The development of a process-based management system at Almedahls AB

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Preface

At this point we would like to thank everybody who was involved in the creation of this work:

First of all we would like to thank the project supervisor Martin Jarhult for his support as well as Christian Lundell and Bertil Andrén for supervising us at Almedahls. A special thanks goes to Claes Berlin giving us the opportunity with informing us about this project.

Marina Rehbein 15/6 2010
Johan Rosendahl 15/6 2010
Amir Reza Saeedfar 15/6 2010
Abstract

“To develop a process-based management system at a textile company” is the title of this thesis.

The thesis is a compulsory part of the master programme: Quality and environmental management at Högskolan i Borås, the master programme is worth 60 ECTS credits. It has been carried out as an interdisciplinary project between students of the School of Engineering as well as the Textile School in Borås.

Almedahls is a textile company located in Kinna, Sweden. They are in a need of process-based management system for their four different strategic business areas and three companies.

The purpose of the thesis is not only to develop a process-based management system for Almedahl-Kinna, which is one of the three companies, but also to create the new management system in order for it to work for all three parts of the company in the future.

The theory used in this project focuses on the definition of business process mapping as well as its application in use. The theory also includes process-based management systems, business process management and measurements.

The theory and interviews with the employees at Almedahl-Kinna can be considered as the foundation of the result of this thesis.

Result of the thesis is a shared process-based management system for Almedahl-Kinna developed in a business process map.

The result also consists of sub-processes linked to the core process of the BPM. The sub-process is based on the inputs and outputs found in the core process.

A common vision between Almedahls and the study group was essential to achieve an acceptable result in the end, hence the project was driven by an initial BPM provided by Almedahls and in fact it became one of the main aims of this project: how to change the management’s point of view towards thinking in processes?

Based on the nature of process-based management systems, the idea to choose this system was correctly selected for Almedahls to gather all four strategy business areas and three companies together.
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1. Introduction

This chapter will explain why this project is being carried out and what the textile company Almedahls expects. It will also describe the purpose and briefly explain the problem of the project. At last the chapter will portray the limitations of the thesis and the structure of the report.

1.1 Company Background

Almedahls AB is a textile manufacturing company located in Kinna, Göteborg in Sweden and Kaarina in Finland. Almedahls was founded in 1846 and today employs over 200 people. The company’s turnover is around 40 million €.

The industry Almedahls is operating in contains companies in the production as well as wholesale segment acting as manufacturers that are designing, developing, producing, marketing and selling home textiles, interior as well as daylight control solutions within a global market.

Almedahls AB today consists of three companies with four different strategic business areas. These are Almedahl-Kinna AB, Almedahls Oy (Finland) and Almedahls AB.

Almedahls AB business areas are interior textile solutions and home interior decorations. Almedahl-Kinna AB is working with the software parts in SBA1 such as curtain fabrics. Almedahls Oy is working with the according hardware such as metal components in SBA 1. Available: www.almedahls.se (2010-05-26)

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**Fig 1. Overview of Almedahls SBA’s and company set up**
1.2 Purpose

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Fig 2. Suggested plan from Almedahls

The purpose of the thesis is to firstly identify all core processes of Almedahls Kinna AB on level 1. Moreover the development process will be closer looked at within level 2 by going deeper and identifying three processes in depth in level 3.

This will be useful for Almedahls in the future to implement a shared BPM, business process management, for all three different companies. Thus the purpose is to have a higher understanding and better communication throughout the whole company.

1.3 Scope

Almedahls-Kinna wants to map their work to be able to standardize their working procedures as well as to identify changes in an implemented BPM for the company. At the beginning of the project Almedahls had come up with a brief suggestion on how their processes look like. The job is now to identify if this suggested process map is correct and if so, to develop and improve the company’s process map. Also the method of Business Process Management suggests within the establish part the definition of the processes in detail. This will be done for Almedahls Kinna’s most important processes, namely the one of developing.

1.4 Limitations

The project is about to identify and in some ways establish a BPM at Almedahls, the project is not about improving the BPM for the company, meaning that no training of the process teams or checking up on results will be done.

1.5 Structure of the thesis report

The report starts with an introduction explaining the background and the purpose of the project. After that a brief explanation about the scope and limitations will be provided. The second chapter will provide the relevant theory for the project. The third chapter describes which method has been used for the project to gather information for the result part. After that the result will be presented in chapter four. The report will end with a discussion and a conclusion followed by the references that have been used.
2. Theory

This chapter of the thesis will present to the reader the relevant theory related to implementing a BPM at a company. The BPM model will be explained and what to consider when creating a Process-based management system. This chapter also provides important facts about what a process is and how to measure it. Reader required knowledge includes different management systems and standards like Six Sigma, TQM and ISO 9001. Apart from that the knowledge of balanced scorecard principle is assumed.

2.1 Process

“Sequence of interdependent and linked procedures which, at every stage, consume one or more resources (employee time, energy, machines, money) to convert inputs (data, material, parts, etc.) into outputs. These outputs then serve as inputs for the next stage until a known goal or end result is reached.”

Available: (www.businessdictionary.com/definition/process.html 2010-05-25.)

The above excerpt of is a general view of what a process is and how it works.

According to Sandholm (2000), processes are characterised by control and repeatability. Control is the information you will get back to ensure the result of the output. Repeatability means that the process can be repeated many times, for example, continuous, cyclical or periodical.

Sandholm (2000) also states that the output should have a higher value than the input in the process. The process should provide results after it is completed. The information to the input could be either internal or external and the inputs could be concrete or abstract, tangible or intangible.

Sandholm (2000) continues, a classic business organisation is built up hierarchical and the departments are vertical. At the same time the processes are working horizontal within the company. The respective departments in the company give the processes recourses so the processes can reach their goals. At the same time one can consider the processes in a hierarchical structure, with the main process first and underneath the sub-processes can be found. In this context the main process is adding values to the products for the customer and sub-process is more of an activity chart.
Sandholm (2000) means that every process exists of three parts, there is the supplier, processor and the customer. The suppliers’ job is to identify the internal as well as external customers and their needs regarding the product. The processors role is to satisfy these needs and to continuously improve the processes. The customer is doing the opposite of the suppliers by identifying the internal as well as external suppliers. Customers want suppliers that can satisfy their needs.

When deciding which people should work with which process the best way is to let people know the processes and explain what happens within them Sandholm means (2000). When these decisions are being made there should be process teams making these decisions because it is a rare fact that one person knows the whole company.

At last Sandholm (2000) states that, in order to make an easier structure and a more logical main process map the processes can be drawn with a flow chart structure. The flow chart provides a better understanding to the main process map.

Bergman and Klefsjö (2010) mean that the purpose with a process is to use as little resources as possible while satisfying customers. This is being done by the support of the organisation. Bergman and Klefsjö also state that the process links the past with the future. The history of the process can be used to improve the organisation. It is then important to have a clear first and last activity for the processes.

When drawing up the whole process map there is three different process types according to Bergman and Klefsjö (2010), they are:

- Main processes
- Support processes
- Management processes

According to Bergman and Klefsjö (2010) the main process works to satisfy the needs of the customers, but also improve the products or services that the organisation provides. These processes have only external customers. The support process has only internal customers and gives resources to the main process. The decisions that the main process is based on is determined by management processes. Here the strategy and goals are being developed in the organisation to help the main process to succeed its mission. To easily work and improve a process, it should have a process owner, meaning someone in charge responsible for overlooking the data and measuring the performance of the process.

According to Rosam and Peddle (2003) a process based management system is based on understanding what business processes are and what resources there need to be achieved. Once the processes are understood they can be led and managed in order to see if their performance reaches the set targets. The last step of process mapping is the improvement to reach the set business objectives.
Also according to Rosam and Peddle (2003) therefore identify, establish and improve are the three lead words in a process based management system.

Rosam and Peddle (2003) mean that the theory of leading a company by processes has been conducted for a while; the main problem however lies more in the way of implementing the process thinking to the company. Reasons for this are that process charts are too difficult to understand and it can’t be used effectively in the company. Another problem that occurs is that companies think that processes can only be adapted to the production part of the company. A process based management system must be applied on the whole company and it should be a strategic as well as practical concern.

Rosam and Peddle (2003) continues to inform that before starting to think about details how the process based system should work and how it should be implemented it is important to understand the following points of view for a successful system:

- senior management involvement
- defining what a key business process (core process, main process) is
- measurement of performance – key performance indicators
- process thinking vs. functional thinking
- the management system as a communication tool
- culture change programme

Only after successfully executing the above mentioned points the company will be able to start implementing a process-based system as well as mapping their processes. The process mapping technique is used to more easily understand the processes by showing them visually. Process mapping is also used because it simplifies the understanding of what a process consists of, it improves communication within the company, it shows who is involved where which finally leads to measuring which resources and people affected the result.

2.2 BPM – Business process management

The business process map model has been created from the process-based management system for ISO 9001:2000. According to Rosam and Peddle (2003) the model is based on the idea “customer to customer” and is divided into six different parts. The process map in a process-based management system is built up by inputs and outputs. Business process management system is not an initiative, but a way of thinking. This system brings together the ideas from a large number of individual management theories and practices. Many of the individual initiatives fell short of delivering the benefits promised. The method of BPM is to identify, establish and improve company’s processes. By identifying the processes at the company the main process map, process managers and process teams are defined. When this is completed the establishing procedure commences. The training of the process teams as well as the detailed definition of the processes is considered to be the starting point of the implementation of the BPM.
Berlin (2009) informed that the first column on business process map is related to the products. This column shows which kind of products or services are provided to the customers.

Berlin (2009) continues the columns two and three are customers and customer needs, respectively, located on the template. On the words of Bergman and Klefsjö (2003) “customers are those we should bring value to.” In addition, according to the same source Juran states that “anyone who affected by the products or by the process used to produce the products”.

The core processes are having the tasks to accomplish the mission of the organization, through the creation of direct value to outside customers according to Berlin (2009).

According to Berlins (2009) lectures in “Integrated management system” the management processes are providing the direction to other processes, for example through visions, strategies and goals. With the help of the management processes the company is managed proactively and can be directed by example. Also management processes are acting to establish a clear vision of the organizations future. Employees are provided with the required resources as well as freedom to act with responsibility as well as accountability. At the same time management processes promote open and honest communication are education, training as well as coaching employees with the help of setting challenging goals and targets that can be achieved with an implemented strategy.

Berlin (2009) ends with stating that the task of the support processes is to support the core processes through the creation of in-direct value to outside customers.

![Different kinds of processes](Fig 8. Different kind of processes Source: Berlin, Claes, lecture material)
The given business process map and sub-process map templates which the result will be presented with looks like this:

Fig 9. The BPM template  
*Source: Berlin, Claes, lecture material*

Fig 10. The sub-process template  
*Source: Book, Stefan, lecture material*
2.3 Measurement

According to Rosam and Peddle (2003) a process-based management system requires measuring and comparing against set goals and targets in order to see improvement potential. As a result of these actions the process is able to work more equal as well as improve with every accomplishment. Bourne and Bourne (2002) mean that these are the measurements that show where efforts should be focused on. In fact the covered object by the process is one of the most important aims of the measurements. In addition, it should be mentioned that two indexes are followed by the measurements which are the behaviours that are encouraged by the measurements and the desirability of them.

Also according to Rosam and Peddle (2003) process performance indicators (PPI) can be used as a tool to measure processes. By combining two or more PPI’s one can create key performance indicators (KPI). By using KPI’s the control over the process will continuously improve. A key performance indicator is not a goal; instead one can use it as a tool to measure the process.

![Fig 11. Balanced scorecard](image-url)
3. Methods and material

This chapter will explain the procedure of the project and what materials are being used to find the results.

3.1 Literature review

The pre study has involved the study of literature and interviewing involved employees of Almedahls AB, Kinna. The study of literature focused on BPM, Six Sigma, TQM, balanced scorecard and of course ISO 9000 to canvass the context of how textile businesses are working today.

3.2 Interviews

According to Gustavsson (2004) the main purpose with the qualitative method is to get a deeper understanding of the addressed subject through interpretation. Since the technique does not include to prove found result through a representative selection, the interviews can be less structured than quantities ones and therefore be more responsive to the nature of the subject matter.

The qualitative method was found most suitable when trying to understand how the business processes in Almedahls AB are working.

Holme and Solvang (1997) mean that the strength of qualitative interviews is that the situation is similar to a regular conversation. The interviewer should not try to lead the conversation; instead the person who is being interviewed should be able to influence it.

Therefore the interviews were conducted as dialogues in order to understand the respondent’s views and thoughts on the addressed subject.

3.3 Presentation of the respondents

Tor Ahlbom - CEO, Almedahl-Kinna AB (market)
Christian Lundell - Production manager, Almedahl-Kinna AB
Bertil Andrén - Quality manager, Almedahl-Kinna AB
Jamilla Nilsson - Product development, Almedahl-Kinna AB
Marianne Eklöf – Area Sales Manager, Almedahl-Kinna AB
Mattias Jönsson- Manager Inspection/Warehouse, Almedahl-Kinna AB

3.4 Validity and reliability of method

The literature review gave us a foundation for the ongoing practical work and also functioned as a reliable source about different management types that was applied in the performed work.

Therefore the theory was transferred into practice while carrying out the project at Almedahls. Interviewing one person at a time functioned as good environment for discussion as well as gathering information about the common working procedures at Almedahls and we were able to bring each person out of their respective department. It was chosen to carry out the interviews over a stretched time line; therefore we had the chance to clarify our progress.
4. Result

This chapter will provide the result which is based on the study we have done at Almedahls. Initially the results of the main business process map will be presented leading over to the results on the first and second level of the sub-processes.

4.1 Main Processes

![Main processes Almedahls](image)

Fig 12. 1st process map - Almedahls initial process map February 2010

The initial process map that the management of Almedahls developed after the seminar with Mr. Claes Berlin in January 2010 is shown in Fig 12 and can be considered as the starting point of the project. From there on the different actions of Almedahls were analyzed. In order to get to know the company as well as its connections between its activities that are flowing from customer needs to customer satisfaction, the core processes, management processes as well as support processes where analyzed.

When identifying at the activities the view point was kept as a third party observer starting with the company’s products, the customers as well as their needs. All identified activities directing the company were added to the management processes, those of them that bring direct value to Almedahls customers were added to the core processes.

The decisions for narrowing down and going into level 2 and 3 of process mapping where discussed and chosen based on this map.

The identification of the company’s products should take Almedahls’ company set up and the different strategic business areas into consideration. However in the initial BPM file (Fig 12)
the following products where named regardless of their respective SBA. The Almedahls group is producing, respectively trading the following product categories:

- Home products: tea towels, table cloth and license products, hand tufted carpets, upholstery fabrics
- Components: metal components for installing the curtain and slats for venetian blinds
- Window products: curtain, roller blind fabric and systems, panel fabrics and systems, pleated fabrics and systems, vertical fabrics and systems
- Concept solutions: complete interior concepts solutions for costumers
- Interior products: curtains and license products, hand tufted carpets
- Bed products

Almedahls’ customers in the initial process map were put down by the management as the following: shops, retailers, stores, interior designers, producers and architects.

The third step of drawing the process map is the definition of the customer needs which were classified as the following: high quality designs, delivery precision, delivery time, environmentally adapted products, Corporate Social Responsibility (CSR), functional and innovative products, correct price, customer relationship, trust, flexibility, image, knowhow and wide assortment.

Almedahls’ core processes as shown in Fig 12 were classified in seven sub processes. The products which are being produced and are delivered to the costumers go through these processes to fulfill the company’s vision.

Within the initial file the first process mentioned is to “control and decide products and services” which is found as the first step of delivering a product to costumer from customer needs. As the management showed at the very beginning business activities are started by controlling and deciding what to produce. The next step these ideas are developed and then the products will be marketed.

At this stage the interdependent roles of the marketing as well as sales process became evident, thus the production process as well as the buying process where placed in parallel actions that are working together in order to create direct value to the customer before ending in the supply process.

According to the management point of view three processes can be considered as the management processes of Almedahls:

- Form and implement strategies: During this process the vision and mission as well as strategies are brought together and decided upon, as well as taken care of their implementation during the company’s daily activities.
- Form goals and improvements: management decisions which are defining business goals and companies direction
- Lead and manage: as a management process related to human resources and how to lead human power of the company as well as the policies
We were limited to work on the initial BPM (compare Fig 13) and as a matter of fact focusing on the faults. After reviewing the initial map several questions arouse:

Why should the process map start with a “control process” initially just after defining the customer needs? According to Stamatis (2004) the control process constitutes the last step of the cycle. Consequently it is better to define the activity of “controlling and deciding upon products and services” as creators of direction to the company, thus they should be classified as a management process.

After a meeting on 14.04.2010 with Almedahls’ Production Manager as well as the Quality Manager this thought was assured and considered as a management process. Almedahls’ already has an internal steering committee taking decisions on what to produce and how to control all the new ideas.

Another outcome was the clarification of the positioning of the marketing and sales processes. These processes are happening close to each other and therefore crossing over. Considerations were made to putting these similar actions in one process box.

Almedahls’ initial map drew the produce as well as purchase in parallel like as shown in Fig 1, also it was questioned why there is a direct connection from the selling process over the purchase process to the supply process. To this point it was not clear that there Almedahls’ is also dealing with trading products. Thus in the reviewed map shown in Fig 13 the purchase, produce and supply processes where mapped in a row instead of in parallel.
At the same stage questions came up dealing with the management processes. The initial map did not show any form of production management, quality management or financial management processes. Also the issue of strategic or risk management should be of importance to Almedahls in some ways.

4.1.1 Processes not Departments

After the meeting on 14.04.2010 we understood that the management point of view on BPM is still influenced by seeing the respective departments and the staff operating within them. In order to change this fixed viewpoint, first of all the shape of the management and support processes was changed from horizontal to an upward pointing box (compare Fig 13).

By changing the directions it was easier for the management to consider that the management and support processes are directly involving with main process. The power of creating indirect value for customer and directing the company would gather together with main process to create direct value to customer. Before carrying out this it seemed like the management as well as the support processes are separated from the main processes. With the help of this visualization it became easier to explain and change the support and management processes.
The content of the management processes also changed with the creation of the process “Business Management” and “Design Management” resulting of the initially considered main process “control and decide products/services”.

The second change was to rename each core process with a verb, in order to emphasize that a process is an action or an activity and not people of departments. Hence, the preposition “to” was added in front of every core process.

Another outcome during this stage was to separate the marketing as well as sales process. Thus “to market” is considered to comprise all actions to happen before meeting the customer. The process “to sell” starts exactly when meeting the customer.

During meeting with the management we found some activities in the company which are related to planning such as to plan for raw materials, machines, personnel, stock, timing and also supplying. Initially the “to plan” process was placed after “to market”.

Thus, after meeting the customer, planning for forecasting should start in order to continue the “to sell” process.

Some products will not be produced but Almedahls only purchases and supplies them without any value adding actions such as production. This was the reason for putting the “to produce” and “to purchase” processes in parallel together.

Fig 16. 4th process map 24.04.10
4.1.2 Supplying out of stock

For this 3rd version of Almedahls` BPM direct connections between planning and supply was added i.e. for flows that supply products directly from stock without previous production processes. So not only the purchase process, but also the produce process would not be involved to deliver the product to the customers.

There are some activities that are supporting the products after delivery which are providing indirect value for customers. Claim handling is one of those actions that were found in Almedahls during this meeting. The returned products from the customers are managed within this process.

In addition to this the process “Control” was decided to be classified as a support process. To control the production machines and also the quality of products are some activities that are happening during the daily operations at Almedahls.
4.1.3 “To design” and “to develop”

After the first meeting with the development manager it was decided to divide the “to develop” process to two separate ones. The first one could be “to design” which is the process for selecting the theme, color and material of the new products. “To develop” was considered as the next process to develop the function of the new products.
4.1.4 Considering traded products

One of the reasons that the management is interested in BPM is bringing all three companies and four business areas together. During the meeting with the development manager some of the products were found to be not developed at these companies but can be classified as trading products. The solution of how to show that kind of products on the BPM was found as an arrow which connects the “customer needs” to the “collection book” directly.

4.1.5 Input and output of the processes on the map

When looking at the management processes it becomes evident that the initial seven processes were reduced to four in comparison with the previous version (6th) of the process map (compare Fig 18). “Business development” is the renamed process including four previous processes that were similar to each other, namely “Business planning”, “form goals and improvements”, “form and implement strategies” and also “risk management”. It is well worth noting that market research, customer segmentation, pricing and product assortment are the activities that were taken into consideration in this process as well.

The support process, “stock control” is changed to “stock handling”. The word “control” was found too general which would relate to stock management or the finance part of stock. By carrying out this change, within the “stock handling” process all the activities that are operationally handling the stock for example to stockpile or storing of stock are meant.

Based on the sub processes (Level 2 and 3), that will be explained in detail in the following chapter, the main outputs as well as inputs of each process were added on Level 1 (Compare...
By adding these inputs and outputs the sequence of the processes can be confirmed. Also, by following the sequence of the core processes it is possible to observe the evolution of the products.

4.1.6 Overview of the final

The starting point of delivering the products at Almedahls are the customer needs. These serve as the input to the “to develop” process. In detail this is to put in the collection books of the company or to make new products. The other way of becoming an article in the collection books is straight from customer needs without any value adding activities, the license products for example are in this category. It is the “to market” process which makes the products in the company the marketed products before going to “to sell” process. The “to sell” process is the one which makes the marketed products to customer orders. After getting customers orders the “to plan” process is found to be involved. Delivering the products to the customers can be conducted in four ways. First, but not foremost, are the products that are passing the “to purchase” process and go directly to the “to supply”. In parallel there are some products such as raw materials that are shown to pass the “to produce” process after “to purchase” and before going to the “to supply” section. Following the third way would show the products that have been produced out of raw materials that have already been in stock. Finally the available products in the stock are planned to be delivered from the “to plan” process directly to the customer. The “to supply” process is the one which is providing the delivery precision of the products to the customers.
4.1.7 The final BPM

It was in 3rd version that the preposition “to” was used to help the management to change the view from the chart to process view at the company and to see the process as an action. In the final BPM this preposition is omitted and also a review on the products was done. The first three products are summarizing all the previous ones. Daylight control solutions, interior textiles and home interior products are now put into the product section. Also according to the meeting with the development manager a new group of products was added. Prototypes, collection books and designs are the major articles in this group which all are output from the “to develop” process.
4.2 First Level of Sub-processes

According to the meetings with the management, the inputs and outputs of the "plan", "purchase" and "supply" processes are accepted as they are shown in Fig 20 and 21. The limitation of the thesis, as accepted by Almedahls, was not supposed to go deeper into these three processes. Thus, only the following four sub processes of the BPM are shown. In addition the third level of the "develop" process as shown in Fig 2, suggested plans from Almedahls, are included in chapter 4.3, Second Level of Sub-processes.

The first process in the main process map is known as "develop". Within this process new ideas as well as global trends are brought together from different sources defining the input. The output can be then considered as new designs as well as products which will be the basis for making the new collection books.

The output of the "develop" process is a direct input for the "market" process. The map shows that suppliers of inputs and customers for outputs are written in different columns. Available measurements which are useful for improving the process performance were also gathered during the meetings. There are some measurements that are designed and shown in that part.
“Develop” is built on five sub-processes. First of all this is “make the mood board” process which in reality is the start point of delivering a product to a customer. After the mood board is made by the designers, two processes are started in parallel to create sample specifications and also the prototypes. The third process which is involved to choose the sample specifications for the collection books is to “select sample to manufacture”. Decisions that are made here are directly related to the management processes. The sample specifications which are not used in the collection books are documented. The last process is called “make the collection book”. Photos, technical information and prototypes are objects that are used to make a collection book. The third level sub-processes of “develop” will be described in chapter 4.3.

![Diagram of the market process](image)

Fig 23. Sub-process of ”Market”

The main outputs of earlier processes such as collection books and new products, are are inputs for the “market” process that is responsible for the costumers and markets. The “Market” process is based on three major sub-processes. Inputs are passed through “Branding”, “distribute” and “promote” in parallel to create the defined output. The goal of “Branding” is getting the customer to know Almedahls as a brand and to communicate the vision of company. “Distribution” is aimed on identifying where and how to market the products.”Promote” is the activities which are for informing and persuading costumer’s purchase decision.

Within the “market” process the measurements are also pointed out. The available measurements as well as newly designed ones which are useful for measuring and improving
the processes are shown. According to the measurements goals, the measurements are considered to demonstrate if the “market” is a stable and under control process or not.

<table>
<thead>
<tr>
<th>Suppliers</th>
<th>Input</th>
<th>Process</th>
<th>Output</th>
<th>Customers</th>
</tr>
</thead>
</table>
| *customers* | *Collection books* | *Meet customer* | *Budget (ferrament, planning, article numbers)* | *plan*
| *market* | *samples* | *Getting to know the customer* | *Order* | *develop*
| *Steering committee* | *Plans (production capacity)* | *Help/Consult customers* | *New products in development* | |
| *Number of new customers with order* | *Number of new products specifications* | *Number of consulted customers* | *New sample specifications* | |

Fig 24. Sub-process of “Sell”

The “sell” process begins after the products are marketed. “Meet customer” is the one of the three overall sub-processes for “sell”. The two other processes are started exactly after meetings with the costumers. “Getting to know the customer” and “Help/consult customers” are the processes which are used to meet and exceed the customer’s needs with suitable products. A glance at this process shows that the main object of “sell” is to transform the marketed collection books and products to actual orders for Almedahls. In addition the following measurements should be mentioned: “Number of new customers with order” in comparison with “number of consulted customers” are two of the indexes that were found suitable to control this process.
The transformations of inputs to products as well as their delivery as an input to “supply” are the main tasks of the “produce” process. Materials, plans and product specifications are shown as the inputs. In addition, products, test results and reports are named as outputs for customers of the “produce” process. Looking closer at sub-processes is an approach to understand how this process is working. Order and product specifications from customers are put together in the first step which is called “put to order”. Another function of this step is matching the machines up for production. “Control” is the next sub-process which is designed to be a control for order specifications before the costly process which is “produce”. It can be simply figured out from the name of the next process, that “produce” is the action to construct the products. Several machines are involved in the production line. After the “process” stage, some tests and reports are done to control the products. These activities are labeled as “test”. Finally, it is the “send to stock” process, which delivers the products to the “supply” process. Furthermore there are some measurements that were found as well as designed during the meetings controlling as well as improving the process statistically. Time and cost are the most important factors here to measure.

Fig 25. Sub-process of ”Produce”
4.3 Second Level of Sub-processes

According to Fig. 2, Suggested plans from Almedahls, the follow up of the thread from BPM to third level of the “develop” process was one of the main purposes for Almedahls’ management for this study.

During the following chapter the third level of the BPM will be described. Reminding as shown in Fig. 22 in chapter 4.2, the “develop” process is based on five sub-processes. “Make the mood board”, “design”, “develop function”, “select manufacture sample” and “make the collection book”. These are the third level processes which will be defined in the following chapter.

The readymade mood board is one of the outputs of this process corresponding with its name. Inputs such as “Art”, “News” and “Global trends” are collected in the first sub-process in order to be selected in the next one. After “collect input” and also “select” it is time for the “make the physical mood board” process to start. In addition, time and cost of this process are the ones which were found to be practical to use as measurements.
“Design” and “Develop Function” are two processes which are working together like a circle to create product sample specifications.

The “Design” process starts with two other parallel processes which are “Combine colors and patterns”, mainly based on purchase patterns and the creation of its colour ways, and “Make the colour range”, which functions as the act of colouring the designs for uni-colored products. “Make prototype samples” and “select” those are labels for the next two processes.

The “Develop function” process is in parallel an activity which is involved at this step of BPM. “Test” and “create recipe” are the only processes that are working together to create sample specifications in interaction with the “design” process.

In addition, measurements are again used to control and improve these processes.
Some decisions are taken in this part of the “develop” process, namely to select between different samples specifications and also prototypes. These decisions are also related to the management processes. Here, a narrow border between the management processes on BPM and the “select manufacture sample” can be constituted. This process depicts a decision and is providing direct value for costumers. In fact these decisions are based on the company business plans which are directing the BPM and are located in the management processes.

The “Select manufacture sample” process is defined to start by cumulating the information necessary to take the decisions. The outputs of these decisions are passed into two different processes, namely “Liquidate” or “add to collection book”. The samples which are not decided to be in the collection book and as a consequence are following the “Liquidate” process are documented. Thus the outputs of this process are the accepted sample specifications, the documented articles and also the collection books article lists.

Similar to other processes the measurements are designed in this process to control and improve it. The higher the number for “The cost of liquidation”, the least is the benefit for Almedahls. In addition, “the number of accepted samples in decided process” is a good measurable index to show the success of the “develop” process.

Fig 29. Sub-process of ”Select the sample to manufacture”
"Make the collection book" is the last process of "develop". According to the inputs of this process all the necessary information and specifications are ready to be put in the collection book. Articles are provided from the first production run. By placing the labels on articles, the "provide" process is finished and the following processes are started to make the collection book. In parallel together and to be considered as a circle, the processes "gather samples", "take photos" and "gather technical information" are designed to work together in order to deliver the collection books to "market" process.

Measuring time and cost of providing the collection books are the most important indexes to be measured during this process.
5. Discussion

The following chapter will provide a discussion on the interpretations and opinions of the material presented in the result part.

The starting point of the project was based on an accepted BPM between Almedahls and the project group. A common vision between the two sides was essential to achieve an acceptable result at the end, hence the project was driven by the initial BPM and in fact it became one of the aims of the project: how to change the management’s point of view towards thinking in processes?

The approach to answer the scope was to look deeply into the inputs and outputs. Thus, meetings were aimed for transferring the thoughts based on departments and people in the company towards the processes points of view.

The idea to use the business process management system at the company was chosen correctly. Putting four strategy business areas and three companies together to have a same vision and goals is somehow equal to the idea of putting small forces together to have one common bigger force. By gathering all inputs and outputs the management got convinced to change the initial map. However, in reality the project group was limited to restricted parts of all the companies but to deliver a good result from the start one of the needs is a whole view of all parts.

According to Fig 7 measurements should be available to establish the business process management method. The measurements at Almedahls Company are studied and designed. The useful ones for process points of view are established in chapter four. These measurements can be seen as primarily and have a future potential value to improve the process performances at Almedahls.

The interviews proved to be successful because we were able to go deep into each person individual work flow. The result can therefore be considered as a basis for other future methods such as for example a workshop over a longer period of time involving everybody at the company. By separating the interviews we had a better understanding of each key person in the company without any influence from other persons.

In one common meeting it became clear for us that each person is influenced by others, so our way to interview individually was chosen correctly. The risk of having an interview with more than one is that one person lead and takes over the meeting.
6. Conclusion

This chapter is presenting the conclusions of project based on the scope, result and discussion.

6.1 Project conclusion

To have a common vision between Almedahls and the project group a clear communication among the two parts is needed. Both of them need to be open to have a dialogue and the vision of the project should be set together. The common vision was just focused on Almedahls-Kinna and it took a long time before this became obvious for everyone.

Inputs and outputs are the key to have the correct sequences of the processes and also the way to have the acceptance. By looking deeper into the inputs and outputs the employees of Almedahls got to see the value of what a process-based management system can provide. The interviews gave the study group a better view of the company. In addition, for the employees the interviews provided a new way to see the company, not as different departments but instead as one company.

Based on the nature of process-based management system, the idea to choose this was correctly selected to gather all four strategic business areas and three companies together.

6.2 Future work

One of the most important parts is to control the processes by the measurements. According to the discussion, one of the aims for the future is to work and improve the measurements and as a result of that would be an improved process-based management system.

To make the process simpler and bring together the ideas from a large number of individual management theories. As far as the project group could see the following business process map can be the future picture of BPM combining all companies as well as strategic business areas at Almedahls.

![Common vision](Figure 31: Common vision)

Source: Book, Stefan, lecture material

![Future BPM](Figure 32: Future BPM)
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