

Lecture case study

Case study description:

ABC is an Information Technology (IT) consulting firm, who charge their clients in return for various IT consultancy services. In the past few years, the consultants in this firm have been approving or declining requests for discount from prospective clients, on an ad-hoc basis. The firm wants to put an end to this ad-hoc practice and would like to ensure that whenever the consultants get a new consultancy opportunity, that requires a discount on the consultancy charges, they go through the right channels to get discount approvals. The proposed discount approval process is however complex, and is multi-structured as follows:

When a new request for discount on consultancy fees is made, the following information should be provided with it: *Requested Discount Percentage*, *Discount Approval Status*, and the *Client name* for whom the discount is being requested.

ABC would like to implement a two-phase discount approval process. For accountability reasons, they would like to ensure that every discount goes through this approval process. As soon as a discount request has been successfully lodged, the corresponding *Discount Approval Status* should be set to “*In Progress*”. Additionally, the person submitting the discount request (submitter) should receive an acknowledgment via email.

If the requested consultancy charge discount is less than 5%, the discount request should be automatically approved.

However, if the requested consultancy charge discount is between 5% - 8%, they are dealt during the first phase of the approval process. The *Head of Department* has the authority to either approve or decline consultancy charge discount requests between 5%-8%. Irrespective of the whether the request is accepted or declined by the Head of Department; an email should be sent to the consultant submitting the discount request informing him of the status update.

However, requests for consultancy fee discount greater than 8%, require a higher level of approval, and are to be approved by the Chief Executive Officer (CEO) as well. The CEO has the authority to either approve or decline discount requests made to him. Again, irrespective of his decision, an email should be sent to the consultant submitting the discount request informing him of the status update.

Finally, if the request is accepted by both the Head of Department *and* the CEO, the *Discount Approval Status* should be updated to “Approved” and the request submitter should be suitably informed. Similar corresponding set of actions need to be carried out, in case, the record is finally declined. The system should allow the submitter to recall submitted records.