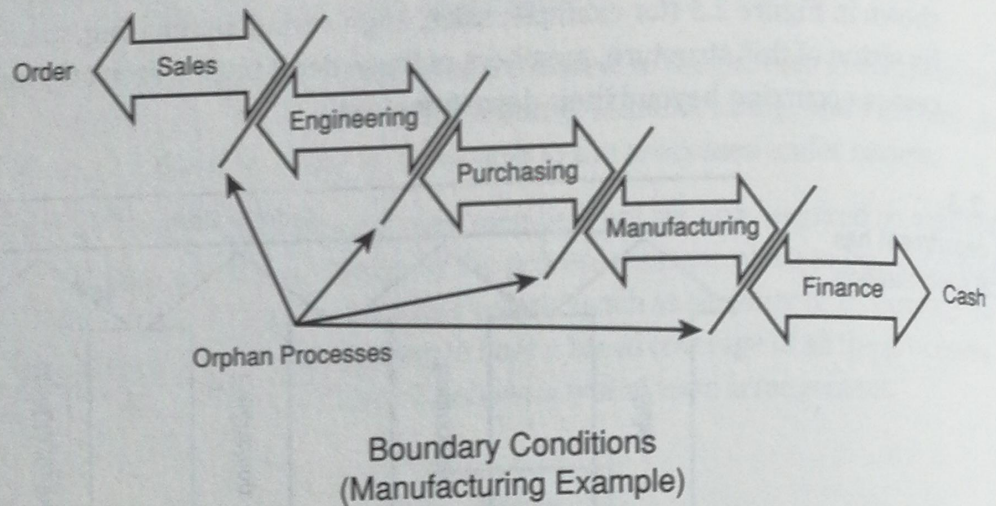


clearly defined ownership. The boundary does not necessarily fall into either bordering department. These orphan processes are to blame for many Order-to-Cash inconsistencies. It is easy to shift the blame when there is no ownership.

FIG. 2.5

The horizontal Order-to-Cash process includes Orphan processes that exist at the boundary between departments and are not well defined in any one department.



Utilizing Existing Procedures and Practices

Some organizations are unaware that they have already captured most of their business process. The North American automotive supply chain has the ISO/QS 9000 family of standards and is a good example. *ISO/QS 9000* is basically the definition of what and how an organization must document the processes it uses in its business. In other words, you document what you do and you do what you document. Unfortunately, ISO/QS 9000 is focused mainly on processes aligned closely with product or service quality. It does not guarantee that the process has been optimized (or aligned). Furthermore, this limits the completeness of the documents. It is impossible to consider this a complete AS-IS process description. However, it is an excellent starting point and likely captures the majority of the final AS-IS process.

If you need to be ISO/QS certified or need to meet a similar standard in your industry, consider this an opportunity for self-assessment. The self-assessment provides valuable material that can be reviewed by the standards auditors. In the case of ISO/QS 9000, consider the quality team leader the process team leader. The experience acquired with similar methods in the quality practice can be reused to model procedures and practices to create the AS-IS process.

Creating the Order-to-Cash Timeline

As a first step to capturing the AS-IS process in detail, consider developing a high level Order-to-Cash timeline. Similar to a typical project timeline, an Order-to-Cash timeline is steps that constitute the current business process. Another benefit to doing this exercise is that it educates the process team members on how the entire order-to-cash process operates.

An effective way to accomplish this is to use a recently completed production order or related concept in your industry. Use something that's recent enough that conditions in your organization are relatively the same. Choose a production order that did not involve significant changes, if any. Significant changes include customer changes with respect to terms and conditions,