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### 1. Introduction

SMILE Car Rental is a domestic vehicle rental company with many branches located throughout Australia. The headquarter located in Sydney. The company offers multiple eh c e f he c e eed , c d g he Ec , SUV, a d Va . The success relies on affordable prices, occasional marketing promotions and reliable vehicle quality for their customers. As the business keeps growing, SMILE Car Rental must better manage its business operations and customer relationship hence inquired the database design. Apparently, the databases are designed for internal users, including HR department, Sales Department, procurement department, IT Department and the managerial level. We will design the following database and functions for SMILE Car Rental:

- **Human resource database** for the managerial level and HR department to better manage employees.
- Asset management database for all departments in the company. The database contains the assets information about cars and facilities.
- Orders management database will be divided into two main databases, order from customers and purchase-order to vehicle suppliers. The sales Department would manage the order\_customer database, while the procurement department would maintain the order\_supplier database.
- Customer management database is designed for the Sales department to record and maintain customers' information.
- **Supplier management database** is designed for the Procurement department to track and record the supplier's information

## 2. Business Operation and ERDs

In this session, we will elaborate on the business rules by the main function in which the company inquired. We define 11 entities at first. They are Department table, Employee table, Manager table, Car table, Branch table, Facility table.

## 2.1 HR Function

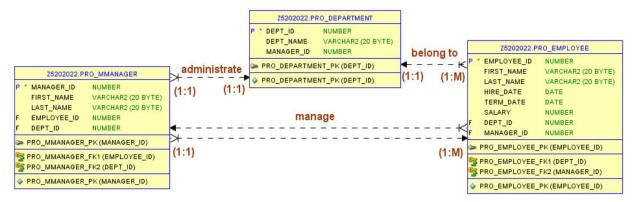
Based on the business operation of the rental car company, there are four main entities regarding the HR function in our database design, including DEPARTMENT, EMPLOYEE, MANAGER, and BRANCH. We demonstrate the attributes regarding the entities in table 1

Table 1

ENTITY	ATTRIBUTES
DEPARTMENT	DEPT_ID (PK), DEPT_NAME, MANAGER_ID(FK)
EMPLOYEE	EMPLOYEE_ID(PK), FIRST_NAME, LAST_NAME, HIRE_DATE,
	TERM_DATE, DEPT_ID, SALARY, MANAGER_ID (FK)
MANAGER	MANAGER_ID (PK), EMPLOYEE_ID(PFK), FIRST_NAME,
	LAST_NAME
BRANCH	DEPT_ID (PK), BRANCH_NAME, TOTAL_NUM_CAR,
	MANAGER_ID (FK)

In SMILE Car Rental, there are many departments in this company. For example, the headquarters has administration, procurement, human resource management, sales, and each branch. Each department has its ID and is administered by a manager, and each manager only administer one department. As figure 1 shown, a 1:1 relationship, therefore, exists between DEPARTMENT and MANAGER. The cardinality can be expressed by (1,1). Furthermore, each department may include many employees, however, one employee can only be recruited in one department. Thus, a 1:M relationship exists between EMPLOYEE and DEPARTMENT. The cardinality can be expressed by writing (1,1) next to the entity DEPARTMENT and (1, M) next to the entity EMPLOYEE. In addition, one employee matches only one manager, while a manager has at least one employee. The relationship between EMPLOYEE and MANAGER is 1:M.

Figure 1



To easily access to car-rental customers, SMILE Car Rental has several branches throughout Australia. For example, in Sydney, the branches located at CBD, Bondi beach, and the airport. The sales department administers all branches. In short, a 1:M relationship exists between department and branch. As figure 2 shown, a (1:M) marks next to the entity BRANCH while a (1:1) marks next to the entity DEPARTMENT. In addition, Each Branch is administered by a manager and staff. The manager is permitted to manage only one branch. But not every managerial level needs to manage a branch, hence the branch is an option for the manager. Therefore, in figure 2, a 1:1 relationship exists between manager and branch, expressing by writing (1,0) next to the entity MANAGER and (1,1) next to the entity BRANCH

Figure 2



## 2.2 Asset Management Function

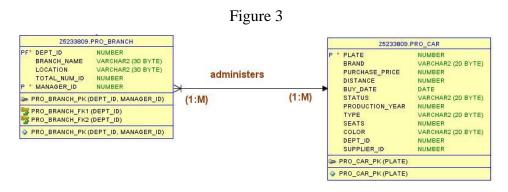
The most valuable and essential assets of a car-rental company are vehicles. SMILE Car Rental provides three options of vehicle for customers, economy, SUV, and van. To better manage the in and out, efficiently dispatch vehicle to branch, and reach real-time information of vehicle, we create the entity CAR and list other assets such as facilities and furniture in the entity FACILITY. Information about two entities is shown in Table 2.

Table 2

ENTITY	ATTRIBUTES
CAR	PLATE (PK), BRAND, PURCHASE_PRICE, DISTANCE, BUY_DATE,
	STATUS, PRODUCTION_YEAR, TYPE, SEATS, COLOR, DEPT_ID,
	SUPPLIER_ID
FACILITY	ASSET_ID(PK), ITEM_NAME, DEPT_ID (PK)

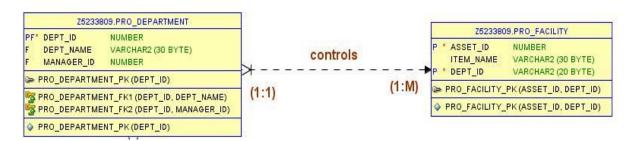
To offer convenient car renting experience for customers, SMILE Car Rental allocates vehicles in branches. The number of vehicles that a branch manages depends on the popularity of the location and the space for car-parking. For example, the number of vehicles

in the airport branch is biggest, while that of the CBD branch is the smallest due to limited and expensive parking lot. However, the vehicles are not limited to one branch. For better vehicle dispatch, the vehicle might be dispatched between branches. Consequently, in figure 3, an M: N relationship exists between vehicle and branch, expressing by (1:M) next to the entity CAR and (1:M) next to the entity BRANCH.



Next, Company possesses assets such as computers, desks, cabinets, or landline telephones, and each department controls assets. With the asset ID, the manager of the department may easily manage multuple assets. Yet, one facility belongs to only one department. Hence, a 1: M relationship exists between asset and department. As figure 4 shown, a (1:1) marks next to the entity FACILITY while a (1:M) marks next to the entity DEPARTMENT.

Figure 4



### 2.3 Order Management Function

Based on the business operation of SMILE Car Rental, we separate the order into two definitions: order-from-customers and purchase-order to suppliers. On one hand, the database of order-from-customers obtains all rental car information, including the price, car type, start date and time, etc. On the other hand, purchase-order to suppliers records the vehicle order

information. We develop five entities in order management function, listing the entities and regarding attributes in table 3.

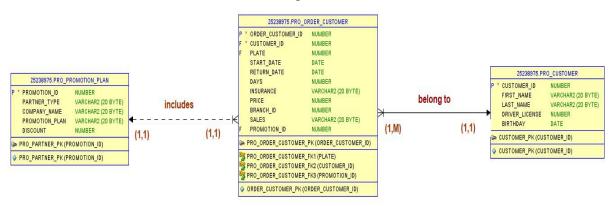
Table 3

ENTITY	ATTRIBUTES
ORDER_CUSTOMER	CUSTOMER_ORDER_ID (PK), PLATE (FK), START_DATE,
	RETURN_DATE, DAYS, CUSTOMER_ID(FK), INSURANCE
	(binary values), PRICE, TICKET_FEE
CUSTOMER	CUSTOMER_ID (PK), FIRST_NAME, LAST_NAME, TEL,
	DRIVER_LICENSE, BIRTHDAY
ORDER_SUPPLIER	SUPPLIER_ORDER_ID(PK), SUPPLIER_ID(FK), CAR_TYPE,
	PLATE, ISSUE_DATE
SUPPLIER	SUPPLIER_ID, COMPANY_NAME, TEL, ADDRESS,
	OFFER_CAR_TYPE, TOTAL_NUM_CAR
PROMOTION_PLAN	PROMOTION_ID, PARTNER_TYPE, COMPANY_NAME,
	PROMOTION_PLAN, DISCOUNT

SMILE Car Rental earn revenue from leasing vehicle by hourly charge or daily charge. The price of car rental depends on the car type. Customers may place rental orders online or offline (walk-in service of the branch). In each rental order, customers are required to provide sufficient personal information and select only one type of vehicle in one order. Each customer may generate limitless orders, but each customer's orders can only belong to one customer. Therefore, as figure 5 shown, there is a 1:M relationship between CUSTOMER and ORDER\_CUSTOMER.

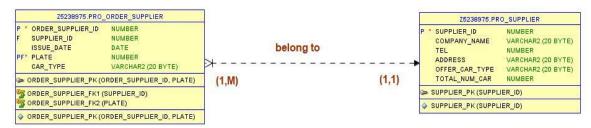
The rental car business is a necessary sub-industry for the tourist industry. SMILE Car Rental cooperates with various types of travel agencies, hotels, airline companies or transportation companies. By occasionally launch promotion plans with their business partners, SMILE Car Rental usually appeals to more customers and increase their sales. For example, the company cooperated with NEW ZEALAND AIRLINE last month and offered a 20% discount for airline customers. However, customers are strictly permitted to apply one promotion plan at each order. Thus, there is a (1:1) relationship between entity CUSTOMER and PROMOTION\_PLAN. Yet, one promotion plan could be used in multiple customer orders. Hence, there is a (1:M) relationship marked next to PROMOTION\_PLAN. The ERD is depicted in figure 5.

Figure 5



Similarly, SMILE Car Rental issues vehicle purchase-order to multiple vehicle suppliers at their need. To be specific, all purchase-orders are generated by the procurement department. In each purchase-order, SMILE Car Rental will submit that to only one supplier. In other words, every supplier can generate several orders confirmation to SMILE Car Rental, but each purchase-order to suppliers only belongs to one supplier. Therefore, in figure 6, there is also a 1:M relationship between SUPPLIER and ORDER\_SUPPLIER.

Figure 6

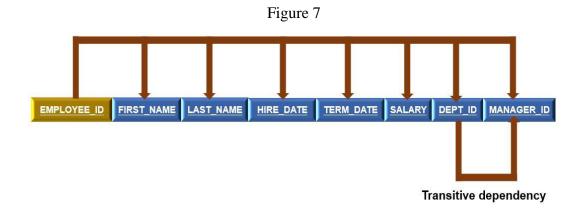


## 3. Normalization and completed ERD

### 3.1 Normalization

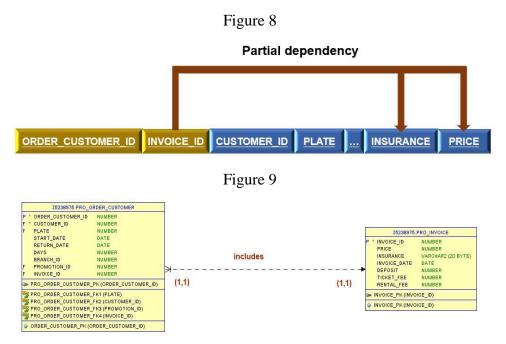
## EMPLOYEE table: transitive dependency

In this table, the MANAGER\_ID of employees who are in the same department will appear repeatedly and differed as to the department changes. Therefore, a transitive dependency between DEPT\_ID and MANAGER\_ID and finally we delete MANAGER\_ID in this table.



## **ORDER\_CUSTOMER table:** Partial dependency

We found that there are some attributes in ORDER\_CUSTOMER table related to financial activities, such as price and insurance, so we decide to add another primary key in this table named INVOICE\_ID. These two PKs results in a partial dependency exist in this table. Hence, we need to separate this table into two tables: ORDER\_CUSTOMER table and INVOICE table. We also added some new attributes in the INVOICE table in terms of financial activities. These two new tables are shown below.



**ORDER\_SUPPLIER table.:** Partial dependency, Transitive Dependency and redundancy

In order to examine the table structure in details, there is a table of ORDER\_SUPPLIER with assumed data. It can be found that there can be many repeating groups in this table. For example, since every supplier can supply multiple cars in an order, there can be many plate values and car types with the same order\_supplier\_ID.

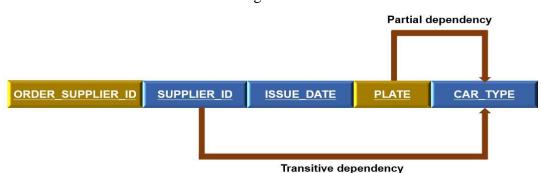
Table 5

♦ ORDER_SUPPLIER_ID	SUPPLIER_ID		PLATE	
10000	1234	01/JAN/19	123	SUV
10000	1234	01/JAN/19	124	SUV
10000	1234	01/JAN/19	125	ECONOMY
10000	1234	01/JAN/19	126	VAN
10001	1235	01/FEB/19	127	SUV
10001	1235	01/FEB/19	128	SUV
10001	1235	01/FEB/19	129	ECONOMY

And a dependency diagram is used to examine the dependencies among these attributes in table ORDER\_SUPPLIER. This is a first normal form (1NF) dependency diagram and there are two types of dependencies existing in this diagram.

- a. *Partial dependency*. You only need to know the PLATE of a car to determine CAR\_TYPE, which means that the CAR\_TYPE is dependent on only part of the primary key.
- b. *Transitive dependency*. Note that CAR\_TYPE can also be dependent on SUPPLIER\_ID and neither of them are primary keys. So, there is a transitive dependency between these two attributes.

Figure 10



In order to converse to third normal form (3NF), we delete the attributes PLATE and CAR\_TYPE to avoid repeating groups and dependencies. But it is also necessary to list the car types information in the ORDER\_SUPPLIER\_ID. So, we add the attributes SUV, ECONOMY, and VAN to ORDE\_SUPPLIER\_ID. Now the original table with data will be like as the following one.

Table 6

♦ ORDER_SUPPLIER_ID	\$ SUPPLIER_ID		∯ SUV		<b>∜ VAN</b>
10000	1234	01/JAN/19	2	1	1
10001	1235	01/FEB/19	2	1	0

## 4. Conclusion

To sum up, We designed 12 tables for the SMILE Car Rental company, which contains the HR functions, sales function, Customer and supplier management function.

In the previous version of database design, on the one hand, we found out a transitive dependency among EMPLOYEE table and ORDER\_SUPPLIER tables. Solving this issue, we deleted that attribute and replaced it into other attributes. For example, a transitive dependency exists between attribute PLATE and attribute CAR\_TYPE in ORDER\_SUPPLIER table, then we will delete the car\_type attribute and add SUV, VAN, ECONOMY attributes instead. On the other hand, a partial dependency exists in the ORDER\_CUSTOMER table. Thus, we separated the primary keys into two tables, which are the ORDER\_CUSTOMER table and INVOICE table.

Therefore, we would claim that the final ERD database design is in the Third normal form (3NF), demonstrated by no transitive dependency, no partial dependency, and no data redundancy issues.

## **Appendix 1 Entities Among ERDs**

According to the business operations mentioned before, we develop 12 entities and list below, and the relationships among entities to entities are demonstrated in table

Table 4

COMPONENTS OF THE ERM				
ENTITY	RELATIONSHIP	CONNECTIVITY	ENTITY	
HR FUNCTION				
MANAGER	administrates	1:1	DEPARTMENT	
MANAGER	administrates	1:0	BRANCH	
EMPLOYEE	belongs to	1:M	DEPARTMENT	
DEPARTMENT	administers	1:M	BRANCH	
ASSET MANAGEMENT	FUNCTION			
DEPARTMENT	control	1:M	FACILITY	
BRANCH	administers	M:N	CAR	
ORDER MANAGEMENT	FUNCTION			
CUSTOMER	issues	1:M	ORDER_CUSTOMER	
ORDER_CUSTOMER	Includes	1:1	PROMOTION_PLAN	
ORDER_CUSTOMER	includes	1:1	CAR	
ORDER_SUPPLIER	belongs to	1:1	SUPPLIER	

#### **Appendix 2 Completed ERD**

