	
Sequence # & Name	7.2.3.2.Request move to warehouse from Admin
Description	If item passes quality check, move item to warehouse
Performers	Production
Documents	
Sequence # & Name	7.2.3.2.1. Proceed with reception of items on PIMS and inform Sales in charge
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	7.2.3.2.2. Issue Invoice and collect payment
Description	
Performers	Sales
Documents	

Sequence # & Name	7.2.3.2.3. Request Item delivery from Admin
Description	
Performers	Sales
Documents	
Sequence # & Name	7.2.3.2.4. Close Case on CRM
Description	
Performers	Sales
Documents	

Figure 27: Repair Sales (Documentation)

### ***3. Answer Sales Inquiries***

The following map details how to handle potential new clients that have approached ND by email. The use of CRM is now mandatory. Adding the client name on the system if not available and updating info, opening a new Deal on CRM and uploading the proforma invoice are all detailed in the documentation

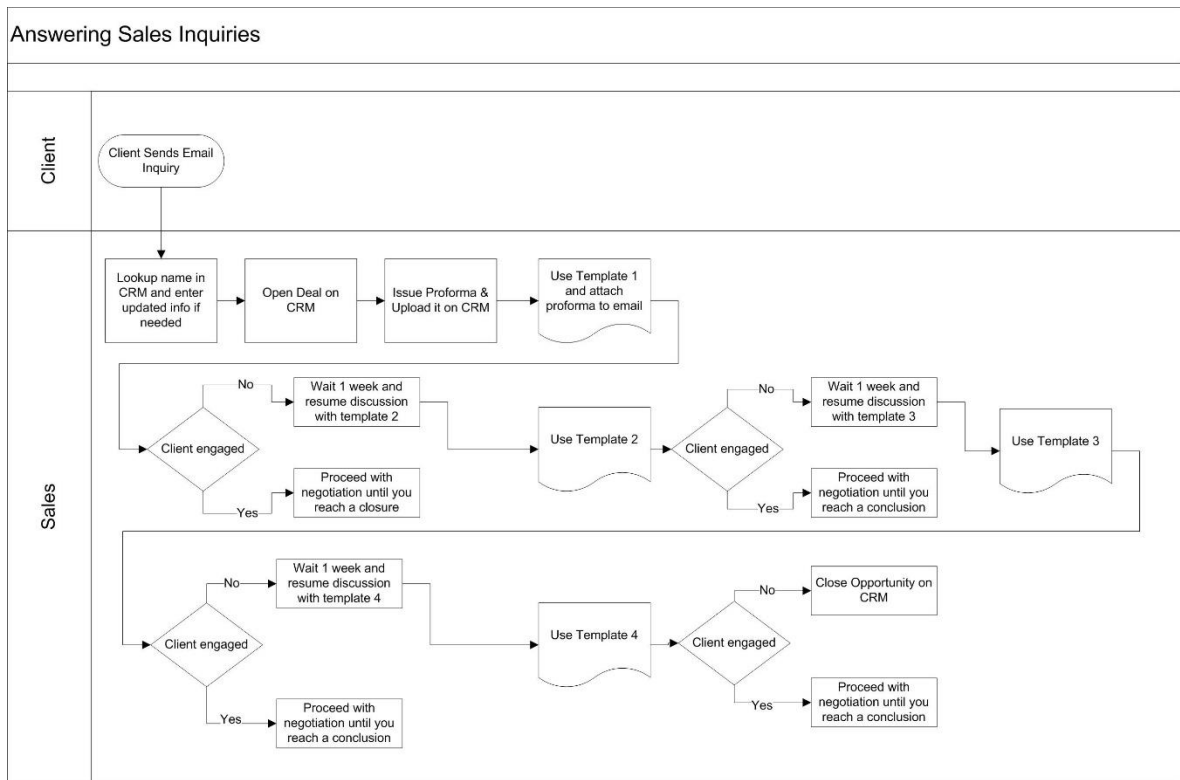


Figure 28: Answer Sales Inquiries (Original Drawing)

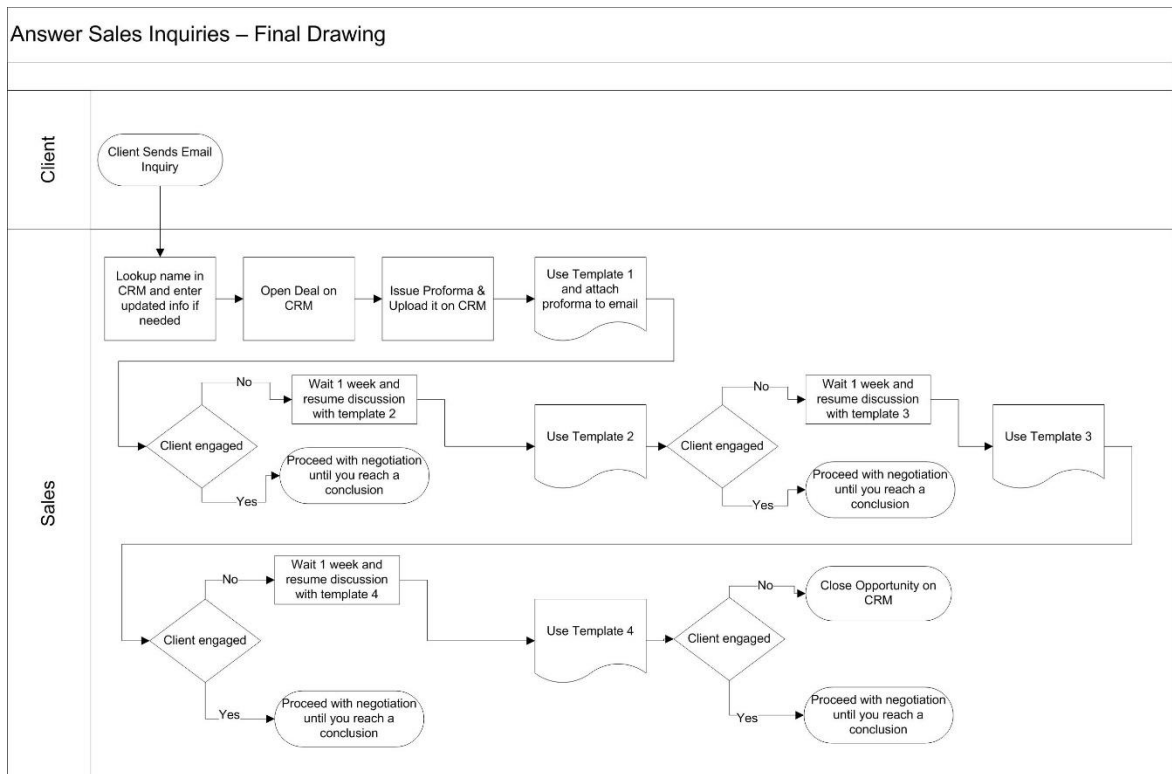


Figure 29: Answer Sales Inquiries (Final Drawing)

Sequence # & Name	1. Client sends email inquiry
Description	
Performers	Client
Documents	
Sequence # & Name	2. Lookup name in CRM and enter updated info if needed
Description	
Performers	Sales
Documents	
Sequence # & Name	3. Open Deal on CRM
Description	
Performers	Sales
Documents	

Sequence # & Name	4. Issue Proforma & upload it on CRM
Description	
Performers	Sales
Documents	Proforma
Sequence # & Name	5. Use Template 1 and attach proforma to email sent back to client
Description	
Performers	Sales
Documents	Template 1
Sequence # & Name	6. Client engaged?
Description	Check if client is engaged within 1 week
Performers	Sales
Documents	
Sequence # & Name	6.1.Proceed with negotiation until you reach a closure
Description	If client replies back within 1 week, proceed till closure
Performers	Sales
Documents	
Sequence # & Name	6.2.Wait 1 week and resume discussion with template 2
Description	
Performers	Sales
Documents	
Sequence # & Name	6.2.1. Use Template 2
Description	Have proforma attached to email
Performers	Sales
Documents	Template 2
Sequence # & Name	6.2.2. Client engaged?
Description	Check if client is engaged within 1 week
Performers	Sales
Documents	



Sequence # & Name	6.2.2.1.Proceed with negotiation until you reach a conclusion
Description	If client replies back, proceed till closure
Performers	Sales
Documents	
Sequence # & Name	6.2.2.2.Wait 1 week and resume discussion with template 3
Description	
Performers	Sales
Documents	
Sequence # & Name	6.2.2.2.1. Use template 3
Description	Attach proforma to email
Performers	Sales
Documents	Template 3
Sequence # & Name	6.2.2.2.2. Client engaged?
Description	Check if client is engaged within 1 week
Performers	Sales
Documents	
Sequence # & Name	6.2.2.2.2.1.Proceed with negotiation until you reach a conclusion
Description	If client replies back within 1 week, proceed till closure
Performers	Sales
Documents	
Sequence # & Name	6.2.2.2.2.2.Wait 1 week and resume discussion with template 4
Description	
Performers	Sales
Documents	
Sequence # & Name	6.2.2.2.2.2.1. Use template 4
Description	Attach proforma
Performers	Sales
Documents	Template 4

Sequence # & Name	6.2.2.2.2.2. Client engaged?
Description	Check if client is engaged within 1 week
Performers	Sales
Documents	
Sequence # & Name	6.2.2.2.2.2.1.Proceed with negotiation until you reach a closure
Description	If client replies back, proceed till closure
Performers	Sales
Documents	
Sequence # & Name	6.2.2.2.2.2.2.End Deal On CRM
Description	
Performers	Sales
Documents	

Figure 30: Answer Sales Inquiries (Documentation)

#### **4. Order Reception**

The following map describes receiving completed orders from suppliers and assembling the final product. Modifications to the original map:

- Logistics should check for discrepancies in quantity and quality of received items
- Production should seek problem solving before rejecting order
- Quality Check of the final item is performed by Production and not Logistics
- Steps using the software PIMS are corrected and updated on the map

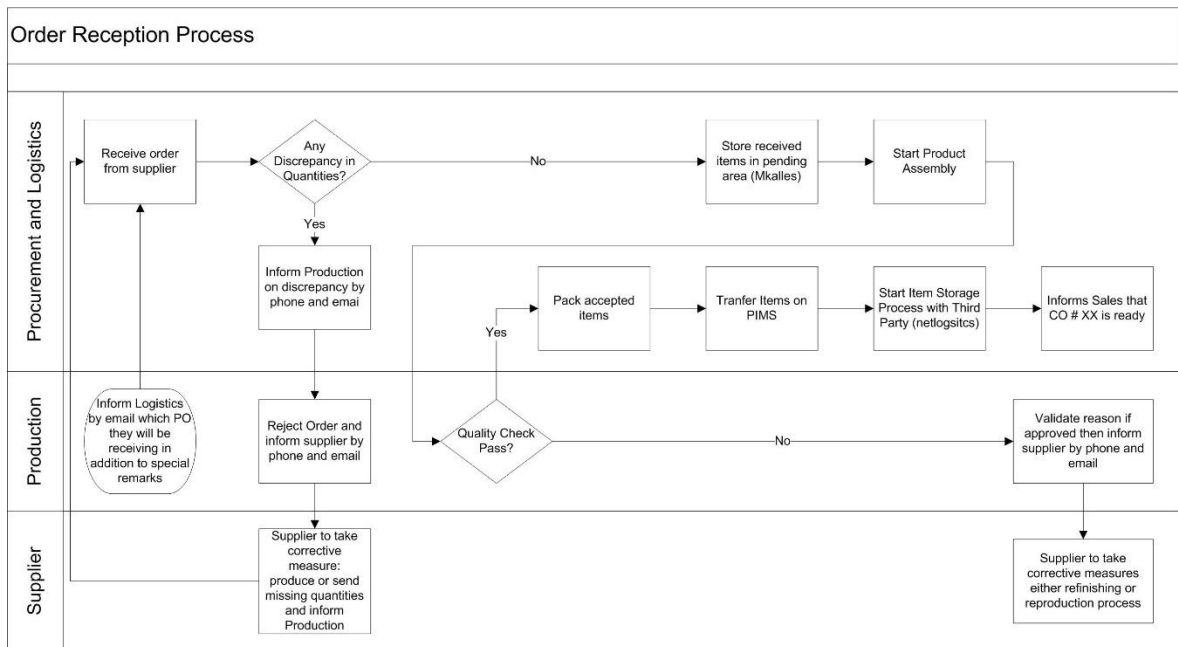


Figure 31: Order Reception (Original Drawing)

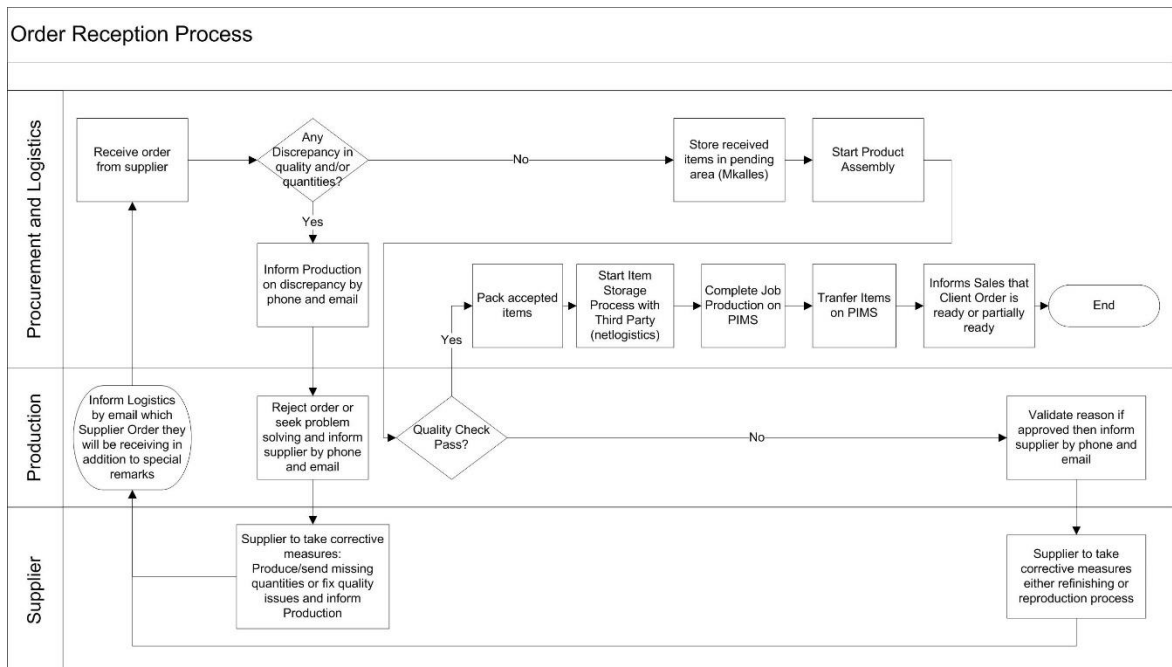


Figure 32: Order Reception (Final Drawing)

Sequence # & Name	1. Receive order from supplier
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	2. Any discrepancy in quality and/or quantities?
Description	Check if there are any discrepancies in quantities delivered
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.1. Inform Production on discrepancy by phone and by email
Description	If discrepancies are found (missing items...), inform production immediately by phone and by email
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3.1.1. Reject Order or seek problem solving and inform supplier by phone and email
Description	Contact supplier and inform of discrepancy
Performers	Production
Documents	
Sequence # & Name	3.1.2. Supplier to take corrective measures: produce/send missing quantities or fix quality issues and inform production
Description	Procurement & Logistics must receive missing items/repaired items and inform production once order is properly completed Go back to Step 2.0.
Performers	Supplier
Documents	
Sequence # & Name	2.2.Store received items in Pending Area (Assembly Area) in Mkalles
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	2.2.1. Start Product Assembly
Description	

Performers	Procurement & Logistics
Documents	
Sequence # & Name	2.2.2. Quality Check Pass?
Description	Check if final assembled item is according to specifications
Performers	Production Manager
Documents	
Sequence # & Name	2.2.2.1. Validate reasons & inform supplier by phone and by email
Description	If quality is below requirements or final item does not fit to specifications, inform supplier and proceed with problem solving
Performers	Production
Documents	
Sequence # & Name	2.2.2.1.1. Supplier to take corrective measures: refinish or reproduce item
Description	
Performers	Supplier
Documents	
Sequence # & Name	2.2.2.2. Pack accepted items
Description	If final item passes the quality check, proceed with packing
Performers	Procurement & Logistics
Documents	
Sequence # & Name	2.2.2.2.1. Start item storage process with Third Party
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	2.2.2.2.2. Complete Job Production on PIMS
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	2.2.2.2.3. Transfer items on PIMS
Description	Items are transferred from 'Temporary' to 'Skynet Finished'

Performers	Procurement & Logistics
Documents	
Sequence # & Name	2.2.2.2.4. Inform Sales that Client Order#XX is ready or partially ready
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	2.2.2.2.5. End
Description	
Performers	Procurement & Logistics
Documents	

Figure 33: Order Reception (Documentation)

### 5. *Order Procurement Process*

Here is detailed how suppliers receive Supplier Order (PO) to start production.

Modifications to the original drawing were made as follows:

- Order of steps performed by Logistics has been reviewed
- Production and not Logistics requests latest technical drawings from Design to make sure there is a match between client order, supplier orders and technical drawings.

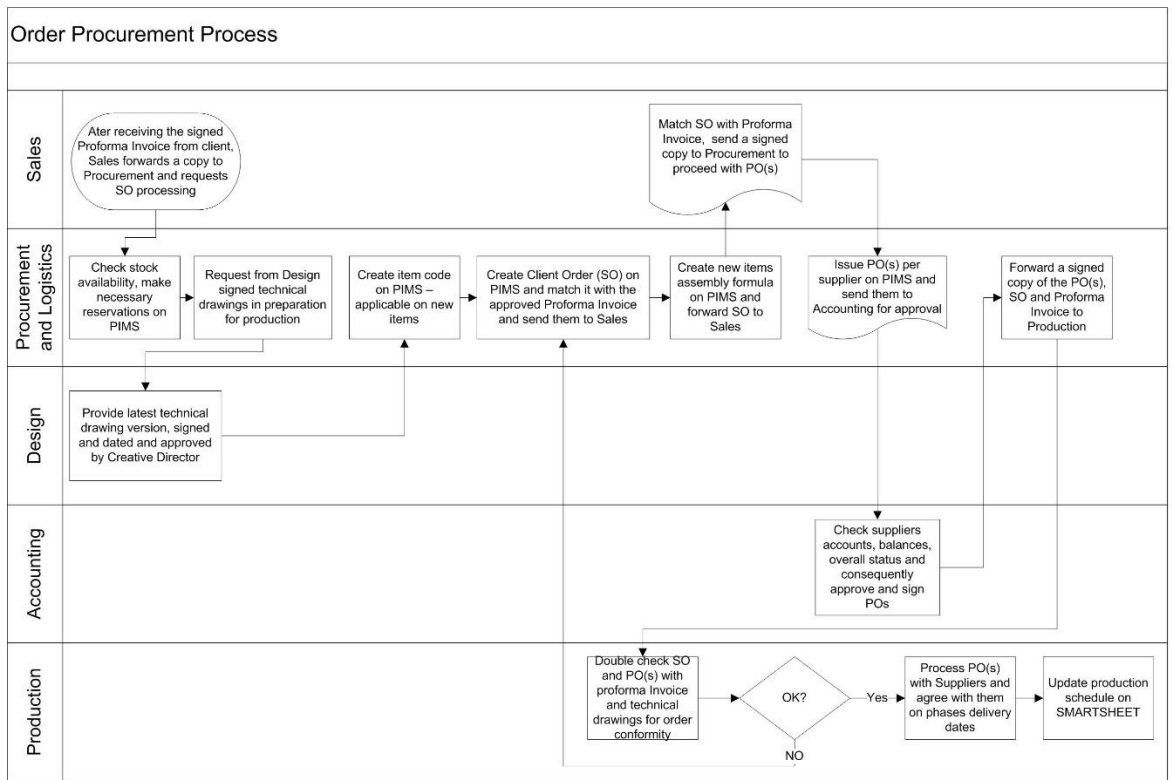


Figure 34: Order Procurement (Original Drawing)

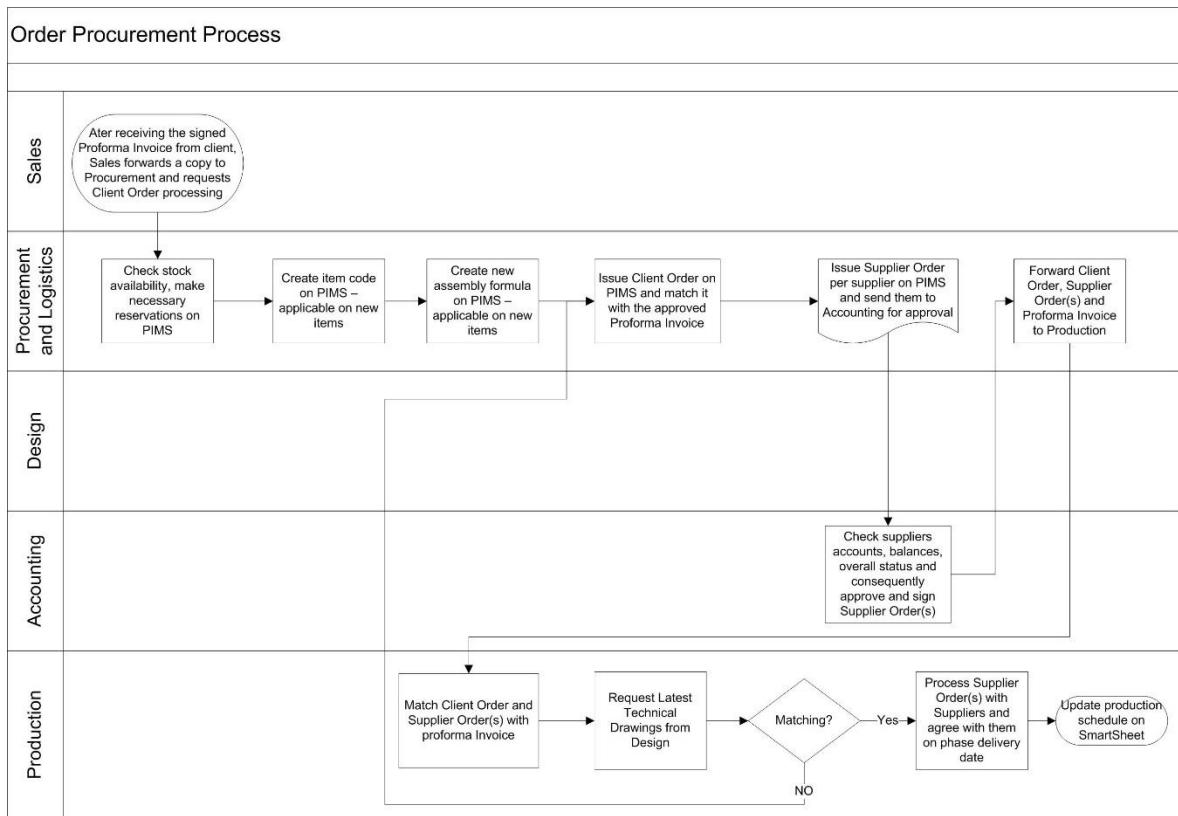


Figure 35: Order Procurement (Final Drawing)

Sequence # & Name	1. After receiving the signed proforma invoice from client, Sales forwards a copy to Procurement & Logistics and requests Client Order processing
Description	
Performers	Sales
Documents	Proforma Invoice
Sequence # & Name	2. Check Stock availability, make necessary reservation on PIMS
Description	Reserve items available in Stock
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3. Create item code on PIMS- applicable on new items



Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	4. Create new items assembly formula on PIMS
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	5. Issue client order on PIMS and match it with the approved proforma invoice
Description	
Performers	Procurement & Logistics
Documents	Client Order
Sequence # & Name	6. Issue Supplier Order per supplier on PIMS and send them to Accounting for approval
Description	
Performers	Procurement & Logistics
Documents	PO(s)
Sequence # & Name	7. Check suppliers' accounts, balances, overall status and consequently approve, sign and send back Supplier Order(s)
Description	
Performers	Accounting
Documents	PO(s)
Sequence # & Name	8. Forward Client Order, Supplier Order(s) and Proforma Invoice to Production
Description	
Performers	Procurement & Logistics
Documents	PO(s) SO Proforma invoice
Sequence # & Name	9. Match Client Order and Supplier Order(s) with proforma invoice
Description	
Performers	Production

Documents	PO(s) SO Proforma invoice
Sequence # & Name	10. Request latest technical drawings from Design
Description	
Performers	Production
Documents	
Sequence # & Name	11. Matching?
Description	Check if Client order and supplier order(s) match with proforma invoice and technical drawings
Performers	Production
Documents	
Sequence # & Name	11.1. Go back to Procurement & Logistics for clarification and possible amendments
Description	If SO, PO(s) and PI do not match, go back to procurement & logistics or design
Performers	Production
Documents	
Sequence # & Name	11.2. Process Supplier Order(s) with Suppliers and agree with them on phases delivery dates
Description	If SO, PO(s) and proforma invoice do match, distribute PO(s) to appropriate suppliers and agree on delivery date for each phase.
Performers	Production
Documents	PO(s)
Sequence # & Name	11.2.1. Update production schedule on SMARTSHEET
Description	
Performers	Production
Documents	Smartsheet

Figure 36: Order Procurement (Documentation)

## 6. International Delivery

Shipping items outside of Lebanon requires a series of steps detailed in the map. The only modification done was to offer the option of crating items to clients. This process is detailed under ‘Supplier Approval for crating’ It should be noted that packing, insurance and shipping is handled by a third party.

In the documentation, the details needed for shipping are mentioned (such as full client address). This can be used as a checklist by Sales in order not waste time and make mistakes and send the complete required information to Logistics. Also, the legal documents needed by both the shipping company and ND are listed in details.

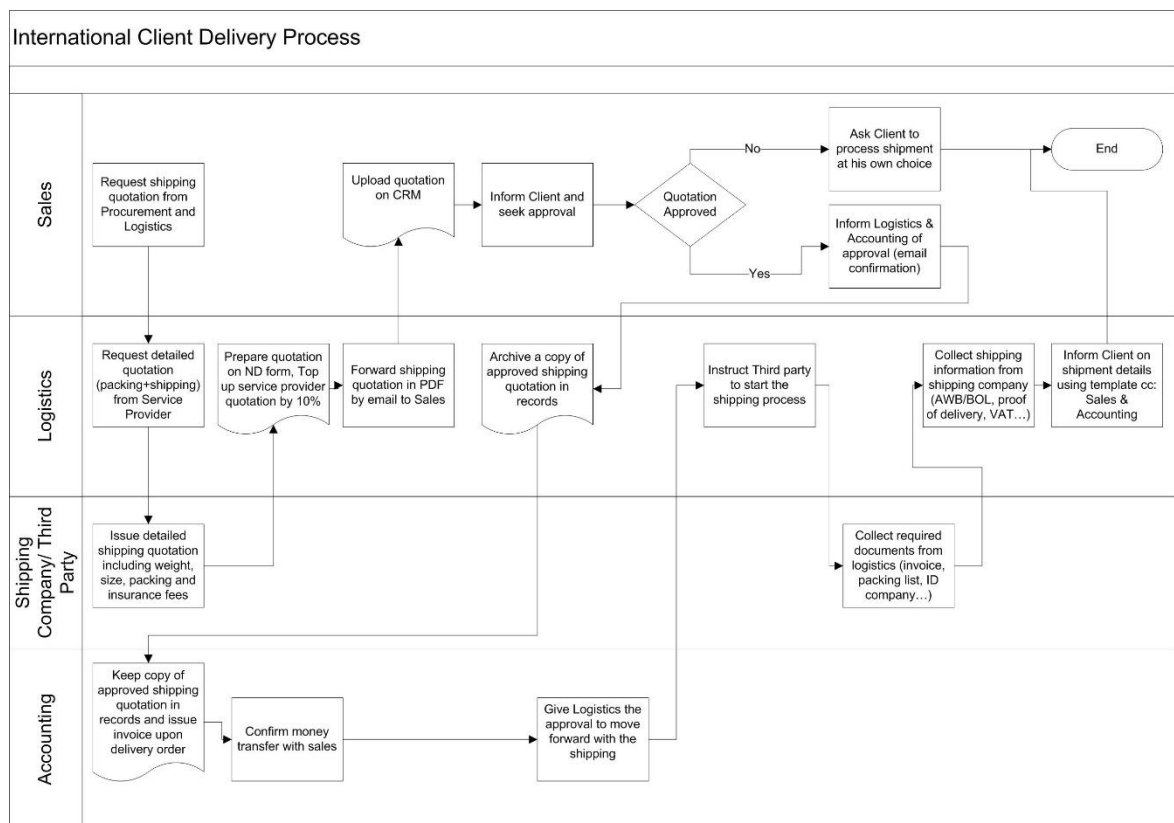


Figure 37: International Delivery (Original Drawing)

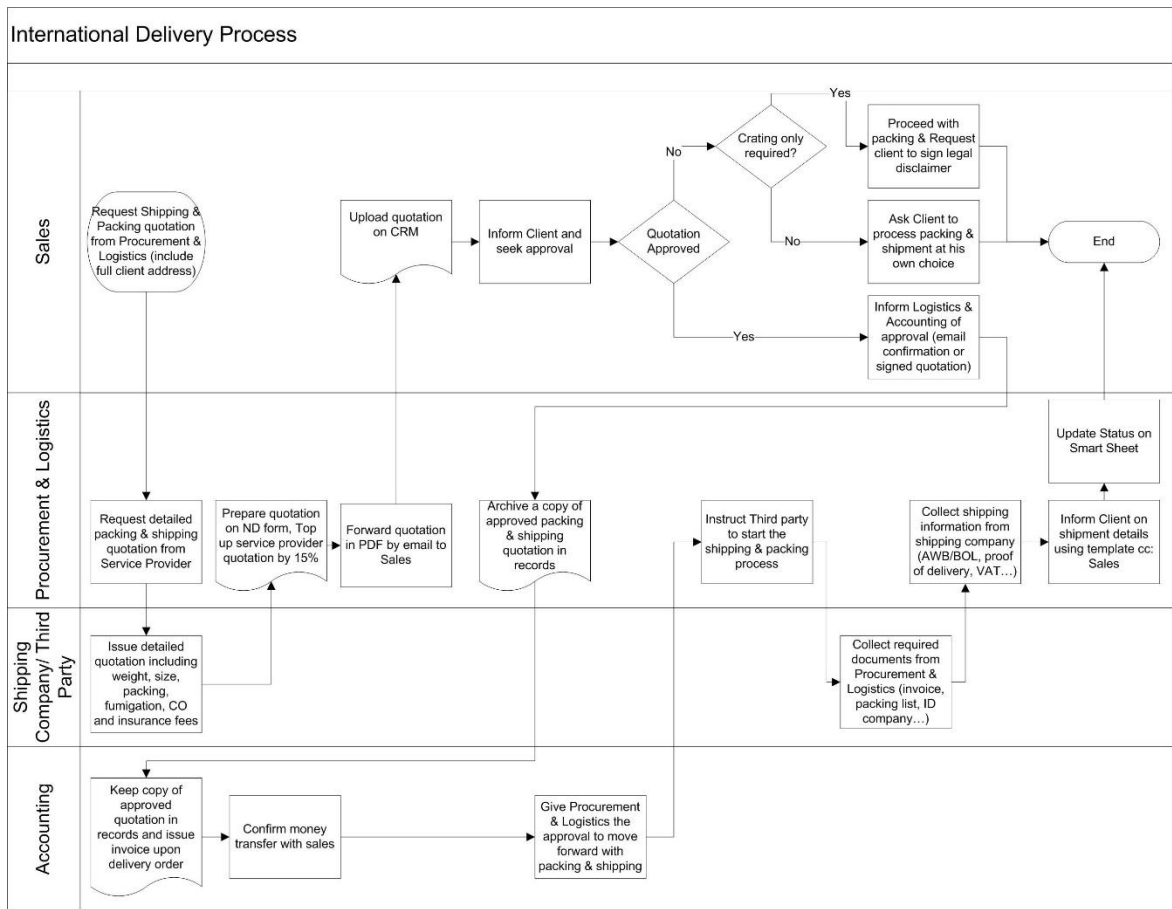


Figure 38: International Delivery (Final Drawing)

Sequence # & Name	1. Request shipping quotation from procurement & logistics and include full client address
Description	Send email to logistics specifying the items purchased by client and providing a detailed address of client including: - floor - zip code - consignee information - proforma - any additional information required (ex. Crane required)
Performers	Sales
Documents	
Sequence # & Name	2. Request a detailed quotation from service provider

Description	Prepare detailed table where items are listed with their inside dimensions and send to service provider Request detailed quotation
Performers	Procurement & Logistics
Documents	Detailed Quotation (excel file)
Sequence # & Name	3. Issue a detailed quotation including weight, size, packing, fumigation, certificate of origin and insurance fees
Description	Provide a detailed quotation for each item in the order, including packing dimensions and weight, shipping and insurance fees
Performers	Shipping company
Documents	Detailed Quotation (excel file)
Sequence # & Name	4. Prepare quotation on ND form. Top up service provider quotation by 15%
Description	Fill the ND form and include all required details as well as total price (topped up by 15%)
Performers	Procurement & Logistics
Documents	Shipping & Packing Quotation (ND form)
Sequence # & Name	5. Forward quotation in PDF by email to Sales
Description	
Performers	Procurement & Logistics
Documents	Shipping & Packing Quotation (ND form)
Sequence # & Name	6. Upload quotation on CRM
Description	
Performers	Salesperson
Documents	Shipping & Packing Quotation (ND form)
Sequence # & Name	7. Inform Client and seek approval
Description	Send email to client with quotation attached and request email confirmation
Performers	Salesperson
Documents	Shipping & Packing Quotation (ND form)
Sequence # & Name	8. Quotation approved?
Description	Check if client approves of shipping quotation
Performers	Salesperson

Documents	
Sequence # & Name	8.1.Check if client requests only crating
Description	If quotation is not approved, check if client still wants ND to pack items
Performers	Salesperson
Documents	
Sequence # & Name	8.1.1. Proceed with packing & Request client to sign legal disclaimer
Description	If packing is required by client, request client to sign legal disclaimer
Performers	Salesperson
Documents	Legal Disclaimer
Sequence # & Name	8.1.2. Ask client to process shipment at his own choice
Description	If crating is not needed, request client to process shipment
Performers	Salesperson
Documents	
Sequence # & Name	8.2.Inform Logistics & Accounting of approval (email confirmation or signed quotation)
Description	If shipping offer is approved (receiving an email confirmation from client), inform Logistics & Accounting
Performers	Salesperson
Documents	Email confirmation/ Signed quotation
Sequence # & Name	8.2.1. Archive a copy of approved packing & shipping quotation in records
Description	
Performers	Procurement & Logistics
Documents	Email confirmation/ Signed quotation
Sequence # & Name	8.2.2. Keep copy of approved quotation in records and issue invoice upon delivery order
Description	
Performers	Accounting
Documents	Email confirmation/ Signed quotation Invoice

Sequence # & Name	8.2.3. Confirm money transfer with sales
Description	
Performers	Accounting
Documents	
Sequence # & Name	8.2.4. Give Logistics approval to move forward with packing & shipping
Description	
Performers	Accounting
Documents	
Sequence # & Name	8.2.5. Instruct Shipping Company to start shipping & packing process
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	8.2.6. Collect required documents from procurement & logistics: invoice, packing list, ID company...
Description	Logistics should provide the following documents: -circular note -Nada Debs company ID -Ministry of Finance registration -Ministry of Justice document -Security Clearance
Performers	Shipping Company
Documents	circular note Nada Debs company ID Ministry of Finance registration Ministry of Justice document Security Clearance
Sequence # & Name	8.2.7. Collect shipping information from shipping company (AWB/BOL, proof of delivery, VAT letter...)
Description	Procurement & Logistics should keep record of the following documents provided by the shipping company: -Airway Bill or Bill of Lading -Proof of delivery -VAT letter -insurance contract
Performers	Procurement & Logistics
Documents	Airway Bill or Bill of Lading Proof of delivery

	VAT letter insurance contract
Sequence # & Name	8.2.8. Inform Client on shipment details using email template & cc Sales
Description	
Performers	Procurement & Logistics
Documents	International Delivery Template 1
Sequence # & Name	8.2.9. Update Status on Smart Sheet
Description	
Performers	Procurement & Logistics
Documents	Smart Sheet
Sequence # & Name	9. End
Description	
Performers	Salesperson
Documents	

Figure 39: International Delivery (Documentation)

## ***7. Insurance Claim***

In case, the item shipped outside of Lebanon is reported damaged or lost by the client, the following steps must be followed. The original process was updated as follows:

- Adding a step prior to opening new claims on CRM that urges the salesperson to ask for pictures and proof from client
- Contacting the insurance company and following up on the issue is now the responsibility of the Logistics department instead of Accounting



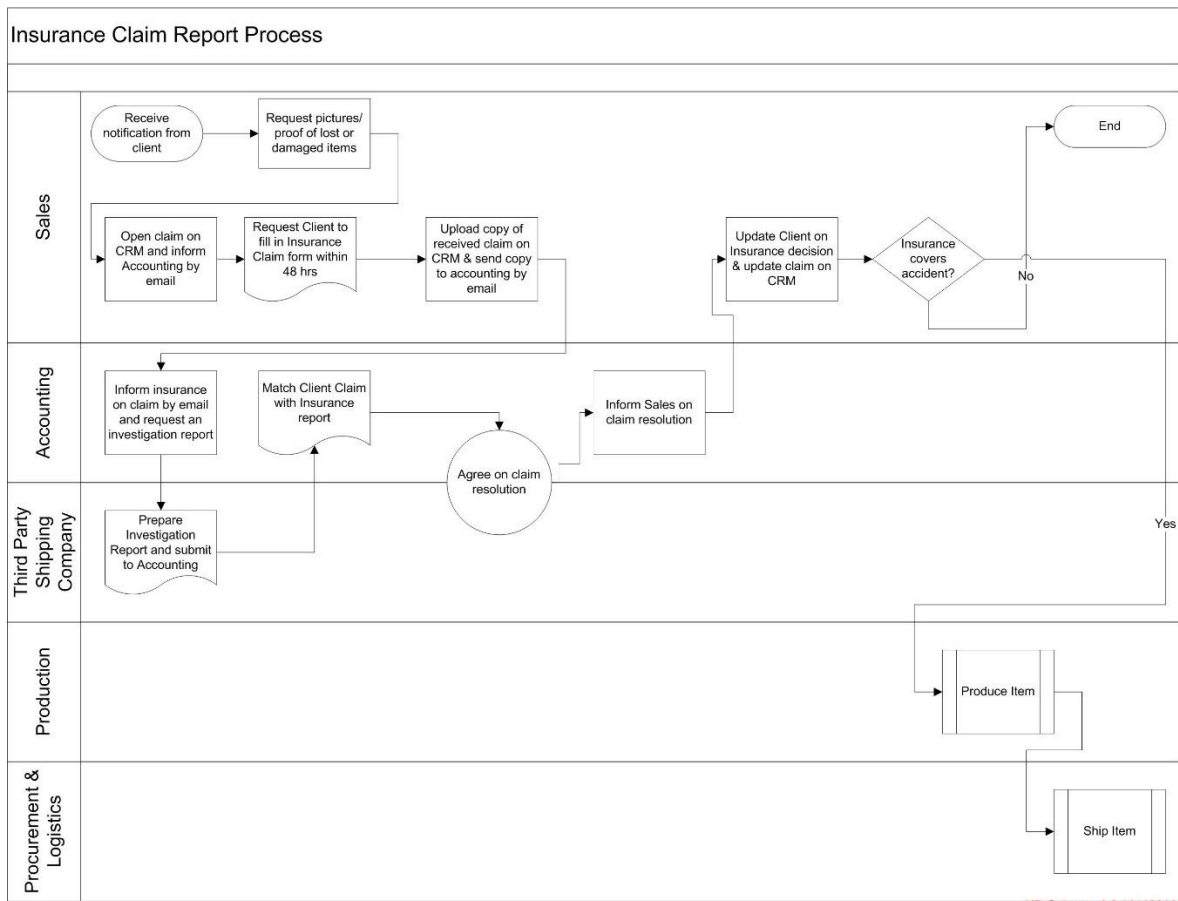


Figure 40: Insurance Claim (Original Drawing)

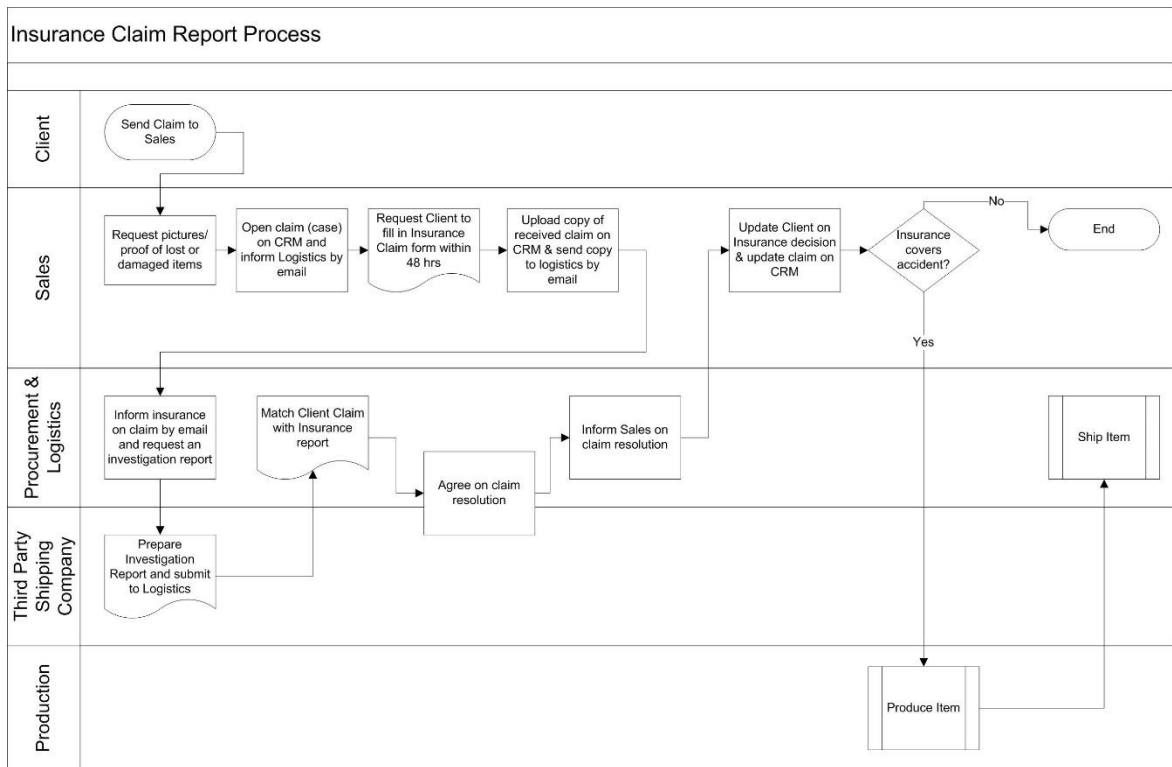


Figure 41: Insurance Claim (Final Drawing)

Sequence # & Name	1. Send notification to Sales about damaged or lost item
Description	
Performers	Client
Documents	
Sequence # & Name	2. Request pictures or proof of lost/damaged items
Description	If pictures were not already sent, request pictures/proof of lost or damaged items
Performers	Salesperson
Documents	
Sequence # & Name	3. Open claim on CRM (Case) & inform logistics by email
Description	Open claim on CRM under cases Inform logistics by email

Performers	Salesperson
Documents	Claim on CRM
Sequence # & Name	4. Request Client to fill insurance claim within 48 hours of product delivery
Description	After checking sent photos, Ask client to fill insurance claim and send back within 48 hours of receiving the item
Performers	Salesperson
Documents	Insurance Claim
Sequence # & Name	5. Upload copy of received claim on CRM & send copy to logistics
Description	Upload copy of received claim on CRM Send copy of claim to logistics
Performers	Salesperson
Documents	Insurance claim
Sequence # & Name	6. Send claim to insurance and request investigation report
Description	Contact insurance company Send client contact details Attach claim Request Investigation Report
Performers	Procurement & Logistics
Documents	
Sequence # & Name	7. Prepare investigation report and submit to Logistics
Description	
Performers	Insurance company
Documents	Insurance report
Sequence # & Name	8. Match client claim with insurance report
Description	
Performers	Procurement & Logistics
Documents	Insurance claim Insurance report
Sequence # & Name	9. Agree on claim resolution with insurance

Description	After receiving insurance report, send cost of covered items and shipping bills to insurance company to settle
Performers	Procurement & Logistics
Documents	
Sequence # & Name	10. Inform sales on claim resolution
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	11. Update client on insurance decision & update claim on CRM
Description	
Performers	Salesperson
Documents	
Sequence # & Name	12. Insurance covers accident?
Description	
Performers	Salesperson
Documents	
Sequence # & Name	12.1. Produce Item
Description	Sub-process
Performers	Production
Documents	
Sequence # & Name	12.1.1. Ship Item
Description	Sub-process
Performers	Procurement & Logistics
Documents	
Sequence # & Name	12.2. End
Description	If insurance does not cover accident, end process.
Performers	Salesperson
Documents	

Figure 42: Insurance Claim (Documentation)

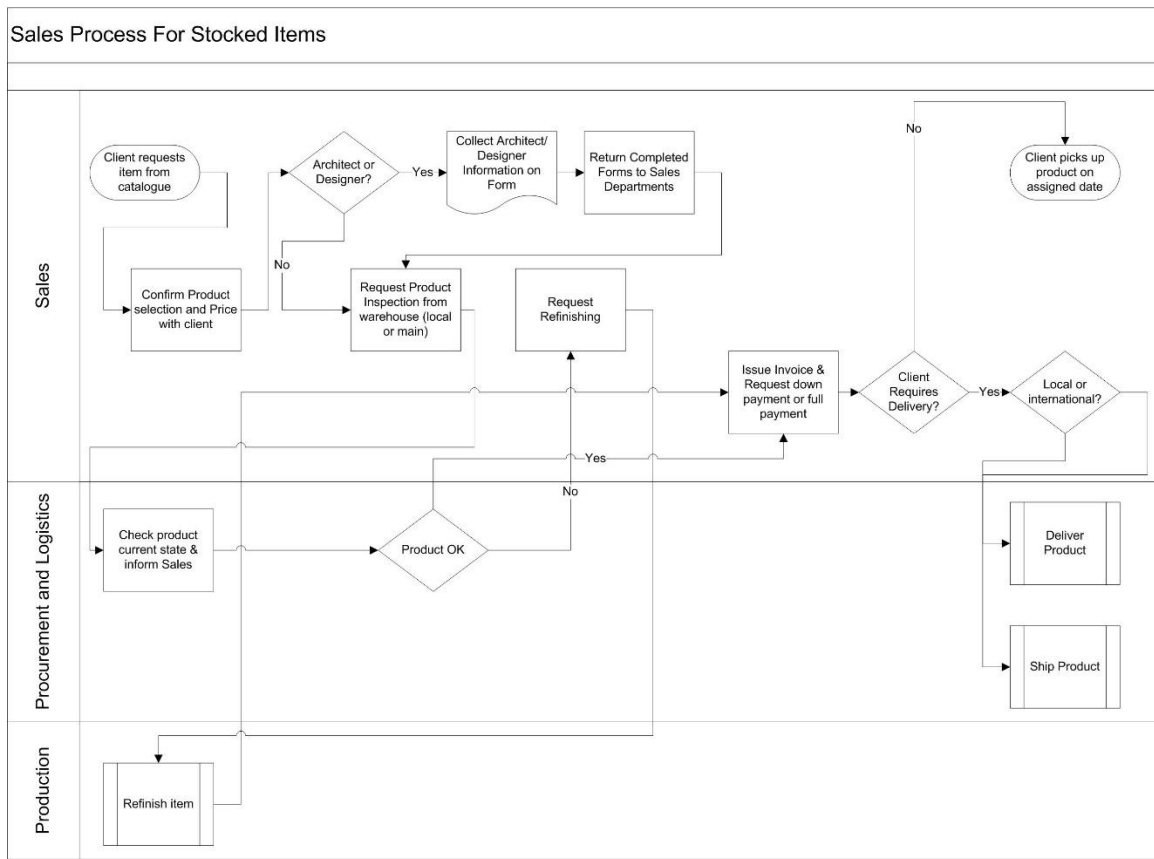
## **C. Process Improvements and Documentation**

Major improvements were made to the original process and a detailed documentation was attached to each map.

### ***1. Sales Process for Stocked Items***

Selling items from stock is described step-by-step. The process was updated as follows:

- Adding a step for collecting information from the client to determine if the client is an architect, a designer or a final user. The purpose from adding such a step is to define the exact moment to perform such activity and by standardizing this process, errors and mistakes are reduced dramatically. The potential outcome of such improvement is to have better work organization and better record keeping for future reference.
- Two sub-processes were added to link this map to other maps concerning delivery
- As for the documentation, information and business rules concerning discounts and contracts with architects and designers are presented. This document will constitute a reference manual for the Sales staff.



ND-Sales-rev1.0-10112014

Figure 43: Sales Process for Stocked Items (Original Drawing)

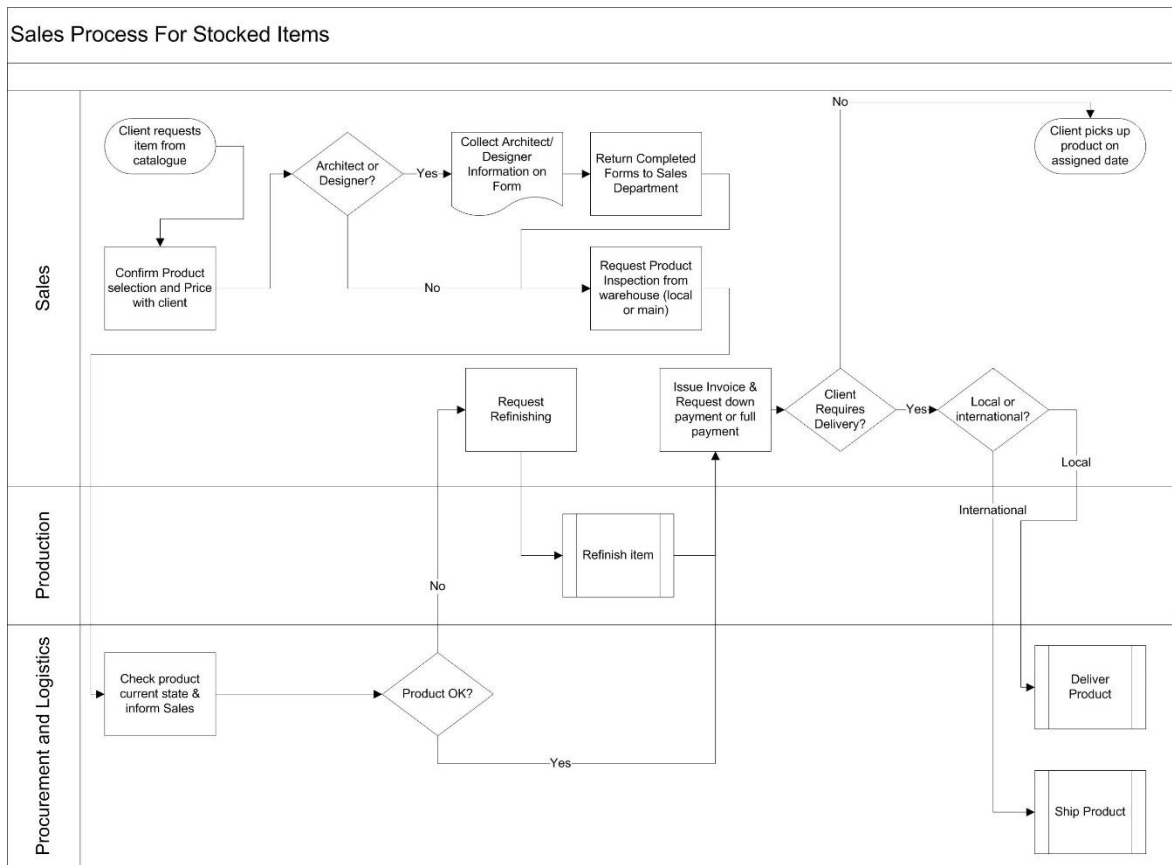


Figure 44: Sales Process for Stocked Items (Final Drawing)

Sequence # & Name	1. Client requests Item from catalogue
Description	Using email/phone or by going to showroom, client requests from sales a certain item listed in the catalogue
Performers	Client
Documents	-
Sequence # & Name	2. Confirm Product Selection
Description	Confirm if client has decided which item to purchase and inform of price
Performers	Sales Person
Documents	-

Sequence # & Name	3. Architect/Designer?
Description	<p>If client is a regular client (i.e. not an architect/designer), apply the following discount policy &amp; Proceed directly to step 4.0</p> <p>A 10% discount is given for orders over 5,000\$ or repeat clients with cumulative orders over 5,000\$ and for specific individuals (upon Creative Director's request)</p> <p>A 15% discount is entitled for order over 20,000\$/30,000\$, also for repeat clients with cumulative orders over 50,000\$ and for specific individuals (upon Creative Director's request) including family members of ND employees</p> <p>A 40% discount is entitled to immediate family of Creative Director and ND employees (yearly purchase not to exceed 10,000\$)</p> <p>As for retail shops, the following discount policy is applied:</p> <p>For accessories:  for yearly sales below 25,000\$, a 30% discount is entitled  for yearly sales between 25,000\$ &amp; 50,000\$, a 35% discount is entitled  for yearly sales above 50,000\$, a 40% discount is entitled</p> <p>For furniture:  For yearly sales below 150,000\$, a 30% discount is entitled  for yearly sales between 150,000\$ &amp; 300,000\$, a 35% discount is entitled  for yearly sales between 300,000\$ &amp; 450,000\$, a 40% discount is entitled  for yearly sales above 450,000\$, a 40% discount + exclusivity is given</p>
Performers	Sales Person
Documents	-
Sequence # & Name	3.1 Collect Architect/Designer Information
Description	<p>If client is an architect/designer and not previously registered in database:  Collect name, email address and phone number and fill associated designer/architect form</p> <p>Explain to Architect the discount policy stated in the form:  He will receive a 20% discount if yearly sales do not exceed 5,000\$ in value</p>



	<p>He will receive a 25% discount if yearly sales are between 5,000\$ &amp; 100,000\$</p> <p>He will receive a 30% discount if yearly sales exceed 100,000\$</p> <p>For each client the architect brings, he will need to specify how the discount will be split (not to exceed 20% for clients)</p> <p>If previously registered, proceed directly to step 4.0</p>
Performers	Sales Person
Documents	Designer/Architect Form
Sequence # & Name	3.1.1 Return Forms to Head Office
Description	Forms are returned to head office to be properly grouped and filed Proceed to step 4.0
Performers	Sales Person
Documents	Designer/Architect Form
Sequence # & Name	4. Request Product Inspection
Description	Contact warehouse by email/phone and request item inspection
Performers	Sales Person
Documents	-
Sequence # & Name	5. Check Product Current State & Inform Sales
Description	Make sure product is completed Even if product is packed, open package and double check if item is completed. Inform Sales by email/phone.
Performers	Warehouse Manager
Documents	-
Sequence # & Name	6. Product is OK?
Description	If Item is in perfect condition: Proceed directly to step 7.0
Performers	Warehouse Manager
Documents	-
Sequence # & Name	6.1 Request Item Refinishing

Description	If Item is not completed: Contact Production and request Item Refinishing Request an estimate on date of completed refinishing and inform Client
Performers	Sales Person
Documents	
Sequence # & Name	6.1.1 Refinish Item
Description	<b>Sub-process</b>
Performers	Production
Documents	
Sequence # & Name	7. Issue Invoice & Request Down Payment
Description	Issue invoice on ERP. Type down name of client: Fill out name of new client along with mobile phone number and email address. Choose Item requested by Client and print invoice. Collect Down Payment. Issue Receipt.
Performers	Sales Person
Documents	Sales Invoice Receipt
Sequence # & Name	8. Client Requests Delivery?
Description	Check if client request delivery and inform logistics by email/phone. Get information about date of delivery to inform client.
Performers	Sales Person
Documents	-
Sequence # & Name	8.1. Local or International?
Description	If client requests delivery of item, check if it's local or international
Performers	Sales Person
Documents	-
Sequence # & Name	8.1.1. Ship Product
Description	<b>Sub-process</b>

	If client request international delivery, proceed with shipping formalities
Performers	Procurement & Logistics
Documents	-
Sequence # & Name	8.1.2. Deliver Product (locally)
Description	<b>Sub-process</b>
Performers	Procurement & Logistics
Documents	-
Sequence # & Name	8.2. Client Picks up Product on Assigned Date
Description	Client Picks up Product on Assigned Date
Performers	Client
Documents	-

Figure 45: Sales Process for Stocked Items (Documentation)

## 2. Sales of Branded Corporate Gifts

The following map describes selling items to companies that will then distribute these items to its clients as corporate gifts. The process was updated as follows:

- The triggering event was clearly stated: meeting up with the client and getting an idea of the budget, the quantity of items and the type of branding needed.
- Adding steps such as: proposing options from corporate catalog and revising final pricing based on size of order and customization needs.
- Discounts are detailed in the documentation attached to the map.

Reorganizing this process map will further standardize and unify the approach of Sales staff when handling corporate clients

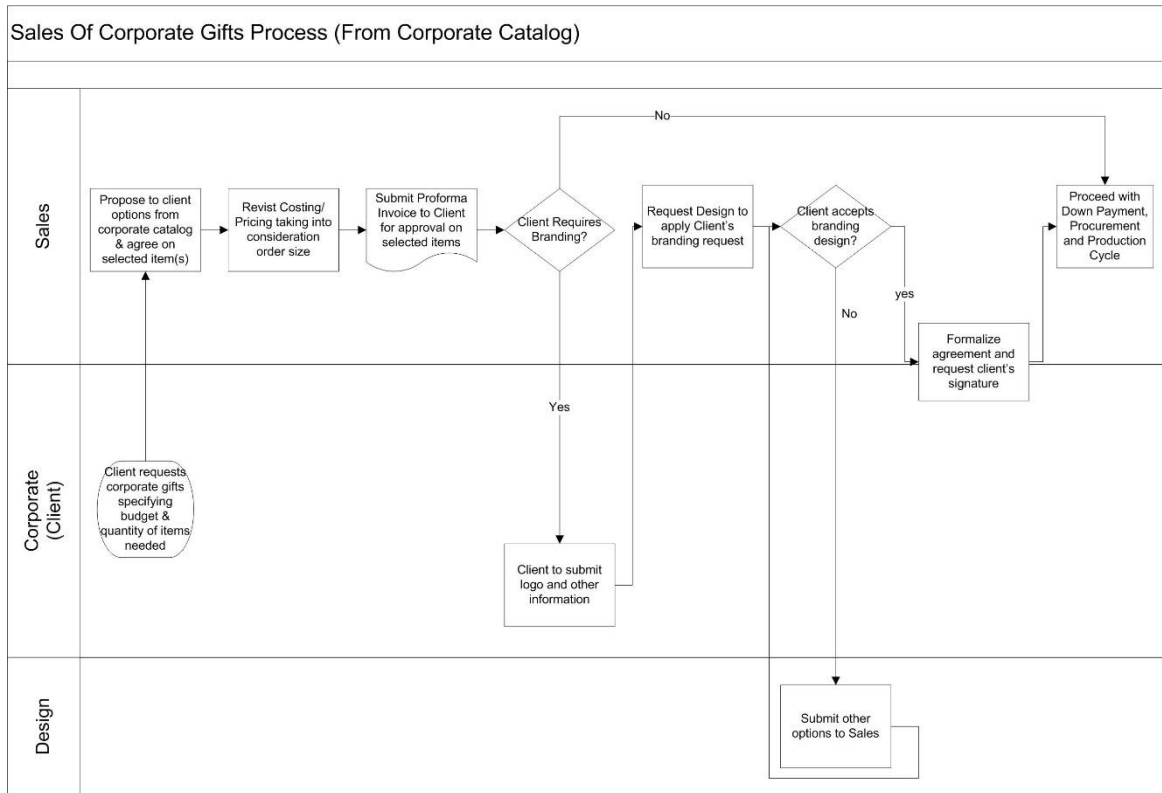


Figure 46: Sales of Branded Corporate Gifts (Original Drawing)

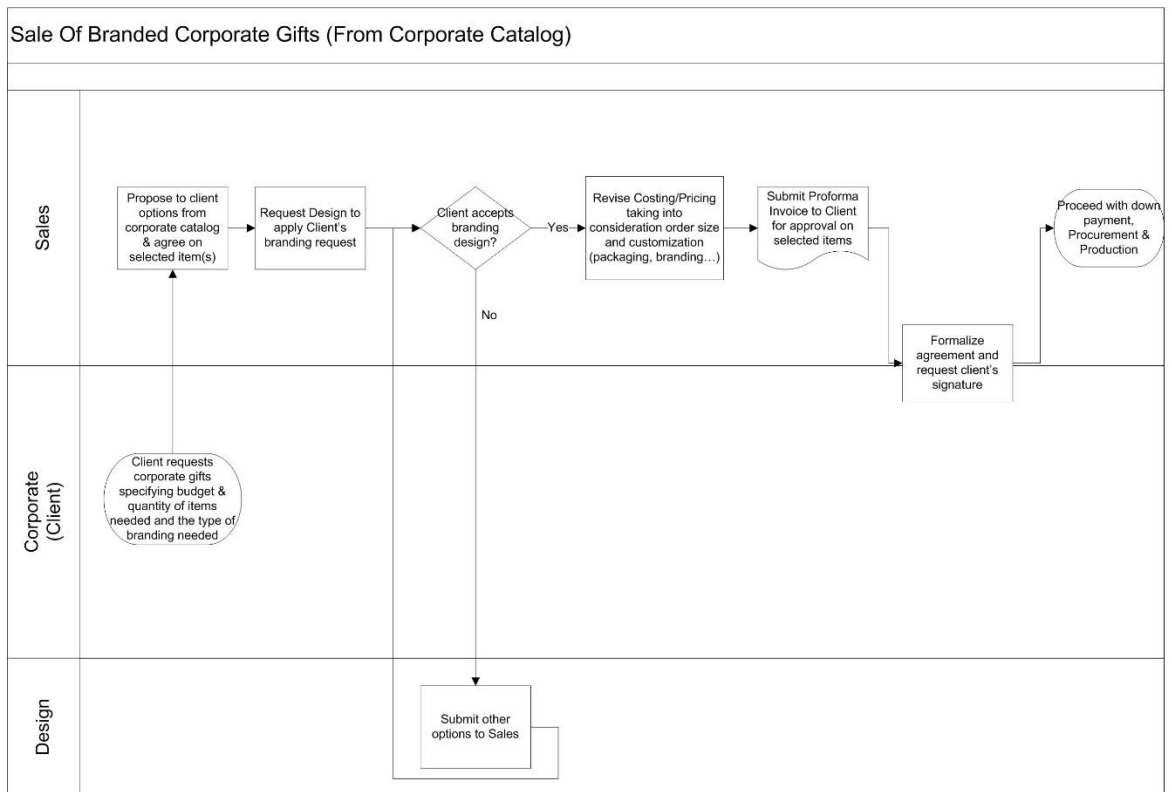


Figure 47: Sales of Branded Corporate Gifts (Final Drawing)

Sequence # & Name	1. Client requests corporate gifts specifying budget & quantity of items needed as well as the type of branding needed
Description	
Performers	Client
Documents	
Sequence # & Name	2. Propose to Client options from corporate catalogue & agree on selected item(s)
Description	
Performers	Sales
Documents	
Sequence # & Name	3. Request Design to apply Client's branding request
Description	

Performers	Sales
Documents	
Sequence # & Name	4. Client accepts branding design?
Description	Check if client accepts branding design
Performers	Sales
Documents	
Sequence # & Name	4.1.Submit other options to Sales
Description	If client dislikes design, other options are requested from Design
Performers	Design
Documents	
Sequence # & Name	4.2.Revise Costing/Pricing taking into consideration order size and customization (packaging, branding...)
Description	If branding design is approved by client, proceed with costing & pricing taking into consideration client's needs such as packaging and size of order A 20% discount is entitled for orders below 10,000\$ A 25% discount is entitled for orders between 10,000\$ and 25,000\$ A 30% discount is entitled for orders above 25,000\$
Performers	Sales & Production
Documents	
Sequence # & Name	4.2.1. Submit Proforma Invoice to Client for approval on selected items
Description	
Performers	Sales
Documents	Proforma Invoice
Sequence # & Name	4.2.2. Formalize agreement and request Client's signature
Description	
Performers	Sales & Client
Documents	
Sequence # & Name	4.2.3. Proceed with down payment, procurement & production

Description	
Performers	Sales
Documents	

Figure 48: Sales of Branded Corporate Gifts (Documentation)

### ***3. Supplier Approval for Crating***

Here the purpose of the map was completely reviewed. Now, ND offers the option for its clients to have their items packed in wooden crates. Shipping is then either done by the client himself on his own responsibility or by the shipping company ND is working with. The map has been completely revised and validated; it now details how to request a quotation on crating and get the client's approval before proceeding. This update is a result of strategic choices made by upper management to limit shipping problems, decrease item damage and reduce customer complaints.

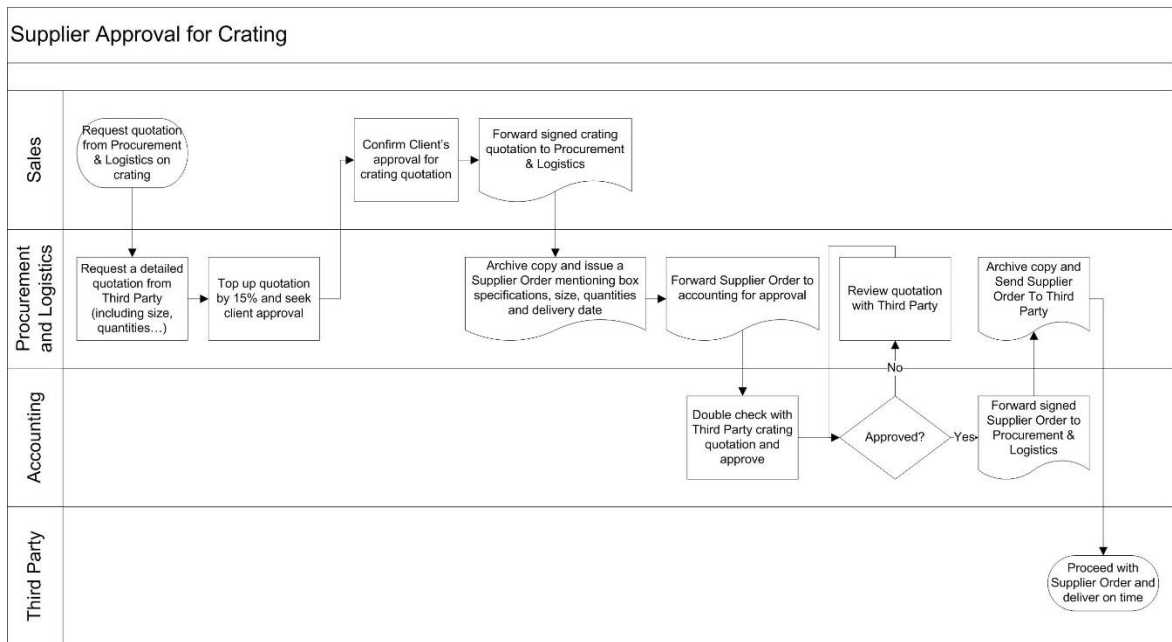


Figure 49: Supplier Approval for Crating (Original Drawing)

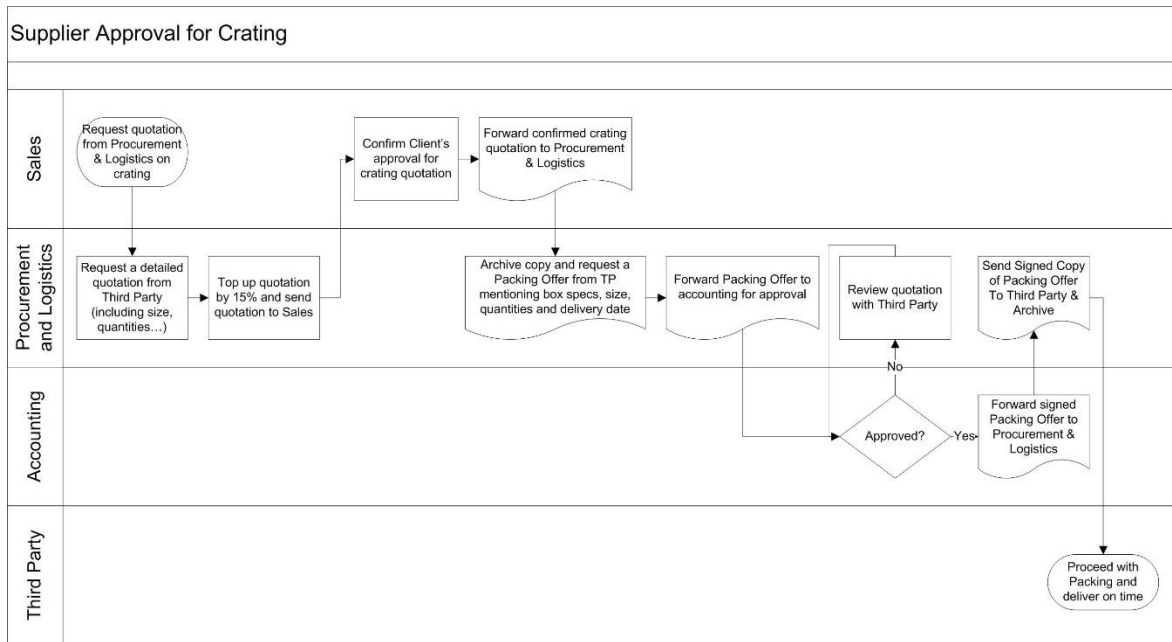


Figure 50: Supplier Approval for Crating (Final Drawing)



Sequence # & Name	1. Request quotation from Procurement & Logistics on Crating
Description	
Performers	Sales
Documents	
Sequence # & Name	2. Request a detailed quotation from Third Party (including size, quantities, delivery date...)
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	3. Top up quotation by 15% and send quotation to Sales
Description	
Performers	Procurement & Logistics
Documents	Quotation
Sequence # & Name	4. Confirm Client's approval for packing quotation
Description	Check if client approves of quotation
Performers	Sales
Documents	
Sequence # & Name	5. Forward confirmed packing quotation to Procurement & Logistics
Description	
Performers	Sales
Documents	Confirmed quotation
Sequence # & Name	6. Archive copy and request a Packing Offer from Third Party mentioning box specifications, size, quantities and delivery date
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	7. Forward Packing Offer to Accounting for approval
Description	
Performers	Procurement & Logistics
Documents	Packing Offer

Sequence # & Name	8. Approved?
Description	
Performers	Accounting
Documents	
Sequence # & Name	8.1.Review quotation with Third Party
Description	If packing offer is not approved by accounting, review with TP
Performers	Procurement & Logistics
Documents	
Sequence # & Name	8.2.Forward signed Packing Offer to Procurement & Logistics
Description	If packing offer is approved, forward a signed copy to procurement & logistics
Performers	Accounting
Documents	
Sequence # & Name	8.2.1. Send a signed copy of packing offer to Third Party and archive a copy
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	8.2.2. Proceed with packing and deliver on time
Description	
Performers	Third Party
Documents	

Figure 51: Supplier Approval for Crating (Documentation)

#### **D. New Process Mapping and Process Description**

Three processes were newly mapped following multiple interviews with key employees and validation by upper management.

## 1. Issue and Redeem Gift Vouchers

Issuing and redeeming gift vouchers were mapped to prevent confusion among salespeople and to clarify all the required steps needed before issuing or redeeming a gift voucher. Standardizing this process prevents errors and mistakes that can affect the company reputation and brand image when customers interact with Sales. Rules and the company policy concerning gift vouchers was added to the documentation.

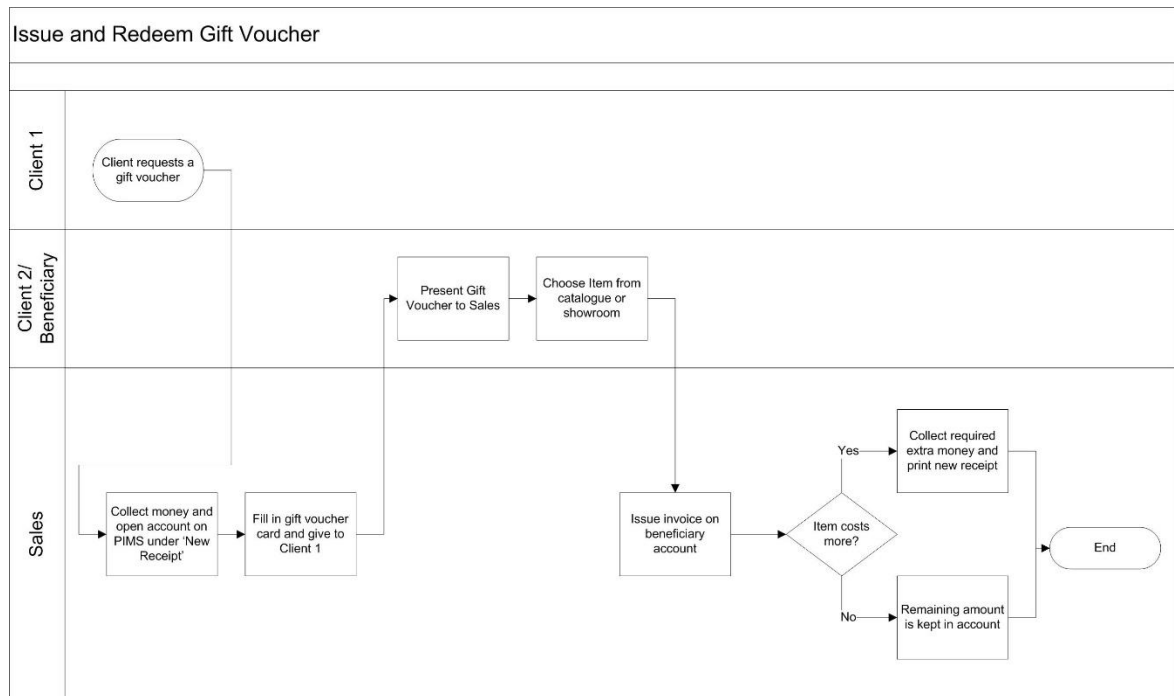


Figure 52: Issue and Redeem Gift Vouchers (Drawing)

Sequence # & Name	1. Client requests a gift voucher
Description	
Performers	Client 1

Documents	
Sequence # & Name	2. Collect money and open account on PIMS under 'New Receipt'
Description	Create new receipt in the name of the beneficiary. If unknown, use name of the client purchasing the gift voucher to create a new receipt. Under description, specify 'gift voucher'
Performers	Salesperson
Documents	
Sequence # & Name	3. Fill in gift voucher card and present to client
Description	Write the name of the beneficiary on the gift voucher (if known) and specify the amount in the account
Performers	Salesperson
Documents	
Sequence # & Name	4. Present Gift Voucher to Sales
Description	If gift voucher is registered under name of original giver (beneficiary was not specified at time of purchase), the accountant must transfer amount from giver's account to beneficiary's account using debit/credit notes on PIMS Otherwise, proceed to Step 5.0.
Performers	Beneficiary/Client 2
Documents	
Sequence # & Name	5. Choose item from catalogue or showroom
Description	
Performers	Beneficiary/Client 2
Documents	
Sequence # & Name	6. Issue Invoice on beneficiary account
Description	
Performers	Salesperson
Documents	Invoice
Sequence # & Name	7. Item costs more?
Description	Check if item costs more than amount specified in voucher

Performers	Salesperson
Documents	
Sequence # & Name	7.1. Collect the required extra money and print new receipt to add amount to account
Description	If item costs more than the value of the gift receipt, collect the extra amount needed to cover price of item
Performers	Salesperson
Documents	Receipt
Sequence # & Name	7.2. Remaining amount is kept in account
Description	If chosen item is fully covered by the amount in the gift voucher, proceed to Step 8.
Performers	Salesperson
Documents	
Sequence # & Name	8. End
Description	
Performers	Salesperson
Documents	

Figure 53: Issue and Redeem Gift Vouchers (Documentation)

## **2. Return or Exchange Item**

Exchanging and returning items were also modeled and rules and regulations concerning the return policy were added to the documentation. Standardizing this process prevents confusion among the Sales staff and details the company policy to prevent errors and mistakes that can harm the brand image.

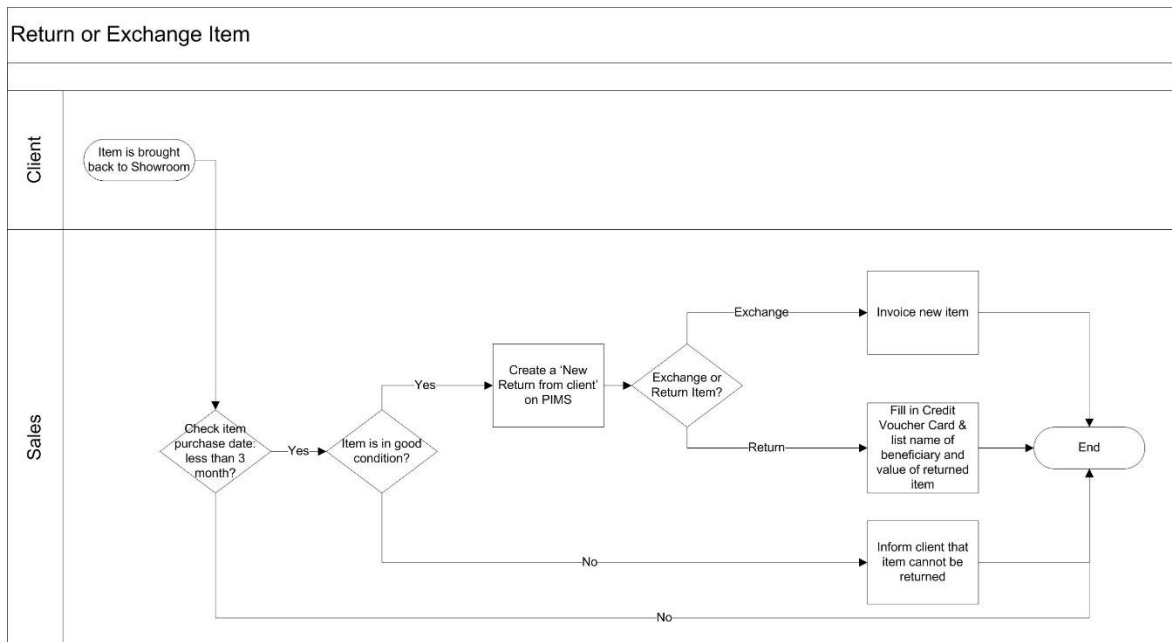


Figure 54: Return or Exchange Items (Drawing)

Sequence # & Name	1. Bring item back to showroom
Description	
Performers	Client
Documents	
Sequence # & Name	2. Check item purchase date: less than 3 month?
Description	Check date of purchase of returned item If item was purchased within 3 month, proceed with return/exchange process If item was purchased more than 3 month ago, check with COO/CEO for approval (or ending process) Custom items cannot be returned
Performers	Salesperson
Documents	
Sequence # & Name	2.1. Item is in good condition?
Description	Check if item is in good condition and no major scratches are found

Performers	Salesperson
Documents	
Sequence # & Name	2.1.1. Create a 'New Return from Client' on PIMS
Description	If item is in good condition, proceed with processing item return on PIMS Specify the item returned on PIMS and add amount back to account of client
Performers	Salesperson
Documents	
Sequence # & Name	2.1.1.1.Exchange or Return Item?
Description	Check if client prefers to return item and get a credit voucher or he prefers to directly exchange with a different item
Performers	Salesperson
Documents	
Sequence # & Name	2.1.1.1.1. Invoice new item
Description	Invoice the item the client chooses as exchange
Performers	Salesperson
Documents	
Sequence # & Name	2.1.1.1.2. Fill in Credit Voucher card and list name of beneficiary and value of returned item
Description	If client prefers to only return item, fill a credit voucher
Performers	Salesperson
Documents	Credit Voucher Card
Sequence # & Name	2.1.2. Inform client that item cannot be returned
Description	If major scratches are found and item is no longer in good condition, kindly inform client that the item cannot be returned and explain the reasons
Performers	Salesperson
Documents	
Sequence # & Name	2.2. End
Description	

Performers	Salesperson
Documents	

Figure 55: Return or Exchange Items (Documentation)

### 3. *ND Stock Order*

Ordering stock is an important task for a high-end furniture design company. It must be done very carefully to prevent piling up of items that can get outdated and obsolete as fashion trends keep changing. This is why this map was created to emphasize on certain key control steps such as approval by upper management before ordering stock and informing the whole Sales team once the stock is replenished. Also, through this map, management is emphasizing on the responsibility of the Sales team to keep an eye on the inventory and do a monthly check using the available software as this will help direct their efforts in the right direction.



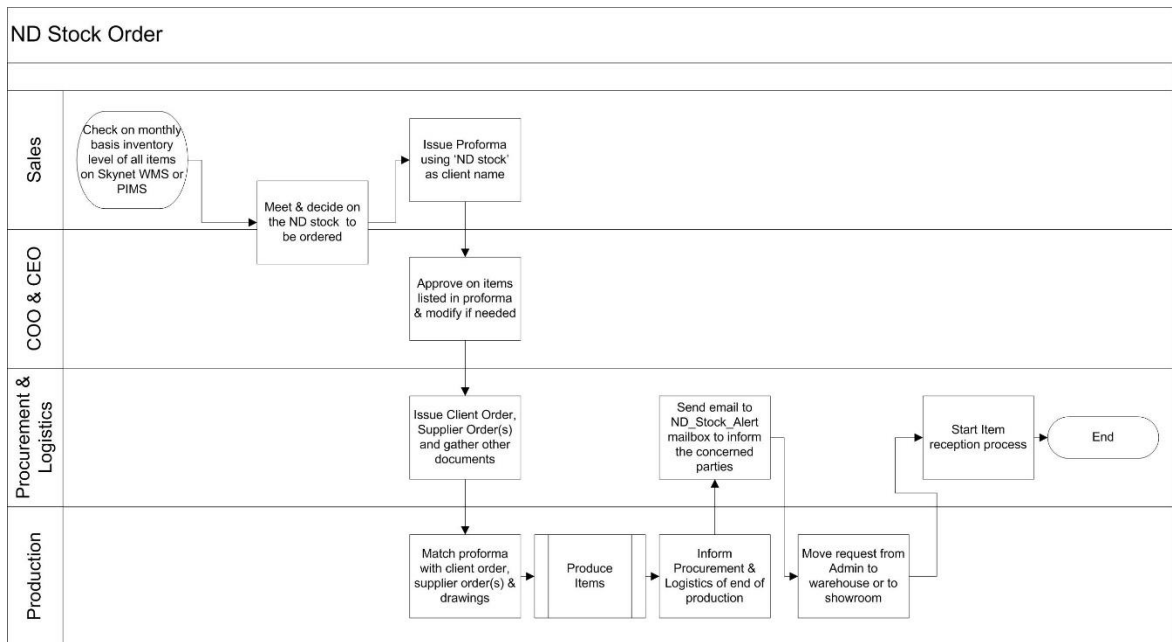


Figure 56: ND Stock Order (Drawing)

Sequence # & Name	1. Check on monthly basis inventory level of all items on Skynet WMS or PIMS
Description	
Performers	Sales
Documents	
Sequence # & Name	2. Meet and decide on the ND stock to be ordered
Description	
Performers	Sales & COO & CEO
Documents	
Sequence # & Name	3. Issue Proforma using 'ND stock' as client name
Description	
Performers	Sales
Documents	Proforma ND stock
Sequence # & Name	4. Approve on items listed in proforma and modify if needed

Description	
Performers	Creative Director
Documents	
Sequence # & Name	5. Issue Client Order, Supplier Order(s) and gather other documents
Description	
Performers	Procurement & Logistics
Documents	PO(s) Drawings Product Sheet Maintenance Sheet Bar codes
Sequence # & Name	6. Match proforma with Client Order, Supplier Order(s) and technical drawings
Description	
Performers	Production
Documents	
Sequence # & Name	7. Produce items
Description	Sub-process
Performers	Production
Documents	
Sequence # & Name	8. Inform Procurement & Logistics of end of production
Description	
Performers	Production
Documents	
Sequence # & Name	9. Send email to ND_Stock_Alert mailbox to inform the concerned parties
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	10. Move request from Admin to warehouse or to showroom
Description	Inform Admin of move request
Performers	Production

Documents	
Sequence # & Name	11. Start Item reception process
Description	
Performers	Procurement & Logistics
Documents	
Sequence # & Name	12. End
Description	
Performers	Procurement & Logistics
Documents	

Figure 57: ND Stock Order (Documentation)

## CHAPTER IV

### BUSINESS IMPACT

#### **A. Process map: validating, updating and creating**

Business analysis and process maps have the potential to significantly impact the way a company does business. By streamlining the processes, the company has a more lean cost structure enabling it to be more competitive and positioning it as a leader on the market. The management can be better equipped to make informed decisions with all the core mapped processes. Management can strive to put the company on a path towards increased efficiency and productivity.

Process maps provide a common mental model of the work being done by employees. They make work visible. These maps assign ownership of the workflow among departments and clarify the work architecture by showing its boundaries, components, features and properties. Thus, they are used to improve communication between departments by highlighting boundaries and responsibilities. It is particularly useful for upper management to have better insight into how work is executed in the company: it shows how work flows across departments. Often, when a company grows, it is faced with interface issues where no one seems keen on being accountable for outcomes where responsibility is shared. Cross-functional process maps and the high level of details found in the related documentation will help prevent such symptoms. By mapping processes at ND, a greater sense of accountability has been made clear to all the employees.

Improvements or alternative ways to do the work can be suggested by first mapping the current work architecture. Errors and mistakes can be reduced by establishing controls such as quality control and filling forms to better keep track of business transactions. Eventually this will trickle to the customer level who will enjoy a better product and service, providing an enabling environment for increased market share in Lebanon and abroad. This has been the case at ND where errors and mistakes were decreased dramatically as illustrated by the figures provided by COO Mr. Joe Khayat and as a result, customer satisfaction has increased by more than 50% as noted in satisfaction surveys:

- Errors in handling new orders at the production level has been decreased by over 30% with the help of the new software in place
- Damages that occurred in shipping items outside of Lebanon were dramatically reduced by 80% as a result of outsourcing international deliveries to a one stop shop for packing, crating and shipping door-to-door

Also, mapping helps management distinguish efficiency and work load of each employee. This is very important for better management of human resources. Hiring new employees and letting go of others can be done with more certainty and by understanding the true needs of the company. This approach has been applied at ND. The firm went through a restructuring while this project was executed.

Among the three newly mapped processes, two processes relate to the customer directly. To prevent any damage that can affect the brand image and the company reputation as a high-end design company, handling the customer properly is of utmost

importance. By standardizing how gift vouchers are issued and redeemed and how items can be returned or exchanged, the company policy is made clear to the Sales team. Errors and mistakes are thus avoided. As for the third process, replenishing stock at ND is delicate; inventory should be regularly monitored to prevent piling up of obsolete and outdated items. This map stresses on the importance of seeking approval by management before ordering new stock items and it also stresses on the responsibility of the Sales team in monitoring and controlling the inventory.

By updating process maps and providing the attached documentation, knowledge gained from years of experience are incorporated into this document for future reference and further improvement. This knowledge has been made available for all employees. It is also useful for consultants to discover issues and potential problems in the system. The updated process maps and newly mapped processes together form a knowledge base or a “Process asset library” (Damelio, 2011). These documents collectively describe the best known way to do the work currently. This documentation should be regularly maintained and revised.

## **B. Documentation of a Quality Management System**

As a result of process mapping and documentation at ND, knowledge is now “codified as a set of documents that collectively describe the best known way to do this work currently” (Damelio, 2011). The documentation would now serve as guide for all employees, it would clearly state what is expected of all employees and most importantly it can be constantly updated as the company grows and better manages its processes. Through

this documentation, ND aims to demonstrate the effective planning, operation and control of its processes and the implementation of an informal quality management system. It is a tool for transmission of information and communication of knowledge and a way to share and preserve the organization's experiences.

ND wishes, by using this basic documentation, to demonstrate that it conforms to the requirements of ISO 9000 series of standards and can therefore eventually apply for an ISO 9001 certificate. To apply for an ISO 9000 standard, it is imperative to document procedures for the following activities:

- Control of documents and records: using software to collect information and the forms to be filled were listed in each process
- Control of non-conforming product: quality and quantity check is required at multiple levels from the production phase until the delivery phase. This has been noted in specific process maps
- Corrective and preventive action was mapped in processes such as 'Refinish item', 'Repair Sales', 'Insurance Claim'

For this purpose, we employed MS-Office Word and Visio to update maps and create business rules. This is very similar to what regular process mapping software delivers. Except that these documents (the process map and the related business rules) are not linked and must be updated manually (not automatic). A set of updated and validated maps and detailed business rules were presented to ND.

## CHAPTER V

### CONCLUSION & RECOMMENDATIONS

Process analysis is the fundamental basis for creating robust and repeatable business processes of SMEs. The project updated and documented processes as summarized in the table below. The updates mainly consisted of identifying triggering events, locating customer touchpoints, arranging activity order, shifting responsibilities among departments, adding control activities to check for the conformity of the product and adding activities to promote record keeping and collecting information. The seventeen updated and documented processes are listed in the following table.

Table 2: List of updated processes

Sales Cycle	Sales Process For Stocked Items Costing/Pricing of Variation Items Sales of Non-Stocked Items Answer Sales Inquiries Repair Sales Sales of Branded Corporate Gifts Costing/Pricing of Customized Items for Clients
Make/Production & Inventory Cycle	Production Cycle Production Order Wrapping/Packing Order Procurement Order Reception Refinish Items
Delivery Cycle	Insurance Claim International Delivery Local Delivery Supplier Approval for Crating
Design	Photoshoot Request



Also, three processes were standardized and newly mapped. The company rules and policies associated with these processes were documented. Preserving the brand image, proper handling of customers as well as preventing inventory pile-up were among the key objectives of this work. These processes were as follows:

- Issue and Redeem Gift Vouchers
- Return or Exchange Items
- ND Stock Order

Process mapping and documentation has resulted in key benefits for the company as listed below:

- It establishes a shared understanding of the work being done for employees by making work visible
- By standardizing work, higher efficiency and better accuracy in the work itself are achieved because fewer errors and mistakes occur
- It highlights boundaries, responsibilities and accountability among departments
- It allows upper management to have better insight into what is the content of each work/task transaction
- The prior experience are incorporated into this document for future reference and further improvement.

As a result of this work, the following noticeable improvements were noted:

- Errors in handling new orders at the production level have been decreased by over 30%

- Damages that occur in shipping items outside of Lebanon were dramatically reduced by 80%
- Customer satisfaction has increased by more than 50% as noted in satisfaction surveys

## REFERENCES

Damelio, R. (2011). *The basics of process mapping* (2nd ed.). Florida: CRC Press.

