IT IS IN THE “HOW” WHERE THE DIFFERENCE LIES ON

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**ABSTRACT**

This project explains how to implement a business process improvement plan in a firm. Managers who are not aware of their current processes, are not able to detect errors or improvement areas. Acknowledgement of these, enable them to take better decisions addressed towards improvement of efficiency and customer satisfaction.

Five steps compose the proposed implementation phases: plan, analyze, improve, acquire resources and implement. These steps are applied in a yogurt production firm called Granges Comas.

During the first phase objectives are set. The second phase consists of analysing their operational activities: Forage, milk and yogurt production. The third phase is about thinking about changes that will ameliorate the existing process. The fourth phase is when the firm will have to acquire the resources needed. Finally, the fifth phase is aimed to apply the changes that will enable the firm to gain efficiency and customer satisfaction. Moreover, the firm will be trained to keep on with a non-stop improvement philosophy.

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**IMPLEMENT**

Remind the benefits of the new process to avoid resistance or refusal.

Let everyone understand each new phase.

Communicate changes to everyone.

Perform a first simulation.

Implement a methodology based on continuous improvement as W. Edwards Deming proposed in 1950:

ACT: Decide on changes needed to improve the process

CHECK: Assess the measurements and report the results to decision makers

Plan: Design or revise business process components to improve results

DO: Implement the plan and measure its performance

**ACQUIRE RESOURCES**

1. Packaging Machine: Required investment = 50,000 €

Interest Rate = 2%

72 months at a trimestral basis

Amortization: $50,000 = $22,293.57 per trimester

After 5 years = $2,229.37*4% = 53,509.75

Return on Investment: 53,509.75 – 50,000

Return on investment: 7.01% > 0 → Investment should be undertaken

Enterprise Resource Planning (E.R.P) system that will help them track their performance.

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**PLAN**

**SCOPE**

Firms: Operational activities: forage, milk and yogurt production

**GOALS**

1. Reducing customers time, efficiently and quickly.
2. Reduce production time.
3. Lowering errors

**SCHEDULE**

1. Assemble a team to plan and execute the changes.
2. To define and maintain their current operational processes.
3. Acquiring resources and carry out the implementation phases.

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**BPI**

**Business Process Improvement**

**Implement**

**Analyze**

**Improve**

**ACQUIRE RESOURCES**

**Evaluate**

**PRODUCTION**

**IMPACT**

**IMPROVE**

**KPI → Key Performance Indicators**

Measure improvements by measuring performance

Objective: set a desired outcome under an upper and lower limit

Each indicator enables the firm to find out the non-achieved objectives and as a consequence find the possible improvement areas.

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**BIBLIOGRAPHY**

9. **Secretary of State for Food (Spain).** Assessed on May 2016.