



FRESH MARKET

Group U

BUSINESS PROCESS ANALYSIS

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01

CONTEXTUALIZATION

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● *FreshMarket Supermarket*

The **FreshMarket** is a **supermarket located in Lisbon, Portugal** was **founded in the year 1998** and has more than 100 employees working in 10 different stores.

● *Website Orders FreshMarket*

The FreshMarket receives around **45 website orders per day**

The supermarket opens from **10:00 am to 6:00 pm** every day

This gives that one new order arrives through the website every **10 minutes and 40 seconds**

They have 1 manager, 3 staff, 2 packagers, 2 cashiers, and 7 couriers responsible for the actual process

The actual processes are inefficient, what lead to **dissatisfaction** of customers and employees

● *Our Goal*

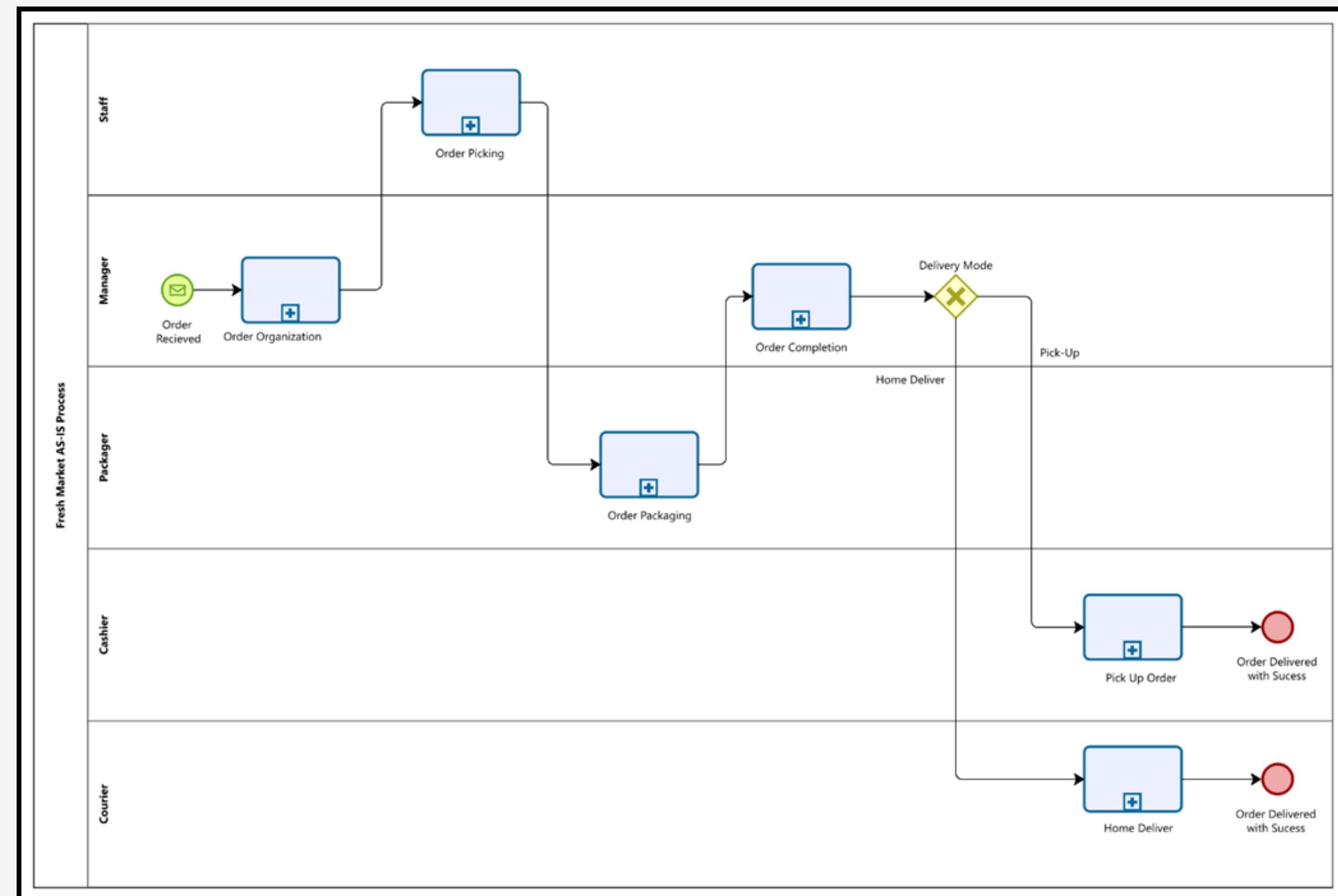
The focus of this project is to explore the process of preparing and delivering the online orders, solve its problems, design a feasible solution, and give its costs and recommendations



02

AS-IS PROCESS MODEL

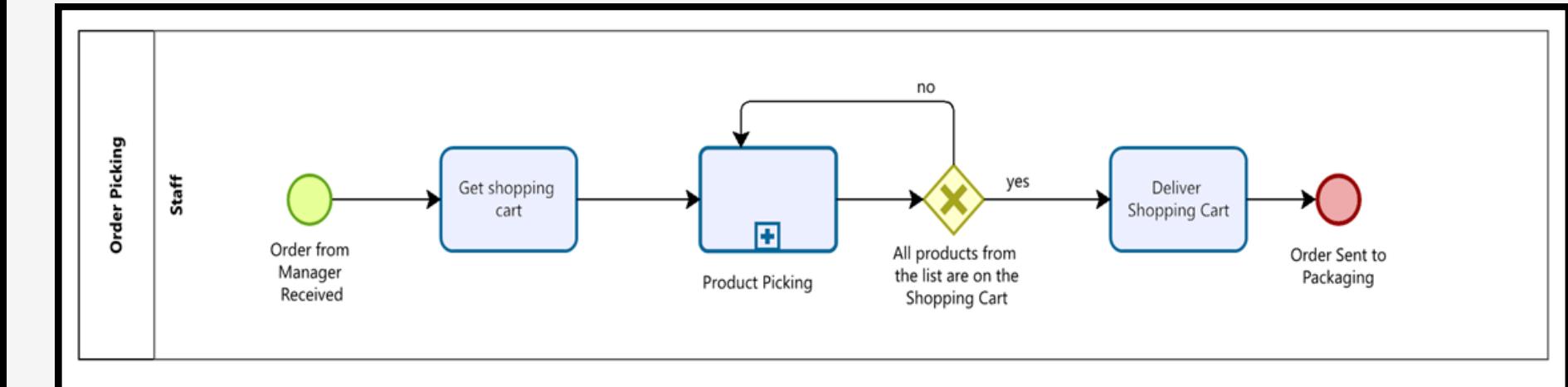
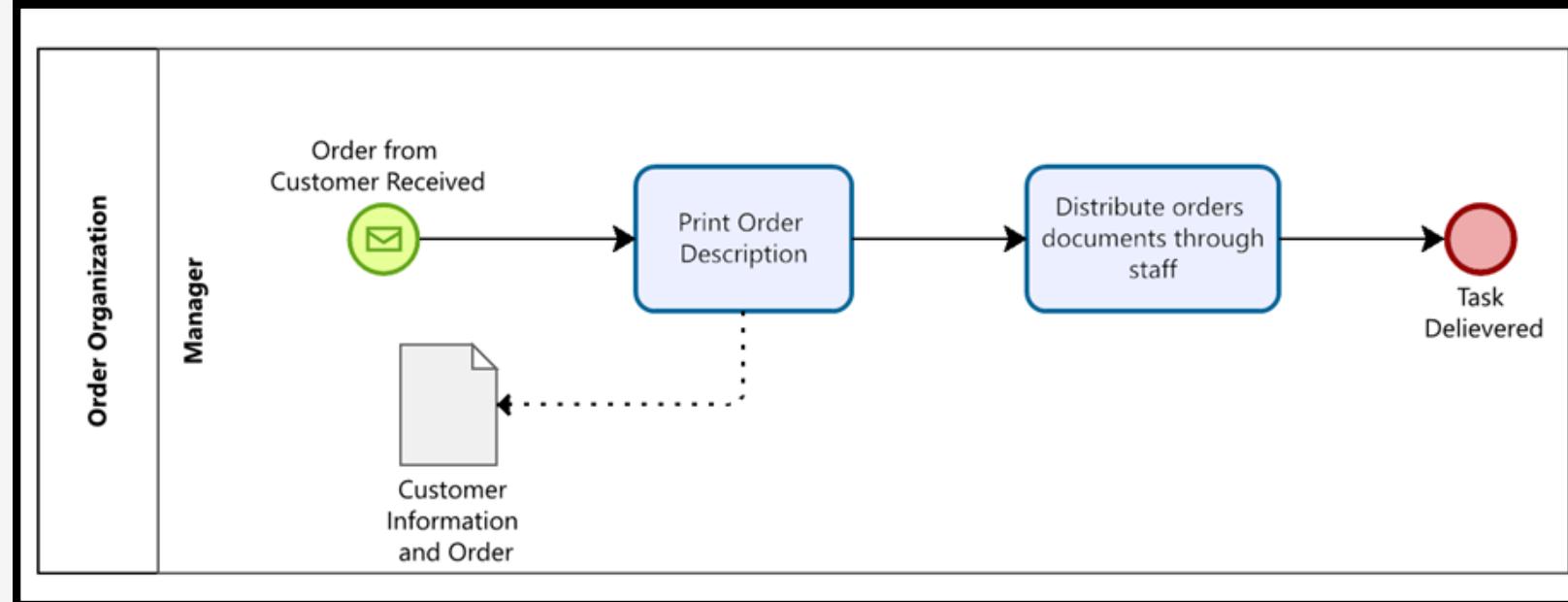
AS-IS PROCESS MODEL



AS-IS PROCESS MODEL - Level 1 Overall Process

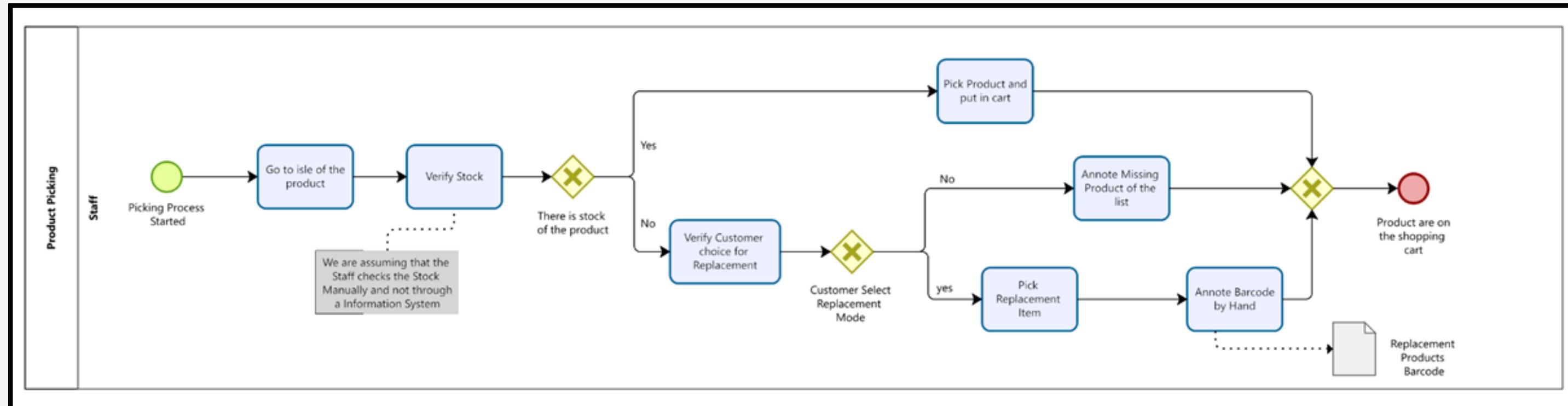
AS-IS PROCESS MODEL

Business Process Management - FreshMarket



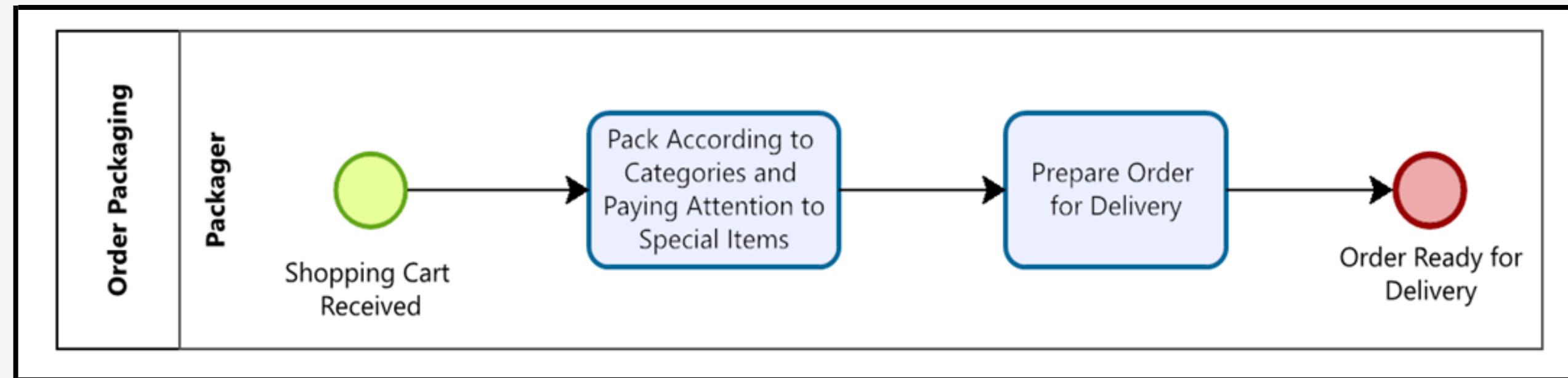
AS-IS PROCESS MODEL – Level 2 Order Picking

AS-IS PROCESS MODEL – Level 2 Order Organization

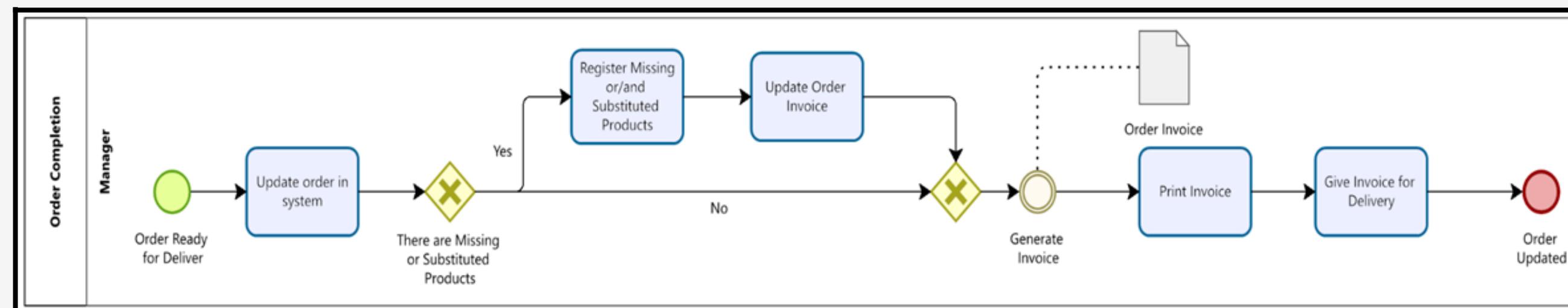


AS-IS PROCESS MODEL – Level 3 Product Picking

AS-IS PROCESS MODEL

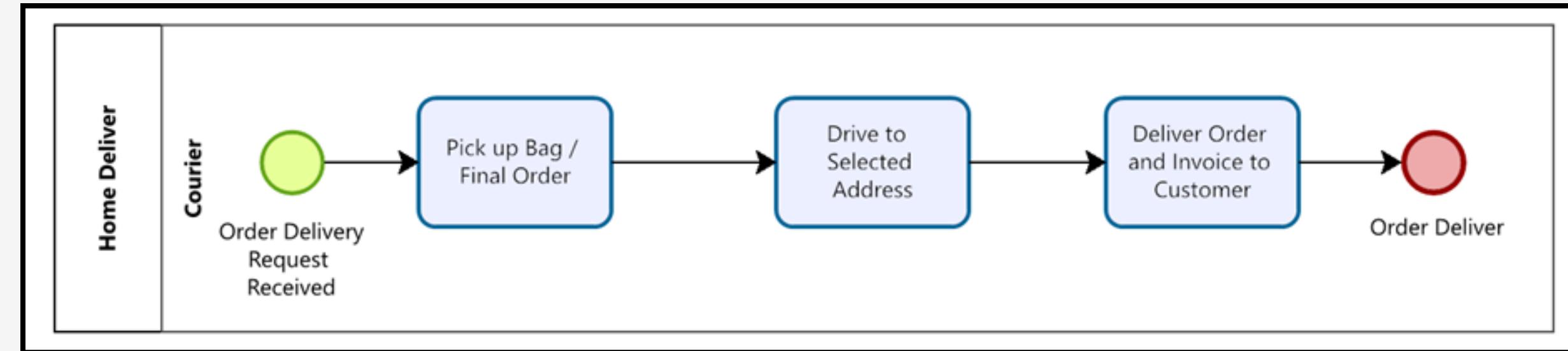


AS-IS PROCESS MODEL – Level 2 Order Packing

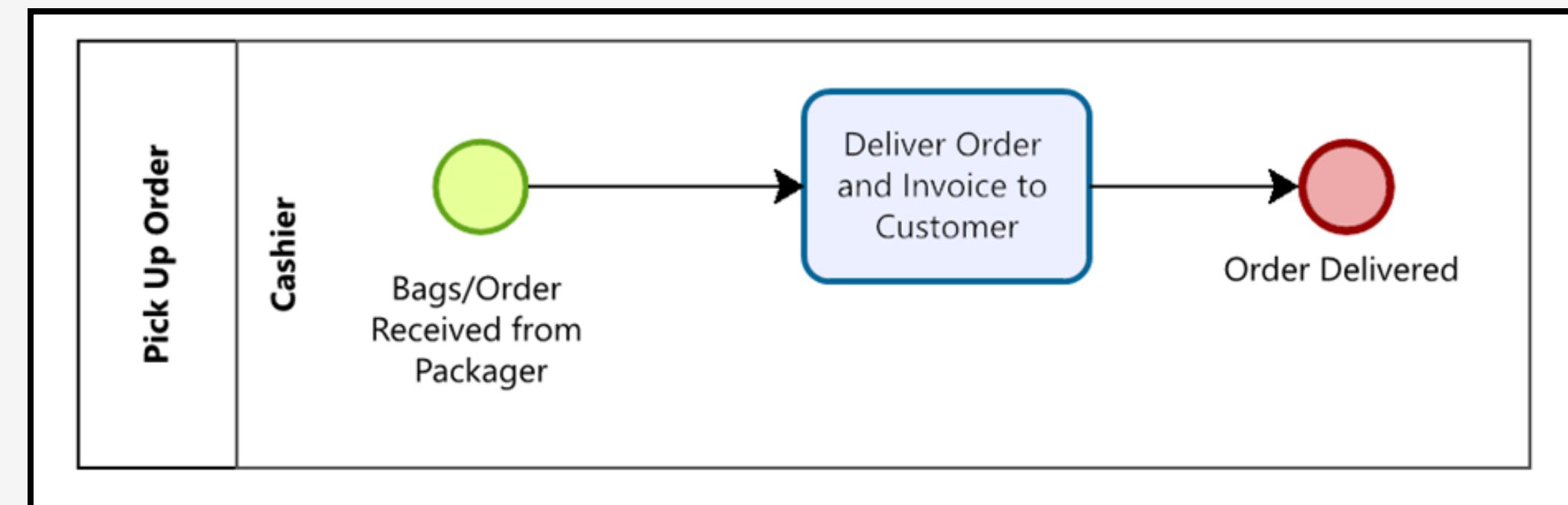


AS-IS PROCESS MODEL – Level 2 Order Completion

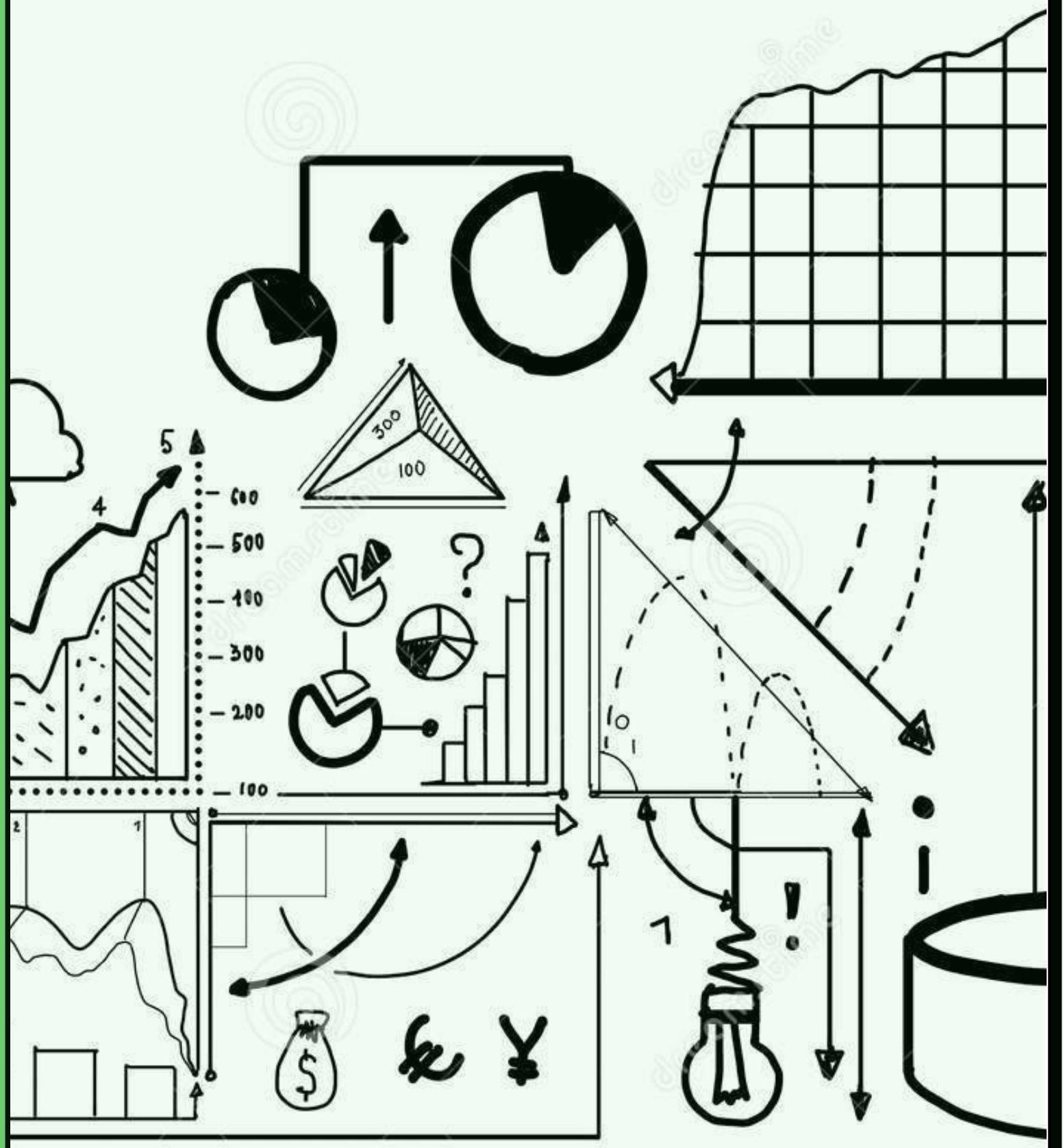
AS-IS PROCESS MODEL



AS-IS PROCESS MODEL – Level 2 Home Deliver



AS-IS PROCESS MODEL – Level 2 Pick Up Order



03 AS-IS PROCESS PROBLEMS

AS-IS PROCESS PROBLEMS

Customer dissatisfaction due to the **non-compliant home delivery schedules**.

Customer dissatisfaction about **missing products**.

Customer dissatisfaction about **lack of information about the delivery date**.

Employees dissatisfaction with the **lack of efficiency** when they are collecting the items of orders, leading to **errors and wastes of time**.

Fresh Market **wastes materials like paper and plastic bags**, this bad for the environment and have costs associated.

Fresh Market does not handle unexpected problems during the process, only one course of action is explained in the process.

Resource	Scenario	Utilization
Manager	AS-IS Process	58.23 %
Manager	What if - Scenario 2	59.27 %
Staff	AS-IS Process	32.23 %
Staff	What if - Scenario 2	35.59 %
Packager	AS-IS Process	32.79 %
Packager	What if - Scenario 2	33.38 %
Cashiers	AS-IS Process	4.11 %
Cashiers	What if - Scenario 2	0.00 %
Couriers	AS-IS Process	51.46 %
Couriers	What if - Scenario 2	45.83 %
	Total AS-IS Process	

04

WHAT IF-ANALYSIS

WHAT IF-ANALYSIS



Firing 2 Cashiers

What If Scenario 1

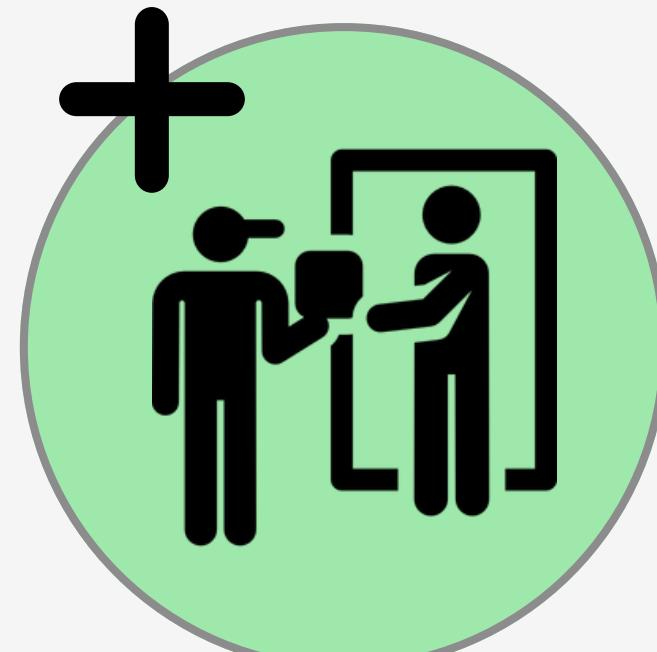
- No cashiers in the process
- Pick-up process is done by the Staff
- +1500€ available



Task Completion is given to the Packager

What If Scenario 3

- Better allocation of resources
- No changes in the process time



Hiring +1 Courier

What If Scenario 2

- Less time waiting for two couriers to work
- Delivery is done faster
- - 750€ available



Hiring +1 Packager

What If Scenario 4

- Reduce overutilization of the Packagers
- -750€ available

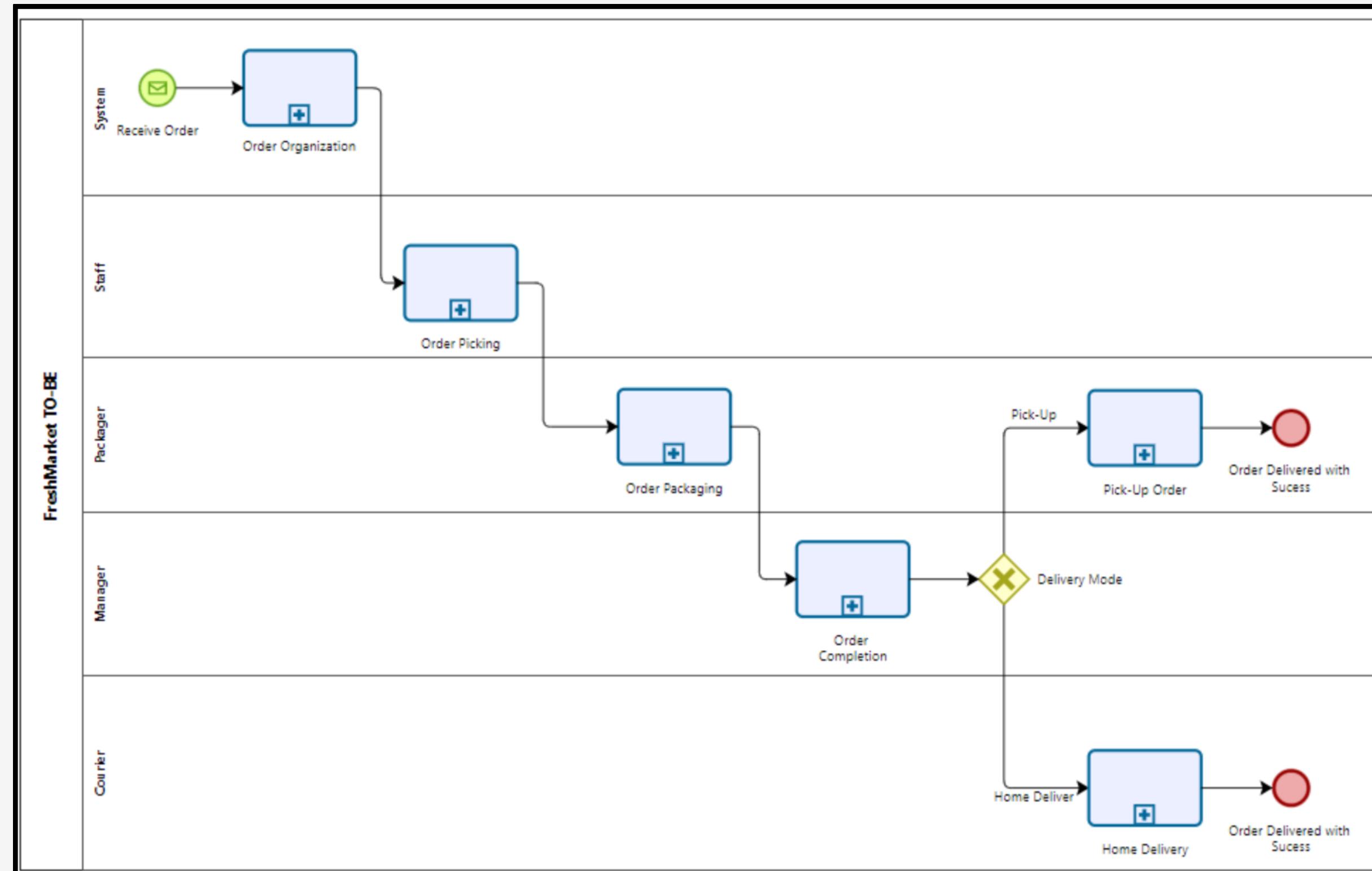


05

PROCESS REDESIGN (TO-BE)

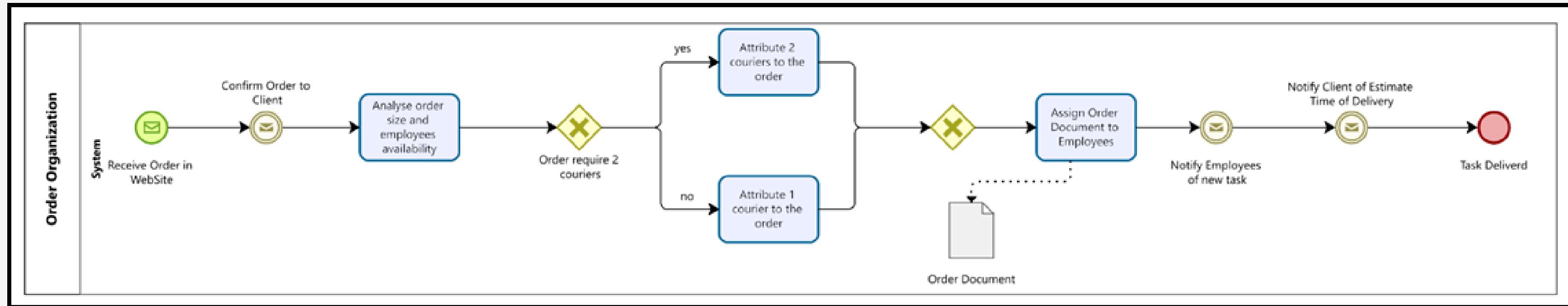
PROCESS REDESIGN (TO-BE)

Business Process Management - FreshMarket

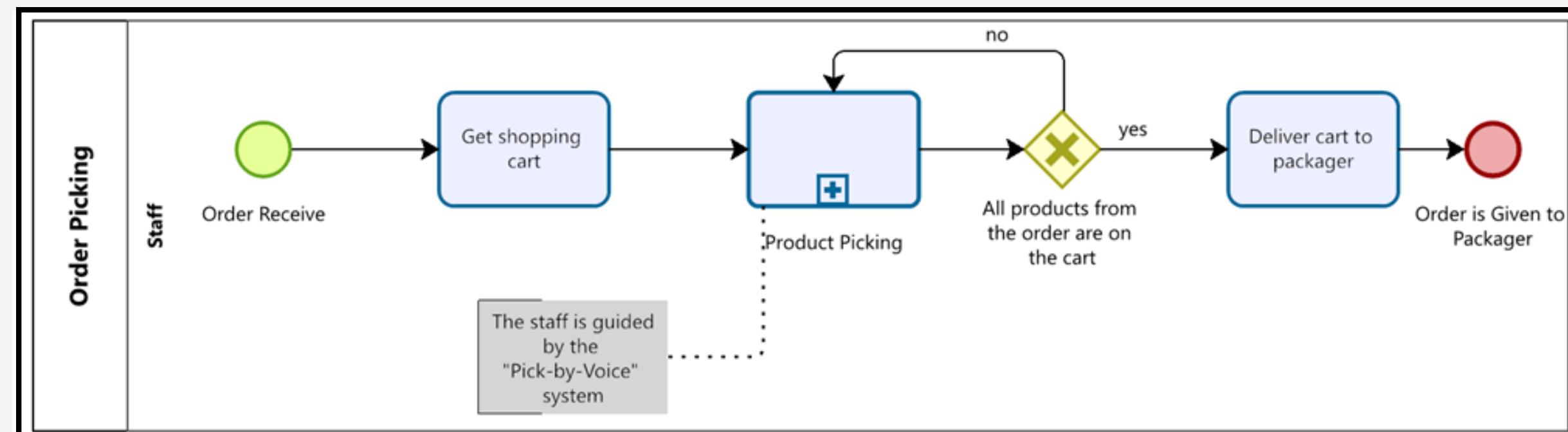


TO-BE PROCESS MODEL - Level 1 Overall Process

PROCESS REDESIGN (TO-BE)

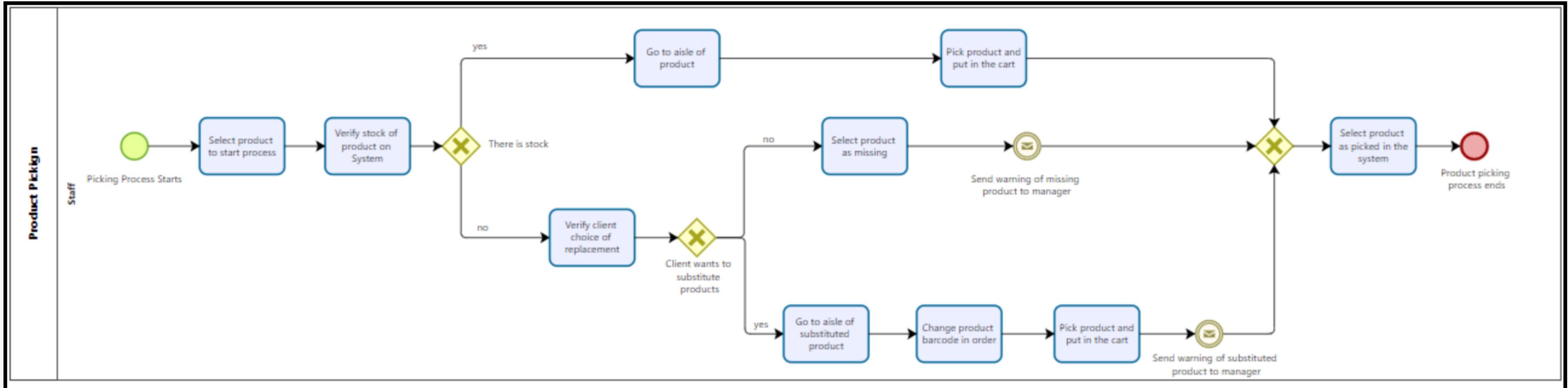


TO-BE PROCESS MODEL - Level 2 Order Organization



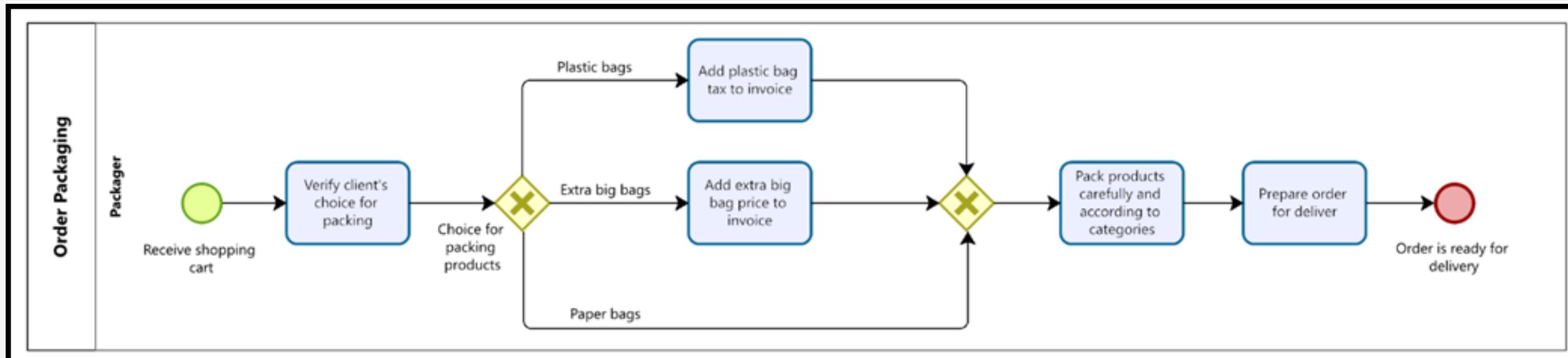
TO-BE PROCESS MODEL - Level 2 Order Picking

PROCESS REDESIGN (TO-BE)

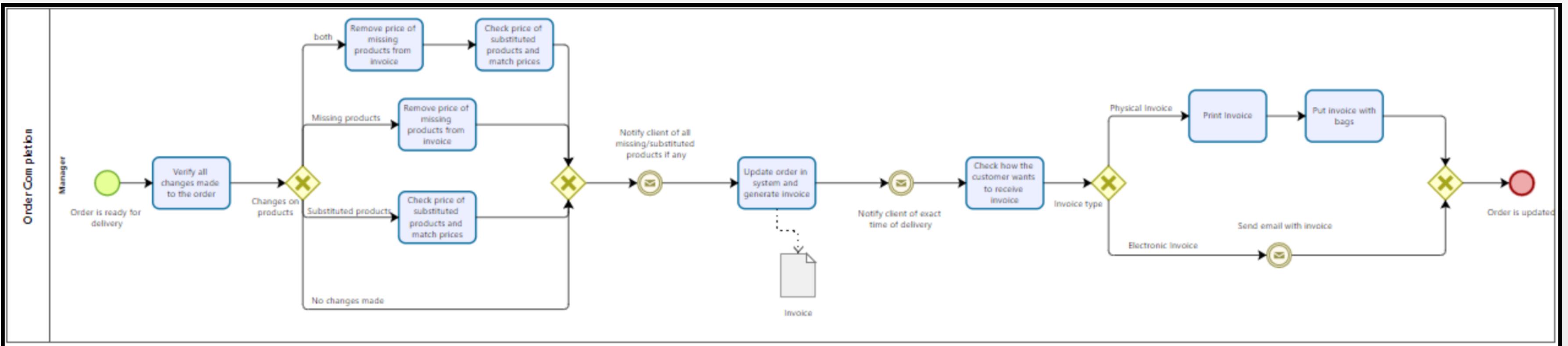


TO-BE PROCESS MODEL - Level 3 Product Picking

PROCESS REDESIGN (TO-BE)

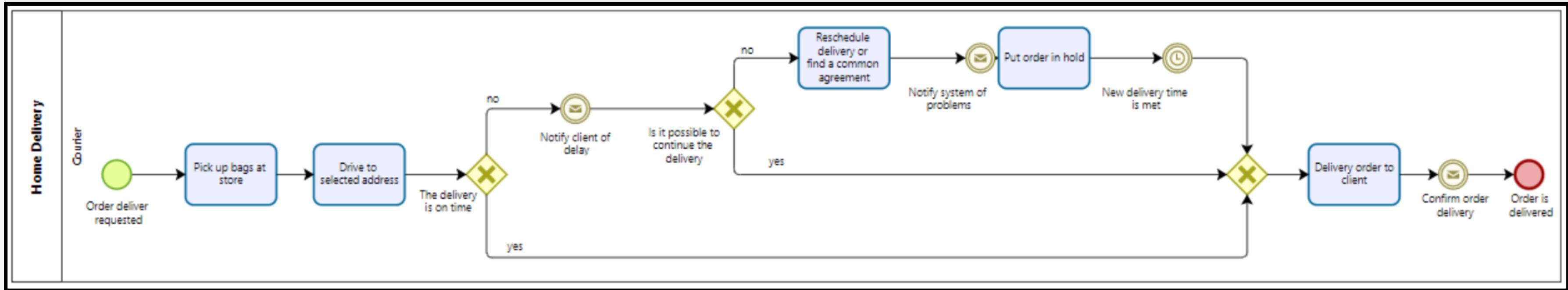


TO-BE PROCESS MODEL - Level 2 Order Packaging

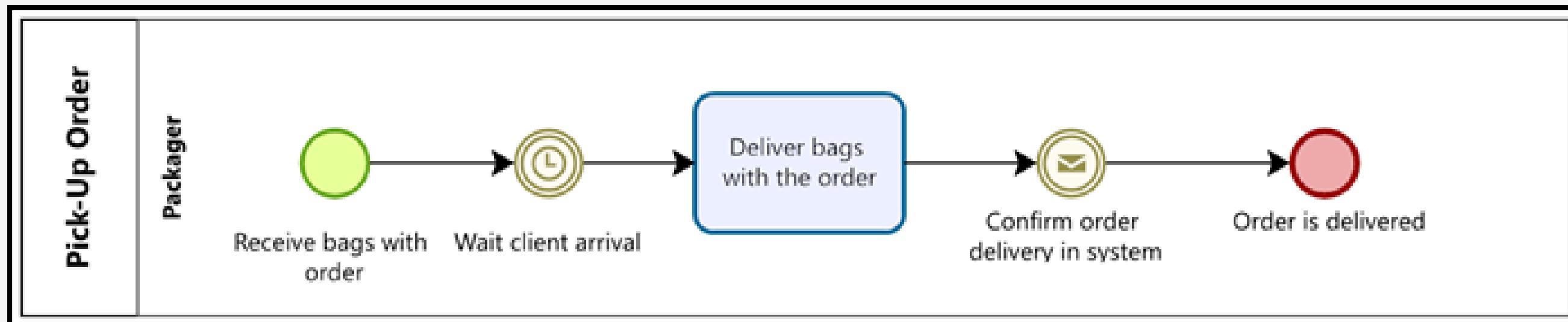


TO-BE PROCESS MODEL - Level 2 Order Organization

PROCESS REDESIGN (TO-BE)



TO-BE PROCESS MODEL - Level 2 Home Delivery



TO-BE PROCESS MODEL - Level 2 Pick-Up Order



06

FINANCIAL ANALYSIS, LIMITATIONS, AND CONCLUSION

FINANCIAL ANALYSIS

Business Process Management - FreshMarket

Alteration	Expected Effect	Cost/Gain
System Implementation (IMS - Lightspeed)**	Increase Cost in short term, but decrease in the long term	\$69 - \$229 per month
System Implementation (OMS - Webgility)	Increase Cost in short term, but decrease in the long term	\$109 per month
Hiring 1 Courier	---	\$750 per month
Hiring 1 Packager	---	\$700 per month
Dismissing 2 Cashiers	----	\$1500 per month
Reduction of Prints	Decrease Costs	---
Substitution of plastic to paper	Increase Costs Slightly	---



Turn the process of Picking the Products more efficient



Automatize the process of Receiving the Website Orders



Better allocation of the resources available



Reduce the use of plastic and paper by FreshMarket

LIMITATIONS AND CONCLUSION

● Conclusion

FreshMarket has some **improvements to do** in their actual process.

The process is full of **problems** and doesn't deal with the problems that appear during the process.

The implementation of the new changes although **costly** is a **great investment** for the company.

These new changes consist of: a **better allocation of resources**, **improved communication** between employees and with customers, and the **implementation of one or two software**, one for the process of receiving the orders and managing its distribution through the employees, and other help and improve the efficiency of picking the order.

Our new process has the purpose of solving most problems of the actual process, dealing with these problems, and finding a solution for all possible courses that an order can take.

● Limitations

Reduce information in the actual process of FreshMarket

Some assumptions might **not be fully correct**, when it comes to **time and cost**.

New model might need **more exploration and testing**



Thank You!